

**City of Wolverhampton Council – Decisions taken by the Cabinet on Wednesday, 18 October 2023**

<b>Item 4</b>	
<b>Title</b>	Draft Budget 2024-2025 and Medium Term Financial Strategy
<b>Status</b>	Recommendations Approved
<b>Record of Decision</b>	<ol style="list-style-type: none"> <li>1. That the draft budget strategy and medium-term financial strategy which underpins Our City, Our Plan, including changes to corporate resource assumptions, growth and inflation and budget reduction and income generation proposals be approved.</li> <li>2. That authority be delegated to the Cabinet Member for Resources and the Cabinet Member for Job, Skills and Education, in consultation with the Director of Finance and the Director of Children’s Services, to approve changes to the local funding formula for Schools including method, principles and rules adopted.</li> <li>3. That authority be delegated to the Director of Finance to agree the Memorandum of Understanding (MoU) with Government for the ten-year, 100% Business Rates Retention for the West Midlands, in accordance with the Trailblazing Devolution Deal.</li> <li>4. That it be noted that, due to external factors, budget assumptions remain subject to change which could, therefore, result in alterations to the financial position of the Council. This includes assumptions with regards to the level of resources that would be available to the Council. Any reduction in Government’s allocation of funding to the Council would have a significant detrimental impact and further increase the budget deficit over the medium term.</li> <li>5. That it be noted that it is forecast that the budget deficit is £2.6 million for 2024-2025, rising to over £20 million in 2025-2026 and that work would continue to be undertaken to bring forward proposals to set a balanced budget for 2024-2025 and deliver a sustainable medium term financial strategy whilst seeking to maintain our ambition for the City in line with Our City: Our Plan.</li> <li>6. That it be noted that the Council has a good track record of strong financial management. However, as a consequence of the level of uncertainty across both demand for services and funding levels, the overall level of risk associated with the Draft Budget and Medium-Term Financial Strategy continues to be assessed as Red.</li> </ol>

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<b>Options Considered</b>	In determining the financial strategy, consideration has been made to the deliverability of budget reduction and income generation proposals, budget pressures and projected resources that will be made available to the Council. If we were not to implement the strategy outlined in this report, alternative options would need to be identified in order for the Council to set a balanced budget for 2024-2025.
<b>Reasons for Decision</b>	In order to ensure a balanced budget for 2024-2025 it is important that work is progressed as soon as possible. The approval of the draft budget strategy will enable the Council to undertake due diligence, consultation and scrutiny in a timely manner to fully inform the budget decision process in accordance with statutory deadlines.
<b>Record of Conflicts of Interest</b>	None
<b>Dispensation Granted</b>	Not applicable
<b>Decision available for implementation (subject to call-in)</b>	23 October 2023

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<b>Item 5</b>	
<b>Title</b>	'Event City': a new five-year event strategy for Wolverhampton
<b>Status</b>	Recommendations Approved
<b>Record of Decision</b>	<ol style="list-style-type: none"> <li>1. That the strategic aim to use city events as a place-shaping tool to make the City of Wolverhampton a 'destination of choice' for visitors with the vision that: <i>by 2028, we want people to think differently about the city... as a place where things happen, as a place they visit, maybe as a place they might look to relocate,</i> be endorsed.</li> <li>2. That the five-year operational events growth plan, recommended by consultants IPW, which would deliver a commercially focused programme aimed at boosting footfall, increasing economic and social benefit and transforming the reputation of the city be endorsed.</li> <li>3. That it be noted that additional investment of £399,000 is required to underwrite the delivery of this ambitious strategy. Funding would be considered as part of the 2024-2025 budget-setting process and medium-term financial strategy (MTFS) planning. Whilst this is not yet assumed in the working assumptions, work is being undertaken to determine an optimum funding strategy which may in the short term utilise appropriate reserves. Wherever possible, the aim will be, as the strategy sets out, to offset this expenditure through income from commercial events and external grant-funding as well as indirect benefit to the local economy.</li> </ol>
<b>Options Considered</b>	<p><b>Option one</b> - to make no changes to the existing approach and to continue to deliver the current programme which is primarily aimed at delivering community-level events within the city of local / regional significance and profile. This would result in a comparable level of footfall to previous years and would keep the profile, reputation and perceptions of the city at a similar level too. It would mean less direct and indirect economic benefit and fewer social value opportunities. It would certainly mean no investment in the infrastructure to build the wider strategic framework needed to create an 'event city'.</p> <p><b>Option two</b> - to partially implement the recommendations of this report. This would result in slightly higher levels of footfall to previous years and would increase the profile, reputation and perceptions of the city at a similar level too. It would also mean increased direct and indirect economic benefit and fewer social value opportunities. Whilst it may mean some investment in</p>

