

Council Meeting

18 September 2019

Time 5.45 pm **Public Meeting?** YES **Type of meeting** Full Council

Venue Council Chamber - Civic Centre, St Peter's Square, Wolverhampton WV1 1SH

Membership (Quorum for this meeting is 15 Councillors)

Mayor Cllr Claire Darke (Lab)

Deputy Mayor Cllr Greg Brackenridge (Lab)

Labour

Cllr Obaida Ahmed
Cllr Harman Banger
Cllr Mary Bateman
Cllr Philip Bateman MBE
Cllr Payal Bedi-Chadha
Cllr Peter Bilson
Cllr Olivia Birch
Cllr Dr Paul John Birch J.P.
Cllr Alan Bolshaw
Cllr Ian Brookfield
Cllr Paula Brookfield
Cllr Alan Butt
Cllr Craig Collingswood
Cllr Jacqui Coogan
Cllr Jasbinder Dehar
Cllr Steve Evans

Cllr Val Evans
Cllr Bhupinder Gakhal
Cllr Dr Michael Hardacre
Cllr Celia Hibbert
Cllr Keith Inston
Cllr Jasbir Jaspal
Cllr Milkinderpal Jaspal
Cllr Rashpal Kaur
Cllr Rupinderjit Kaur
Cllr Roger Lawrence
Cllr Linda Leach
Cllr Hazel Malcolm
Cllr Asha Mattu
Cllr Barbara McGarrity QN
Cllr Louise Miles
Cllr Beverley Momenabadi

Cllr Lynne Moran
Cllr Anwen Muston
Cllr Phil Page
Cllr Rita Potter
Cllr John Reynolds
Cllr Susan Roberts MBE
Cllr John Rowley
Cllr Zee Russell
Cllr Sandra Samuels OBE
Cllr Caroline Siarkiewicz
Cllr Stephen Simkins
Cllr Clare Simm
Cllr Mak Singh
Cllr Paul Sweet
Cllr Jacqueline Sweetman
Cllr Martin Waite

Conservative

Cllr Paul Appleby
Cllr Simon Bennett
Cllr Jonathan Crofts
Cllr Christopher Haynes
Cllr Sohail Khan
Cllr Paul Singh
Cllr Udey Singh
Cllr Jane Stevenson
Cllr Wendy Thompson
Cllr Jonathan Yardley

Information for the Public

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

Contact Jaswinder Kaur
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Wolverhampton WV1 1RL

Copies of other agendas and reports are available from:

Website <http://wolverhampton.moderngov.co.uk>
Email democratic.services@wolverhampton.gov.uk
Tel 01902 550320

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Agenda

Item No. *Title*

MEETING BUSINESS ITEMS

- 1 **Apologies for absence**
- 2 **Declarations of interest**
- 3 **Minutes of previous meeting** (Pages 5 - 18)
[To receive minutes of the Extraordinary and Ordinary Council meetings held on 17 July 2019.]
- 4 **Communications**
[To receive the Mayor's announcements]

DECISION ITEMS

- 5 **Audit and Risk Committee Annual Report 2018-2019** (Pages 19 - 32)
[To approve the Audit and Risk Committee Annual Report 2018 – 2019.]
- 6 **i54 Western Extension – Phases 4 & 5 Budget Approval** (Pages 33 - 36)
[To approve budgets and legal agreements to commence Phase 4 and 5 works on the i54 / Western Extension.]

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CITY OF
WOLVERHAMPTON
COUNCIL

Extraordinary Meeting of the Council

Minutes - 17 July 2019

Attendance

Mayor Cllr Claire Darke (Lab)
Deputy Mayor Cllr Greg Brackenridge (Lab)

