

Attendance

Members of the Cabinet

Cllr Roger Lawrence (Chair)
Cllr Peter Bilson (Vice-Chair)
Cllr Steve Evans
Cllr Louise Miles
Cllr Hazel Malcolm
Cllr Lynne Moran
Cllr John Reynolds
Cllr Paul Sweet

Employees

Mark Taylor	Deputy Managing Director
Claire Nye	Director of Finance
Kevin O'Keefe	Director of Governance
Emma Bennett	Director of Children's Services
David Watts	Director of Adult Services
Richard Lawrence	Director of Regeneration
Kate Martin	Service Director - City Housing
Jaswinder Kaur	Democratic Services Manager
Philippa Salmon	Democratic Services Officer

Part 1 – items open to the press and public

- | <i>Item No.</i> | <i>Title</i> |
|-----------------|--|
| 1 | Apologies for absence
Apologies for absence were received from Councillor Val Gibson and Councillor Sandra Samuels OBE. |
| 2 | Declaration of interests
There were no declarations of interest submitted. |
| 3 | Minutes of the previous meeting
That the minutes of the previous meeting held on 12 December 2018 be approved as a correct record and signed by the Chair. |
| 4 | Matters arising
There were no matters arising from the minutes of the previous meeting. |

5 **Local Council Tax Support Scheme**

Councillor Louise Miles presented the Local Council Tax Support Scheme for approval and recommendation to Council. Proposed revisions to the scheme included the introduction of a minimum charge rule so that increases or decreases in entitlement of £3 or less per week were not applied to the assessment. In addition, the calculation of council tax support would be based on the household and financial information used to calculate Universal Credit and claims for council tax support would be accepted from notification of an award of Income Support, Jobseeker's Allowance (income-based), Employment and Support Allowance (income-related) or Universal Credit.

Resolved:

Council is recommended to:

1. Approve a revision to the Local Council Tax Support Scheme so that changes in entitlement of £3 or less are not applied.
2. Approve a revision to the Local Council Tax Support Scheme so that the financial and household information used to assess entitlement to Universal Credit is used to calculate council tax support.
3. Approve a revision to the Local Council Tax Support Scheme so that claims will be accepted from notification of an award of Income Support, Jobseeker's Allowance (income-based), Employment and Support Allowance (income-related) or Universal Credit.
4. Approve the revised scheme for adoption from 1 April 2019.
5. Approve a scheme of transitional protection for 2019-2020.

Cabinet resolved:

1. That the consultation feedback and equality analysis be noted.

6 **Housing Revenue Account Business Plan 2019-2020 including Rents and Service Charges**

Councillor Peter Bilson presented the Housing Revenue Account Business Plan 2019-2020 including Rents and Service Charges for approval and recommendation to Council. Councillor Peter Bilson referred to the amended Appendix 1 in the Supplementary Pack that contained updated figures. The additional borrowing flexibility in the updated Housing Revenue Account (HRA) Business Plan would provide opportunities for the Council to increase the provision of new homes for rent, whilst continuing to invest in better and safer homes programmes to the existing stock and improving and redeveloping housing estates. The report also detailed a proposed HRA budget for 2019-2020, including proposed rents and service charges to take effect from 1 April 2019, and a proposed HRA Capital Programme for the period 2019-2020 to 2022-2023.

Resolved:

Council is recommended to:

1. Approve the implementation of the 1% reduction in social housing rents in accordance with the Welfare Reform and Work Act and to give 28 days' notice to all secure and introductory tenants of the rent reduction from 1 April 2019.
2. Adopt the Business Plan set out at Appendix 1 to this report as the approved Housing Revenue Account Business Plan including:
 - a. The revenue budget for 2019-2020 at Appendix 1B to this report
 - b. The Capital Programme for 2019-2020 to 2023-2024 at Appendix 1C to this report to include the following;

- Provision of £24.0 million for estate remodelling
 - An increase to the budget for the refurbishment of Heath Town Estate of £10.1 million
 - An addition of £15.0 million to the budget for High Rise mechanical and electrical infrastructure
 - Total new build programme provision of £157.3 million with £5.0 million for community housing development at Bushbury Hill, £4.0 million for phase 5 of the small sites programme and £60.0 million set aside for future development.
3. Approve the rates for garage rents and service charges set out in Appendix 2 to this report and formally notify tenants. There is one stepped increase to approve, all other charges remain the same.