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	<p>growing some events and developing some new ones, it would also see no investment in the infrastructure to build the wider strategic framework needed to create an ‘event city’.</p> <p><b>Option three</b> - to implement the recommendations of this report which would see a step-change in the development of an events infrastructure and wider eco-system in the city. This would see significantly increased footfall over the five years of the strategy, greater direct and indirect economic benefit and more social value opportunities for local residents and businesses. It would also significantly improve the profile, reputation and perceptions of the city which, in turn, will help contribute to investment in the wider ‘visitor experience’ eco-system such as private sector funding for an enhanced food and beverage and hotel offer in the city.</p>
<b>Reasons for Decision</b>	Option three is recommended for the reasons set out above.
<b>Record of Conflicts of Interest</b>	None
<b>Dispensation Granted</b>	Not applicable
<b>Decision available for implementation (subject to call-in)</b>	19 October 2023

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<b>Item 6</b>	
<b>Title</b>	Biodiversity Net Gain and Nature Recovery in Wolverhampton
<b>Status</b>	Recommendations Approved
<b>Record of Decision</b>	<ol style="list-style-type: none"> <li>1. That the Black Country Local Nature Recovery Map and Strategy attached as Appendix 1 to the report be adopted for planning purposes, including strategic delivery of biodiversity net gain in Wolverhampton.</li> <li>2. That authority be delegated to the Leader of the Council and the Cabinet Member for Resources in consultation with the Director of City Development and Director of Finance to authorise completion of Conservation Covenants between the Council and an appropriate responsible body for Pendeford Open Space, Ladymoor Pool and Abbeyfield Parklands (or parts thereof) as detailed in paragraph 4.2 of the report, and the addition of these sites to the national Biodiversity Gain Site Register.</li> <li>3. That the Statement of Community Involvement, attached as Appendix 2 to the report, be approved to come into effect from 24 October 2023.</li> <li>4. That submission of Biodiversity Net Gain grant claims and subsequent establishment and spend of supplementary budgets in line with the grant funding conditions be approved.</li> </ol>
<b>Options Considered</b>	<p><b>Option one</b> - to make no preparations for the introduction of statutory biodiversity net gain and to allow the Statement of Community Involvement to become out of date. This would result in missed opportunities to direct biodiversity net gain to locations of strategic value for nature recovery and which would benefit local residents, and an inability to progress the Wolverhampton Local Plan, which is needed to progress the regeneration of the city.</p> <p><b>Option two</b> - to implement the recommendations of this report. This would allow statutory biodiversity net gain to be directed towards locations of strategic value for nature recovery and which would benefit local residents, and preparation of the Wolverhampton Local Plan, which is needed to progress the regeneration of the city.</p>

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<b>Reasons for Decision</b>	Option two has been selected in order to maximise delivery of statutory biodiversity net gain in strategic locations for nature recovery and for the benefit of local residents, and to provide an up-to-date Statement of Community Involvement to meet statutory planning requirements and allow preparation of the Wolverhampton Local Plan to proceed.
<b>Record of Conflicts of Interest</b>	None
<b>Dispensation Granted</b>	Not applicable
<b>Decision available for implementation (subject to call-in)</b>	23 October 2023

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<b>Item 7</b>	
<b>Title</b>	Wolverhampton Physical Activity Strategy
<b>Status</b>	Recommendation Approved
<b>Record of Decision</b>	The Health and Wellbeing Together Wolverhampton Physical Activity Strategy be noted.
<b>Options Considered</b>	The Wolverhampton Physical Activity Strategy is a partnership strategy owned by Health and Wellbeing Together.
<b>Reasons for Decision</b>	As part of Health and Wellbeing Together's Wolverhampton Joint Local Health and Wellbeing Strategy which aims to tackle inequalities in the city, a priority action was identified to re-design the system around increasing physical activity levels.
<b>Record of Conflicts of Interest</b>	None
<b>Dispensation Granted</b>	Not applicable.
<b>Decision available for implementation (subject to call-in)</b>	Not applicable.