Labour

Cllr Obaida Ahmed	Cllr Dr Michael Hardacre	Cllr Anwen Muston
Cllr Harman Banger	Cllr Celia Hibbert	Cllr Phil Page
Cllr Mary Bateman	Cllr Keith Inston	Cllr Rita Potter
Cllr Philip Bateman MBE	Cllr Jasbir Jaspal	Cllr John Reynolds
Cllr Alan Bolshaw	Cllr Milkinderpal Jaspal	Cllr Susan Roberts MBE
Cllr Ian Brookfield	Cllr Rashpal Kaur	Cllr John Rowley
Cllr Paula Brookfield	Cllr Rupinderjit Kaur	Cllr Zee Russell
Cllr Alan Butt	Cllr Roger Lawrence	Cllr Sandra Samuels OBE
Cllr Craig Collingswood	Cllr Linda Leach	Cllr Caroline Siarkiewicz
Cllr Jacqui Coogan	Cllr Hazel Malcolm	Cllr Stephen Simkins
Cllr Jasbinder Dehar	Cllr Asha Mattu	Cllr Clare Simm
Cllr Steve Evans	Cllr Barbara McGarrity QN	Cllr Paul Sweet
Cllr Val Evans	Cllr Louise Miles	Cllr Jacqueline Sweetman
Cllr Bhupinder Gakhal	Cllr Beverley Momenabadi	Cllr Martin Waite

Conservative

Cllr Paul Appleby	Cllr Udey Singh
Cllr Simon Bennett	Cllr Jane Stevenson
Cllr Jonathan Crofts	Cllr Wendy Thompson
Cllr Christopher Haynes	Cllr Jonathan Yardley
Cllr Sohail Khan	

Employees

Tim Johnson	Managing Director
Tracey Christie	Head of Legal Services
Ross Cook	Director of City Environment
John Denley	Director of Public Health
Ian Fegan	Director of Communications and External Relations
David Watts	Director of Adult Services
Alison Shannon	Chief Accountant
Jaswinder Kaur	Democratic Services Manager
Shelley Humphries	Democratic Services Officer

Item No. Title

1 Apologies for absence

Apologies for absence were received from Councillors Payal Bedi-Chadha, Peter Bilson, Olivia Birch, Dr Paul Birch J.P, John Rowley and Paul Singh.

2 Declarations of interest

There were no declarations of interest made.

3 Conferring the Title of Honorary Alderman

The Leader of the Council, Councillor Ian Brookfield presented the report on Conferring the Title of Honorary Alderman. He requested that pursuant to the powers contained in Section 249 of the Local Government Act 1972, the Council confer the title of Honorary Alderman to former Councillors Peter O'Neill and Tersaim Singh.

The Leader of the Council, Councillor Ian Brookfield added Mr O'Neill had a total of 27 years' distinguished service. He had served the residents of both Low Hill Ward and Bushbury South Ward, but also held many important positions within the Council impacting on the lives of the citizens of our whole City and served on many committees.

The Leader of the Council, Councillor Ian Brookfield added Mr Singh had a total of 28 years' distinguished service. He had served the residents of St Peters Ward but also held many important positions within the Council impacting on the lives of the citizens of our whole City. He was the Mayor of the City of Wolverhampton in 2000-2001 and served on many committees.

The Leader of the Council, Councillor Ian Brookfield proposed the recommendation, Councillor Wendy Thompson seconded the recommendation. They paid tribute to the contributions of former Councillors Peter O'Neill and Tersaim Singh.

Resolved:

That the title of Honorary Alderman be conferred on former Councillors Peter O'Neill and Tersaim Singh.

The Mayor, on behalf of the City Council, presented Mr O'Neill with a badge to commemorate his appointment. Honorary Alderman O'Neill then gave an acceptance speech.

The Mayor, on behalf of the City Council, presented Mr Singh with a badge to commemorate his appointment. Honorary Alderman Singh then gave an acceptance speech.

4 Friendship Agreement with Arjunthara Municipality, Nepal

Councillor Sandra Samuels OBE, presented the report on Friendship Agreement with Arjunthara Municipality, Nepal. She advised the Ambassador of Nepal to England had approached the former Mayor, Councillor Phil Page in October 2018 to explore

forming a sister city relationship. Since then a Memorandum of Understanding had been developed and accepted by the Government of Nepal. The friendship agreement had also been reviewed by the Council.

She added a dinner to celebrate the occasion would take place later this evening and that the Ambassador of Nepal had also invited Councillors this Saturday to a celebratory event and dinner in London.

Councillor Sandra Samuels OBE proposed the recommendation and the Leader of the Council, Councillor Ian Brookfield seconded the recommendation.

Resolved:

That the proposed friendship agreement with the Arjunhara Municipality in Nepal be agreed.