Cabinet resolved:

1. That the consultation responses be noted as outlined at Appendix 3 to this report.
2. That it be noted that the limited 'Additional Needs' Housing Revenue Account Borrowing Offer 2018 for Specific Borrowing was not made available for the City of Wolverhampton due to eligibility criteria. However, on 29 October 2018 the Housing Revenue Account borrowing cap was abolished in the Chancellor's Budget which now affords the City with the potential for additional borrowing to support Landlord Services and provide for future housing needs.
3. That it be noted that the issues discussed in the 2018 Social Housing Green Paper which sets out five principles for a new fairer deal for social housing residents focusing on the provision of safe and decent homes, resolving complaints, empowering tenants, tackling stigma and building new homes.
4. That it be noted that the National Building Safety Programme of the Ministry of Housing, Communities and Local Government and the Grenfell Inquiry pending its full outcomes, will impact upon future building safety planning. The Hackett Review 2018 makes recommendations for residential building safety and improvements to be considered as part of all future HRA asset management and improvement planning.
5. That it be noted that a review of the Housing Revenue Account Total Operating Model from 2019-2020 will consider future planning for Better Homes Investment (from 2022), the outcomes of the National Building Safety Programme, the Housing Revenue Account Asset Management Plan and future management arrangements for Housing Landlord Services.
6. That it be noted that a new National Regulator of Social Housing was established in 2018. Currently this regulator oversees Registered Housing Providers (Housing Associations) however, nationally a review is underway to consider an extension of this regulation to Local Authority owned housing, including stock managed by Arms-Length Management Organisations and Tenant Management Organisations.

7

i54 Western Extension

Councillor John Reynolds presented the i54 Western Extension for approval and recommendation to Council. The report provided an update on the current position of i54 and the resulting outcomes. It also set out the current status of i54 Western Extension and the funding and delivery strategy for delivery of the City's 60 acres through to realisation of outputs.

Resolved:

Council is recommended to:

1. Agree to be a 50:50 investment partner for i54 Western Extension to be funded through the funding strategy and driving principles as set out in the report.
2. Approve a phased budget approach working on the principles of working with the partners to secure and maximise grant funding and contributions, use of capital receipts generated from the site and any with borrowing being repaid from future business rates generated from the site.
3. Approve the use of the capital receipts generated from the site to form part of the funding package.
4. Delegate authority to the Cabinet Member for City Economy and Cabinet Member for Resources, in consultation with the Director of Regeneration and Director of Finance, to:
 - a. Approve supplementary capital budgets for Phase 1, 2 and 3 on the basis that budgets are fully funded through external funding, existing borrowing approvals and contributions from Staffordshire County Council.
 - b. Approve Phase 1, 2 and 3 capital budgets to cover the potential transfer of Staffordshire County Council's 50% share of grants and contributions in accordance with the funding strategy set out in this report.

Cabinet resolved:

1. That the emerging proposals to bring forward the 100-acre extension to i54 Western Extension in partnership with Staffordshire County Council be endorsed.
2. That the continuation of the design, management and delivery project for the City's 60 acres known as i54 Western Extension (South) including an Access Road, Services Infrastructure and Platform Preparation works be approved.
3. That Staffordshire County Council acting as the lead authority and commissioning body for the detailed design and construction of the proposed site access road be approved.
4. That authority be delegated to the Cabinet Member for City Economy and Cabinet Member for Resources, in consultation with the Director of Regeneration and Director of Finance, to;
 - a. Approve the Council entering into a Joint Venture Agreement with Staffordshire County Council for the management, funding and delivery of the Access Road, Services Infrastructure, Platform Preparation and all associated marketing, promotion and disposal for employment use.
 - b. Approve the Council entering into a Collaboration Agreement for Business Rate Retention and Distribution Agreement with South Staffordshire Council, Staffordshire County Council in relation to the retention and distribution of business rates from i54 western extension.
 - c. Approve the Council entering into an agreement with Midlands Land Portfolio Limited to surrender their 'Option Agreement' on the completion of the Access Road and release restrictive covenants over land owned by the Council.
 - d. Make further appointments of consultants and contractors as appropriate to develop the works design and undertake the necessary procurement of the works.
 - e. Approve the Council entering into a Grant Funding Agreement with Black Country LEP for the Access Road funded through the Local Growth Fund – Transport Fund.
 - f. Approve the Council entering into a Grant Funding Agreement with Black Country LEP for the Platform Preparation Works funded through the Land Property Investment Fund.