**City of Wolverhampton Council – Decisions taken by the Cabinet on Wednesday, 18 October 2023**

<b>Item 8</b>	
<b>Title</b>	Social Housing Regulation Act 2023 - Landlord Services Review
<b>Status</b>	Recommendation Approved
<b>Record of Decision</b>	<p>That option 3; to implement the key findings, conclusions, and recommendations of the Independent Strategic Housing Review conducted by Campbell Tickell be approved. With a primary focus on the following:</p> <ol style="list-style-type: none"> <li>1. An overarching Shareholder Board as a focus for housing governance.</li> <li>2. Amend the Management Agreement and Partnership Pledge to reflect the Regulatory landscape and strengthen City of Wolverhampton Council's (CWC's) ability to lead on improvements where necessary.</li> <li>3. Strengthen the clienting arrangements with defined roles and responsibilities, accountabilities for demonstrating assurance and re-assurance, and clear reporting structures.</li> <li>4. Develop a shared evidence base to demonstrate Regulatory compliance, to support re-assurance testing, a clear line of sight and single view of the truth. CWC lead on creating a Data Process Strategy that ensures data is being recorded consistently across all teams with associated automated Data Quality and reporting.</li> <li>5. Align Wolverhampton Homes business planning cycles with those of CWC, including the objectives of the refreshed housing strategy.</li> <li>6. Review all Service Level Agreements and functions delivered to ensure services are fit for purpose, that adequate monitoring and oversight is in place across CWC which provides assurance to the Council and value for money for residents.</li> <li>7. Following the implementation of the recommended governance changes, review the effectiveness of the new Management Agreement in strengthening CWC expectations, providing sufficient oversight and whether this has provided the direct line of sight required for Regulatory compliance.</li> </ol>



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<b>Options Considered</b>	<p><b>Option one</b> - to make no change to the existing Management Agreement and Service Level Agreements between CWC and WH, resulting in the continuation of the current relationship until the end of the Management Agreement in March 2028. This option does not provide the Council with adequate assurance in meeting the requirements set by the Social Housing (Regulation) Act, Consumer Standards and Fire &amp; Building Safety Regulations. Therefore, we do not recommend this option.</p> <p><b>Option two</b> - for CWC to end the Management Agreement with WH. Closing The Arms Length Management Organisation (ALMO) would enable closer alignment of service delivery across Wolverhampton and provide direct control for CWC over critical services and programmes such as decarbonisation. It would eliminate the decision making, management layer and operating overheads of the ALMO operating model and create a direct line of sight regarding Regulatory compliance. There are benefits to this option and this should be further considered in the future. A risk in considering this at this stage could detract from our immediate focus of working toward being regulation and inspection ready. Therefore, we do not recommend this option.</p> <p><b>Option three (recommended)</b> - to implement the key findings, conclusions, and recommendations of CT's review. With a primary focus on the following:</p> <ol style="list-style-type: none"><li>1. An overarching Shareholder Board as a focus for housing governance.</li><li>2. Amend the Management Agreement and Partnership Pledge to reflect the Regulatory landscape and strengthen CWC's ability to lead on improvements where necessary.</li><li>3. Strengthen the clienting arrangements with defined roles and responsibilities, accountabilities for demonstrating assurance and re-assurance, and clear reporting structures.</li><li>4. Develop a shared evidence base to demonstrate Regulatory compliance, to support re-assurance testing, a clear line of sight and single view of the truth. CWC lead on creating a Data Process Strategy that ensures data is being recorded consistently across all teams with associated automated Data Quality and reporting.</li><li>5. Align WH business planning cycles with those of CWC, including the objectives of the refreshed housing strategy.</li><li>6. Review all SLAs and functions delivered to ensure services are fit for purpose, that adequate monitoring and oversight is in place across CWC which provides assurance to the Council and value for money for residents.</li></ol>
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	<p>7. Following the implementation of the recommended governance changes, review the effectiveness of the new Management Agreement in strengthening CWC expectations, providing sufficient oversight and whether this has provided the direct line of sight required for Regulatory compliance.</p>
<b>Reasons for Decision</b>	<p>Option 3 provides improved governance structures, performance monitoring and the ability to develop housing services that will ensure the management of council housing in the City of Wolverhampton remains fit for purpose, offers value for money for the tenants and continues to meet the Council’s key priorities whilst meeting regulatory requirements.</p>
<b>Record of Conflicts of Interest</b>	<p>None</p>
<b>Dispensation Granted</b>	<p>Not applicable</p>
<b>Decision available for implementation (subject to call-in)</b>	<p>19 October 2023</p>