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Attendance

Mayor Cllr Claire Darke (Lab)
Deputy Mayor Cllr Greg Brackenridge (Lab)

Labour

Cllr Obaida Ahmed	Cllr Dr Michael Hardacre	Cllr Anwen Muston
Cllr Harman Banger	Cllr Celia Hibbert	Cllr Phil Page
Cllr Mary Bateman	Cllr Keith Inston	Cllr Rita Potter
Cllr Philip Bateman MBE	Cllr Jasbir Jaspal	Cllr John Reynolds
Cllr Alan Bolshaw	Cllr Milkinderpal Jaspal	Cllr Susan Roberts MBE
Cllr Ian Brookfield	Cllr Rashpal Kaur	Cllr Zee Russell
Cllr Paula Brookfield	Cllr Rupinderjit Kaur	Cllr Sandra Samuels OBE
Cllr Alan Butt	Cllr Roger Lawrence	Cllr Caroline Siarkiewicz
Cllr Craig Collingswood	Cllr Linda Leach	Cllr Stephen Simkins
Cllr Jacqui Coogan	Cllr Hazel Malcolm	Cllr Clare Simm
Cllr Jasbinder Dehar	Cllr Asha Mattu	Cllr Paul Sweet
Cllr Steve Evans	Cllr Barbara McGarrity QN	Cllr Jacqueline Sweetman
Cllr Val Evans	Cllr Beverley Momenabadi	Cllr Martin Waite
Cllr Bhupinder Gakhal	Cllr Lynne Moran	

Conservative

Cllr Paul Appleby	Cllr Udey Singh
Cllr Simon Bennett	Cllr Jane Stevenson
Cllr Jonathan Crofts	Cllr Wendy Thompson
Cllr Christopher Haynes	Cllr Jonathan Yardley
Cllr Sohail Khan	

Employees

Tim Johnson	Managing Director
Tracey Christie	Head of Legal Services
Ross Cook	Director of City Environment
John Denley	Director of Public Health
Ian Fegan	Director of Communications and External Relations
David Watts	Director of Adult Services
Alison Shannon	Chief Accountant
Jaswinder Kaur	Democratic Services Manager
Shelley Humphries	Democratic Services Officer

The proceedings opened with Prayers

Item No. *Title*

1 Apologies for absence

Apologies for absence were received from Councillors Payal Bedi-Chadha, Peter Bilson, Olivia Birch, Dr Paul Birch J.P., John Rowley and Paul Singh.

2 Declarations of interest

There were no declarations of interest made.

3 Minutes of previous meeting

The Mayor proposed, the Deputy Mayor seconded, and it was resolved:

That the minutes of the previous meeting, held on 15 May 2019, be agreed as a correct record and signed accordingly by the Mayor.

4 Communications

1. The Friendship Agreement with Arjunhara Municipality, Nepal

The Mayor was pleased to be hosting a dinner for the council's distinguished guests at the conclusion of this meeting, together with local residents from the Nepalese community.

The Mayor added to celebrate the occasion, the Ambassador of Nepal had invited all Councillors, together with a guest, to attend a celebratory dinner at the Embassy of Nepal, in London this coming Saturday at 7pm.

2. The Queen's Birthday Honours

The Mayor was delighted to report that three people were recognised in the Queen's Birthday Honours. Mrs Amarjit Kaur Cheema was awarded an OBE for Services to Education in the West Midlands. Dr Helen Macpherson Hibbs was awarded an MBE for services to NHS Leadership and Christine Mary McGowan was awarded an MBE for services to developing the arts in Wolverhampton.

The Mayor had written to Amarjit, Helen and Christine on behalf of the City Council to extend the Council's sincere congratulations.

3. Armed Forces Day 2019

The Mayor was delighted to attend the new-style Armed Forces Day celebration at West Park. Over 5,000 people had attended to support the armed forces community.

4. Young Citizen of the Year

The Mayor was delighted to present the award for Young Citizen of the Year to Samuel Iwaye, from Moreton School. The two runners up were Jude Aston and Melvin Riley Samuel. Samuel was nominated for being a voice for young people

in the city and for trying to improve the lives of children in care. He was also extremely passionate about combatting knife crime.

5. Cricket

The Mayor congratulated the England Cricket Team for winning the world cup and added it was a great example of a diverse team working together to deliver success.