- g. Agree and implement a marketing, promotion and disposal strategy in alignment with Partners agreed desired outcomes.
 - h. Approve, in conjunction with Staffordshire County Council the appointment of contractor(s) as appropriate to deliver the physical works in accordance with the delivery strategy and approve the Council entering into any such contracts and agreements necessary for their appointment.
 - i. Approve the terms of any other ancillary agreements required for the Council to enter into including but not limited to Planning Agreements, Highways Agreements, Warranties and agreements necessary for the connecting the site with services and utilities.
 - j. Approve the Council entering into any agreements, transfer or leases relating to the disposal of the development to plot purchasers.
5. That the progress made in delivering the i54 project to date, the economic and social outputs realised to date and the Partners return on investment be noted.
 6. That the progress made on i54 Western Extension including the planning application process, key outputs and delivery programme be noted.
 7. That the status of the funding strategy, key delivery agreements and governance arrangements including, the Joint Venture Agreement and Business Rate Retention Agreement with Staffordshire County Council and South Staffordshire Council be noted.
 8. That the current position of discussions with Midland Land Portfolio Limited, Severn Trent's property vehicle and title holder of the adjoining 40 acres be noted.
 9. That the Delivery Strategy and Decision Gateway matrix which will provide a process for managing the instruction and expenditure of ongoing work be noted.
 10. That it be noted that approval for capital budgets required for phase 4 and 5 will be sought in separate reports in accordance with the funding strategy and decision gateway strategy as set out in this report.

8 **Draft Budget and Medium Term Financial Strategy 2019-2020 – Provisional Local Government Finance Settlement Update**

Councillor Louise Miles presented the Draft Budget and Medium Term Financial Strategy 2019-2020 – Provisional Local Government Finance Settlement Update for noting. The report provided an overview of the 2019-2020 Provisional Local Government Finance Settlement announced on 13 December 2018.

Resolved:

1. That the outcome of the 2019-2020 Provisional Local Government Finance Settlement be noted.
2. That it be noted that the final budget report presented to Cabinet on 20 February 2019 will reflect the outcome of the settlement, budget consultation, scrutiny work and detailed budget work for 2019-2020, including a review of all budget reduction proposals and the risks associated with their delivery.

9 **Budget 2019-2020 - Outcome of Budget Consultation and Scrutiny Review**

Councillor Louise Miles presented the Budget 2019-2020 - Outcome of Budget Consultation and Scrutiny Review for consideration. The report detailed the budget consultation, undertaken to support the 2019-2020 budget setting process and Scrutiny Board's feedback on the Medium Term Financial Strategy, allowing for Councillors' consideration of the responses to the consultation and budget scrutiny process. The completed set of responses to the consultation would be considered in the final budget. Thanks were extended to all those who participated in the consultation.

Resolved:

1. That the responses to the 2019-2020 Budget Consultation as detailed in this report be considered.
2. That the responses from the Scrutiny Board in relation to the Draft Budget and Medium Term Financial Strategy 2019-2020 be considered.
3. That it be noted that the proposals for future budget consultation and budget scrutiny processes will be drawn up and incorporated into a future Budget Strategy Report.

10

Council Tax Base and Business Rates (NDR) Net Rate Yield 2019-2020

Councillor Louise Miles presented the Council Tax Base and Business Rates (NDR) Net Rate Yield 2019-2020 for approval. The report set the estimates for the Wolverhampton Collection Fund for 2019-2020, which the Council managed on behalf of local precepting bodies and Central Government.