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<b>Item 9</b>	
<b>Title</b>	Families First for Children Pathfinder
<b>Status</b>	Recommendations Approved
<b>Record of Decision</b>	<p>That Council be recommended to approve:</p> <ol style="list-style-type: none"> <li>1. The creation of a Deputy Director for Families First post with immediate effect to strategically lead the implementation and delivery of the Families First Programme. The post would be fully funded by grant from the Department for Education.</li> </ol> <p>That Cabinet notes:</p> <ol style="list-style-type: none"> <li>1. The progress made with our participation in the Department for Education Stable Homes, Built on Love: Families First for Children Pathfinder Programme.</li> <li>2. That the new delivery model would be presented to Cabinet in November 2023 and Full Council in December 2023.</li> </ol>
<b>Options Considered</b>	Initially the Programme has been led by a Head of Service while retaining their substantive role. This has proved difficult to balance due to the range of reforms required across the system within the timescales driven by the Department for Education.
<b>Reasons for Decision</b>	A dedicated strategic role is required given the scale of change and interface required to maintain local partnership engagement and national body influence to implement sustainable change.
<b>Record of Conflicts of Interest</b>	None
<b>Dispensation Granted</b>	Not applicable
<b>Decision available for implementation (subject to call-in)</b>	9 November 2023

**City of Wolverhampton Council – Decisions taken by the Cabinet on Wednesday, 18 October 2023**

<b>Item 10</b>				
<b>Title</b>	Investment Prospectus First Phase Delivery Plan - City Centre West			
<b>Status</b>	Recommendations Approved			
<b>Record of Decision</b>	<p>1. That authority be delegated to the Leader of the Council together with the Cabinet Member for Resources, in consultation with the Director of City Development, Director of Finance and Chief Operating Officer to approve the final heads of terms for the City Centre West development.</p> <p>2. That subject to recommendation 1 above, the appointment of Morgan Sindall Consortium (Muse) be approved, and it be agreed to subcontract its development obligations to the English Cities Fund (ECF) through a direct award via the Pagabo Developer Led Framework to deliver the City Centre West development.</p>			
<b>Options Considered</b>		<b>Option</b>	<b>Outcome</b>	<b>Impact</b>
		Land Disposal	The Council would lose control of the outcomes, benefits, quality, use and timing of any scheme.	The Council benefits of any social value or other council desired outputs would be lost.
		Council Led Land Promotion	This would allow the Council to control how, when and what was delivered on the site. However, it would require significant resources, revenue, and expertise to do so which the Council does not have.	There would be a delay in taking the development forward from the current position and require the Council to fund the development and take on the risk which is not attractive in the current market.

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	<p>Early partnering agreement - Land Disposal under conditional development agreement - competitive tender process</p>	<p>This would involve significant additional resources for the Council in terms of staff time and financial cost. Market failure has already been demonstrated in an earlier iteration of a leisure led scheme. The Council would have to call on expertise that is not currently within the Council. Both elements would require significant added resources and add additional risks to the Council.</p>	<p>Process would potentially be lengthened by up to a year through a competitive process whilst not a consideration it would require additional significant resources.</p>
	<p>Do nothing</p>	<p>The scheme is unlikely to progress</p>	<p>The benefits of the proposed scheme would not be realised</p>
<b>Reasons for Decision</b>	<ol style="list-style-type: none"> <li>1. The recommendations will progress the Council’s plans to regenerate the City Centre West scheme, this will provide a wide range of benefits with the introduction of new housing, new jobs, and opportunities as well as the social and economic benefits in linking the city back into the surrounding suburbs at precision and pace.</li> <li>2. It will deliver an inclusive and sustainable new quarter in the heart of Wolverhampton that incorporates circa 1,000 new homes, exceptional public realm, and leisure/retail use. City Centre West will be developed as a new quarter for the city centre providing a variety of uses.</li> </ol>		
<b>Record of Conflicts of Interest</b>	None		
<b>Dispensation Granted</b>	Not applicable		
<b>Decision available for implementation (subject to call-in)</b>	23 October 2023		