6. Pride Awards

The Mayor reported that the Pride Awards recognise employees' achievements and reward those who go the 'extra mile' to serve the City of Wolverhampton. This year more than 140 nominations had been received which was fantastic. The Pride Awards would take place on Monday 22 July at the Grand Theatre.

7. VJ Day commemorative events

The Mayor informed Councillors that the Central Branch of the City of Wolverhampton Royal British Legion and the Ex-Service Council would hold a service of remembrance on Thursday 15 August, at the Cenotaph, St Peter's Square, commencing at 11:30am.

8. Visitor Programme

The Mayor reported the 2019 Visitor Programme provided a platform for showcasing the city's great entertainment offer this July. The event showcased 33 events and activities to encourage visitors to the city. Details of all events and activities could be viewed at visitwolves.com The showpiece event, the 'City of Wolverhampton Festival of Food and Drink', took place last weekend and a short highlights video was played.

5 Parental Leave Policy

Councillor Sandra Samuels OBE presented the report on Parental Leave Policy for approval. She advised the policy would ensure that councillors with children and other caring responsibilities were supported as appropriate. At present there was no legal right to parental leave of any kind for people elected in public office.

She added the policy detailed leave periods, cover arrangements and the impact on basic and special responsibility allowances. The policy would also assist with retaining experienced councillors, particularly women by making public office more accessible.

Councillor Sandra Samuels OBE proposed the recommendation and the Leader of the Council, Councillor Ian Brookfield seconded the recommendation.

Resolved:

That the Parental Leave Policy for Councillors be approved.

6 **Appointment of Councillor Champions**

The Leader of the Council, Councillor Ian Brookfield presented the report on Appointment of Councillor Champions for approval. He proposed that Councillor Champions be appointed for Digital Innovation, Climate Change and Wolverhampton for Everyone. The cost of additional Councillor Champions would be met from existing budget provisions.

The Leader of the Council, Councillor Ian Brookfield proposed the recommendations and Councillor Sandra Samuels OBE seconded the recommendations.

Resolved:

1. That Councillor Champions for Digital Innovation, Climate Change and Wolverhampton for Everyone be appointed.
2. That it be noted, the term IT would be removed from the Councillor Champion for Councillor Development and IT title to avoid any confusion.
3. That it be noted, the Councillor Champion for Climate Change would Chair the Sustainability Advisory Group which would be renamed Climate Change Advisory Group.

7 **Capital Budget Outturn 2018-2019 including Quarter One Capital Budget Monitoring 2019-2020**

Councillor Louise Miles presented the Capital Budget Outturn 2018-2019 including Quarter One Capital Budget Monitoring 2019-2020 report for approval. She advised the report provided an update on the outturn position for 2018-2019 and update on the 2019-2020 financial performance of the General Revenue Account and Housing Revenue Account (HRA) capital programmes whilst also providing a revised forecast for 2019-2020 to 2023-2024 as at quarter one of 2019-2020. The report also recommended revisions to the current approved capital programmes covering the period 2019-2020 to 2023-2024.

She added the £16.7million change of funding was due to the projects now being funded by the Combined Authority.

Councillor Louise Miles proposed the recommendations and the Leader of the Council, Councillor Ian Brookfield seconded the recommendations.

In response to Councillor Wendy Thompson questions, Councillor Louise Miles agreed to provide a more detailed written response on:

- When the legal agreements with Urban and Civic on the westside project would be completed.
- Whether the overall risk rating of amber included Civic Halls.
- Whether procurement spend with local people and businesses was currently maximised.
- Confirm whether the Newbridge playing fields were open for general use.

Resolved:

1. That the revised City of Wolverhampton Council Capital Strategy be approved.
2. That the revised medium term General Revenue Account capital programme of £334.2 million, a reduction of £7.9 million from the previously approved programme and the change in associated resources be approved.
3. That the revised Housing Revenue Account (HRA) capital programme of £441.9 million be approved, a reduction of £609,000 from the previously approved programme and the change in associated resources.

8 Treasury Management-Annual Report 2018-2019 and Activity Monitoring Quarter One 2019-2020

Councillor Louise Miles presented the Treasury Management-Annual Report 2018-2019 and Activity Monitoring Quarter One 2019-2020 report for approval. She advised the report sets out the results of treasury management activities carried out in 2018-2019, together with performance against the Prudential Indicators previously approved by Council. She added the report also provided a monitoring and progress report on treasury management activity for the first quarter of 2019-2020, in line with the Prudential Indicators approved by Council in March 2019.