Resolved:

1. That the Collection Fund Council Tax Base for 2019-2020 be set at 63,996.44 Band D equivalents.
2. That the Collection Fund Business Rates, also referred to as Non-Domestic (NDR), Net Rate Yield for 2019-2020 be set at £74.4 million.
3. That authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance, to approve amendments to:
 - a. The final Business Rates net rate yield as required as a result of changes to the NNDR1 form (National Non-Domestic Rates return) by the Ministry of Housing, Communities and Local Government or data revisions and changes in projections;
 - b. The Council Tax Base as a result of any data revisions and changes in projections.

11

Collection Fund Estimated Outturn 2018-2019

Councillor Louise Miles presented the Collection Fund Estimated Outturn 2018-2019 for approval. The report provided the estimated outturn for Council Tax and Business Rates, also referred to as Non-Domestic Rates (NDR), transactions on the Collection Fund in 2018-2019.

Resolved:

1. That the payments to the precepting authorities of their share of the Council Tax surplus in equal instalments be approved.

The estimated outturn in 2018-2019 is a cumulative surplus of approximately £1.2 million. Based on their proportion of the 2018-2019 council tax bill, as approved by Council in March 2018 the amounts are as follows:

 - City of Wolverhampton Council £1.0 million
 - West Midlands Police £86,000
 - West Midlands Fire Service £40,000
2. That the apportionment of the payments from the precepting authority of their share of the Business Rates deficit, also referred to as Non-Domestic Rates, deficit in equal instalments be approved.

The estimated outturn in 2018-2019 is a cumulative deficit of approximately £1.1 million; this is as a result of a cumulative surplus totalling £619,000 brought forward from 2017- 2018 and an estimated deficit in 2018-2019 totalling

approximately £1.7 million. As prescribed by legislation the amounts are as follows:

- City of Wolverhampton Council £1.1 million deficit
 - West Midlands Fire Service £11,000 deficit
3. That authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance, to confirm any final changes to the forecast outturn reflecting any further information received ahead of the statutory deadline of 31 January 2019.

12 **Defra grant funding for Air Quality**

Councillor Steve Evans presented the Defra grant funding for Air Quality for approval. The Government had issued ministerial direction relating to work on accelerating compliance with air quality limits at certain identified locations within the City. The Council had been compelled to undertake key actions that could have a demonstrable effect on pollution levels. The Department for Environment, Food and Rural Affairs had awarded funding to assist the Council in delivering the identified interventions. The report sought approval to establish an associated budget and delegated authority to the Cabinet Member for Environment, in consultation with the Director of Finance, to accept the grant on behalf of the Council.

Resolved:

1. That the establishment of the budget to allow the identified works be approved as set out in the report to be carried out and the grant to be spent.
2. That authority be delegated to the Cabinet Member for City Environment, in consultation with the Director of Finance, to accept a grant from the Department for Environment Food and Rural Affairs on behalf of City of Wolverhampton Council and approve the terms of any grant agreement.
3. That it be noted that, in addition, the Department for Environment Food and Rural Affairs has issued the West Midlands Combined Authority with a £3 million grant to be spent on cleaning the bus fleet that use the section of road identified. This aspect of the grant will be delivered by Transport for West Midlands.

13 **Adult Education: Quality of Provision 2017-2018**

Councillor Lynne Moran presented the Adult Education: Quality of Provision 2017-2018 for endorsement. The Annual Self-Assessment Report and Quality Improvement Plan were key documents produced by the Adult Education Service to evaluate and improve the quality of education provided to Wolverhampton residents. The reports would be used by Ofsted when planning and conducting an inspection with a provider. The documents required endorsement by Cabinet to ensure effective governance for the Adult Learning Service.

Resolved:

That the Adult Education's Self-Assessment Report for 2017-2018 and the Quality Improvement Plan for 2018-2019 be endorsed.

14 **Exclusion of press and public**

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

15

i54 Western Extension

Councillor John Reynolds presented the second part of the i54 Western Extension that was exempt as it contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

Resolved:

That the recommendations be approved as detailed in the public report at Item 7.