**City of Wolverhampton Council – Decisions taken by the Cabinet on Wednesday, 18 October 2023**

<b>Item 11</b>	
<b>Title</b>	Urgent decision relating to City Learning Quarter - Phase 2 College Contract Award
<b>Status</b>	Recommendations Approved
<b>Record of Decision</b>	<p>That the following decision relating City Centre Learning Quarter – Phase 2 College Contract Award made under Urgent Decisions for Cabinet be noted:</p> <ol style="list-style-type: none"> <li>1. Approved the use of the urgent action powers outlined in Part 12.9 of the Council’s constitution detailed in paragraphs 2.1 regarding the use of Urgent Decision.</li> <li>2. Approved that the Council enters into a NEC4 construction contract for the Phase 2 College with McLaughlin and Harvey Limited to progress and complete the Phase 2 College element of the City Learning Quarter subject to the following: <ol style="list-style-type: none"> <li>a. Agreement of terms and conditions to the satisfaction of the Chief Operating Officer and the Director of Finance.</li> </ol> </li> <li>3. Authorised the Chief Operating Officer to negotiate, execute, seal and complete all necessary documents to give effect to the above recommendations.</li> </ol>
<b>Options Considered</b>	<ol style="list-style-type: none"> <li>1. The Council has an option to do nothing as the PSSC has ended and there is no legal obligation to proceed with the NEC4 Construction Contract with McLaughlin &amp; Harvey. However, choosing this route and not entering into the NEC4 Contract will result in further programme slippage and/ or the project not being delivered at all.</li> <li>2. The option of retendering is not viable as it would substantially extend the programme there is no guarantee that this would result in a lower tendered sum. Not proceeding with the NEC4 Contract award to McLaughlin &amp; Harvey would result in programme slippage and the likelihood that full defrayal of all capital grants will not be achieved by the funders’ long stop dates. Consequently, it is probable that the grants may be suspended or withheld.</li> </ol>

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	<p>3. There is a risk that prolonged delays may lead to the cancellation of the project as it becomes financially challenged and unviable over time. If this occurs it is likely that the Council may need to repay Towns Fund and Levelling Up Fund grants which have been utilised so far to develop the project.</p>
<p><b>Reasons for Decision</b></p>	<p>1. The decision to award the Phase 2 Main College build NEC4 construction contract will enable the Main College new build, refurbishment and external works to be delivered to facilitate College occupation as soon as possible during Academic Year 2025 – 2026.</p> <p>2. Entering into the building contract, ahead of executing both the Development Agreement and DfE Funding Agreement, introduces additional risk to the Council, compared with having both documents already in place. However, the likelihood of the project not proceeding as a result of the offer from the contractor no longer being available to the Council is considered a higher risk, as it ultimately would put the overall City Learning Quarter project at risk of failure (owing to further increases in costs due to delays outside of the Council’s control; requirements related to funding spend profiles, and the completion of the Phase 2 College going beyond the start of the academic year 2025-2026 which is a key milestone).</p>
<p><b>Record of Conflicts of Interest</b></p>	<p>Mark Taylor, Deputy Chief Executive - Chair of Governors of Wolverhampton College.</p>
<p><b>Dispensation Granted</b></p>	<p>Not applicable</p>
<p><b>Decision available for implementation (subject to call-in)</b></p>	<p>Not applicable</p>

**City of Wolverhampton Council – Decisions taken by the Cabinet on Wednesday, 18 October 2023**

<b>Item 12</b>	
<b>Title</b>	Exclusion of press and public
<b>Status</b>	Recommendation Approved
<b>Record of Decision</b>	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 relating to the financial or business affairs of any particular person (including the authority holding that information).
<b>Options Considered</b>	Not applicable.
<b>Reasons for Decision</b>	Not applicable.
<b>Record of Conflicts of Interest</b>	Not applicable.
<b>Dispensation Granted</b>	Not applicable.
<b>Decision available for implementation (subject to call-in)</b>	Not applicable.



**City of Wolverhampton Council – Decisions taken by the Cabinet on Wednesday, 18 October 2023**

<b>Item 13</b>	
<b>Title</b>	Urgent decision relating to City Learning Quarter - Phase 2 College Contract Award
<b>Status</b>	Recommendations Approved
<b>Record of Decision</b>	<p>That the following decision relating City Centre Learning Quarter – Phase 2 College Contract Award made under Urgent Decisions for Cabinet be noted:</p> <ol style="list-style-type: none"> <li>1. Approved the use of the urgent action powers outlined in Part 12.9 of the Council’s constitution detailed in paragraphs 2.1 regarding the use of Urgent Decision.</li> <li>2. Approved that the Council enters into a NEC4 construction contract for the Phase 2 College with McLaughlin and Harvey Limited to progress and complete the Phase 2 College element of the City Learning Quarter subject to the following: <ol style="list-style-type: none"> <li>a. Agreement of terms and conditions to the satisfaction of the Chief Operating Officer and the Director of Finance.</li> </ol> </li> <li>3. Authorised the Chief Operating Officer to negotiate, execute, seal and complete all necessary documents to give effect to the above recommendations.</li> </ol>
<b>Options Considered</b>	As detailed in the exempt report.
<b>Reasons for Decision</b>	As detailed in the exempt report.
<b>Record of Conflicts of Interest</b>	Mark Taylor, Deputy Chief Executive - Chair of Governors of Wolverhampton College.
<b>Dispensation Granted</b>	Not applicable
<b>Decision available for implementation (subject to call-in)</b>	Not applicable