She added the activity had taken place in accordance with the required rules and regulations. Also that the changes of rules had impacted the minimal revenue provision.

Councillor Louise Miles proposed the recommendations and the Leader of the Council, Councillor Ian Brookfield seconded the recommendations.

In response to Councillor Wendy Thompson question, Councillor Louise Miles agreed to provide a written response on the average cashflow balance for 2018/2019.

Resolved:

1. That it be noted, the Council operated within the approved Prudential and Treasury Management Indicators, and also within the requirements set out in the Council's approved Treasury Management Policy Statement during 2018-2019.
2. That it be noted, a revenue net overspend of £2.2 million for the General Revenue Account and an underspend of £195,000 for the Housing Revenue Account were generated from treasury management activities in 2018-2019.
3. That it be noted, a breakeven position for the General Revenue Account and an underspend of £910,000 for the Housing Revenue Account were forecast from treasury management activities in 2019-2020.

9 Youth Justice Plan 2019-2020

Councillor John Reynolds presented the Youth Justice Plan 2019-2020 report for approval. He advised the plan related to the work of the Youth Offending Team (YOT) partnership under the oversight of the YOT Management Board and the Safer Wolverhampton Partnership. The work of this plan was regularly reviewed by the YOT Management Board, which encompassed membership from City of Wolverhampton Council, West Midlands Police, The Royal Wolverhampton

Hospital Trust, Recovery Near You (substance misuse service), National Probation Service and the Chair of the Black Country Youth Court Bench.

He provided an overview of the three national indicators on which performance was measured and how Wolverhampton had performed against these indicators. It was noted Wolverhampton had performed well compared to the previous year and against national averages.

He also provided an overview of the key areas that would be given significant priority over 2019-2020.

Councillor John Reynolds proposed the recommendation and Councillor Dr Mike Hardacre seconded the recommendation.

In response to Councillor Wendy Thompsons question on the average time to be seen by CAMHS for a young person following a referral, Councillor John Reynolds agreed to provide a written response.

Resolved:

That the adoption of the Youth Justice Plan 2019-2020 be approved.

10 **Motions on Notice**

Councillor Jonathan Yardley moved the following motion:

“The collapse of Shaylor Group, and the sad loss of 200 jobs, throws the entire Civic Halls refurbishment project into question. The £38 million budget will undoubtedly rise, and the opening date will be pushed back, as the Council is forced to find another contractor to finish the job. Despite other businesses expressing concerns about Shaylor’s financial situation months ago, we note that as recently as May, the previous Cabinet Member for City Economy decided to approve a variation order with Shaylor’s instead of re-tendering the contract for Phase Two of the works. This Council therefore calls for an independent review into the whole project, further to the internal ‘lessons learned’ report in 2018.”

Councillor Jonathan Yardley outlined the rationale for the motion. Councillor Wendy Thompson seconded the motion.

The motion was debated by Council.

Resolved:

1. That the motion on Civic Halls Refurbishment Project was lost.

Councillors Wendy Thompson, Chris Haynes, Jonathan Yardley, Udey Singh, Simon Bennett and Jonathan Crofts left the Council Chamber at 18:53.

The Mayor proposed that in accordance with the Constitution, Full Council Meetings Procedure Rules, Council Procedure Rule 20.1 the usual procedure rules of debate be suspended to allow the Youth Council to speak. Councillor John Reynolds seconded the motion.

Resolved:

That in accordance with Full Council Meetings Procedure Rules of the Constitution and Council Procedure Rule 20.1 the procedure rules be suspended.

The Youth Council introduced a presentation on 'Our Views Matter'.

Following the presentation from the Youth Council the Mayor re-instated standing orders.

Councillor John Reynolds moved the following motion:

"That the Council notes:

- *That the impacts of climate change are already causing serious damage around the world.*
- *That the 'Special Report on Global Warming of 1.5°C', published by the Intergovernmental Panel on Climate Change in October 2018,*
 - a. *describes the enormous harm that a 2°C average rise in global temperatures is likely to cause compared with a 1.5°C rise, and*
 - b. *confirms that limiting Global Warming to 1.5°C may still be possible with ambitious action from national and sub-national authorities, civil society and the private sector.*
- *That all governments (national, regional and local) have a duty to act, and local governments that recognise this should not wait for their national governments to change their policies;*
- *That strong policies to cut emissions also have associated health, wellbeing and economic benefits.*

Therefore, in order to address this emergency, the Council commits to:

- *Declare a 'Climate Emergency' that requires urgent action;*
- *Make the Council's activities net-zero carbon by 2028;*
- *Ensure that all strategic decisions, budgets and approaches to planning and regulatory decisions are in line with a shift to zero carbon by 2028;*
- *Support and work with all partners in the City towards making the city zero carbon within the same timescale;*
- *Ensure that all Council leadership teams embed this work in all areas and take responsibility for reducing, as rapidly as possible, the carbon emissions resulting from the Council's activities;*
- *The Council's Scrutiny Panels considering the impact of climate change and the environment when reviewing Council policies and strategies;*

- *Work with, influence and inspire partners across the city, Black Country, Combined Authority and wider region, to help deliver this goal through all relevant strategies and plans;*
- *Develop “Future Generations: Climate Change and Energy Strategy” and present this for agreement at Full Council in January 2020;*
- *Proactively include young people in the process, ensuring that they are involved in the co-production and co-design of the Future Generations Strategy and have a voice in shaping the future of the City;*
- *Welcome the appointment of a Councillor Champion for Climate Change, and request the Sustainability Advisory Group to develop its role to provide oversight of the Future Generations Strategy;*
- *Report on the level of investment in the fossil fuel industry that the West Midlands pension fund has, and request a review of the investment strategy to give due consideration to climate change impacts in the investment portfolio;*
- *Ensure that all reports in preparation for forthcoming budget cycles take into account the actions the Council will take to address this emergency;*
- *Call on the UK Government to provide the powers, resources and help with funding to make this possible, and ask local MPs to do likewise.”*

Councillor John Reynolds outlined the rationale for the motion. Councillor Steve Evans seconded the motion.

Councillor Jane Stevenson moved the following amended motion:

“That this Council:

- *Recognises that climate change is a reality and a worldwide effort is essential to cut greenhouse gas emissions in order to avoid a catastrophic temperature rise of more than 2 degrees Celsius.*
- *Acknowledges that local authorities, as well as national and regional governments, have a duty to act on helping to reduce carbon emissions, build low carbon communities and meet national climate commitments.*
- *Welcomes the Government’s strengthening of the Climate Change Act with a new national goal of net-zero carbon emissions by 2050.*
- *Declares a ‘climate emergency’ with an aim to achieve net-zero carbon emissions from council activities by 2028.*

That this Council therefore agrees to:

- *Develop “Future Generations: Climate Change and Energy Strategy” and present this to Full Council in January 2020.*

- *As part of this new strategy, request that officers undertake the necessary reviews to achieve this aspiration, together with an assessment of the cost and technology implications, so that Cabinet and Council can make informed decisions.*
- *Set out a timetable of interim targets so that progress on the Climate Change and Energy Strategy can be clearly monitored.*
- *Support and work with all partners in the City towards making the city net-zero carbon.*
- *Work with businesses and public sector bodies across the region and country to deliver this ambitious goal through all relevant strategies and plans.*
- *Continue the important cross-party work undertaken by the Sustainability Advisory Group and the Vibrant and Sustainable City Scrutiny Panel on this issue, particularly in scrutinising the Future Generations strategy.*
- *Ensure that all Council leadership teams embed this work in all areas and take responsibility for reducing carbon emissions resulting from their activities.*
- *Call on the Government to support councils in their work in meeting national climate change commitments through additional powers and resources. “*

Councillor Jane Stevenson outlined the rationale for the amended motion. Councillor Paul Appleby seconded the motion.

The amended motion was debated by Council. The amended motion was lost.

Resolved:

That the substantive motion on Declaring a Climate Change Emergency be agreed.

11 **Written Question to Cabinet Member**

Resolved:

That it be noted, the item on Written Question to Cabinet Member was not considered.

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CITY OF WOLVERHAMPTON COUNCIL	Meeting of the City Council 18 September 2019
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Report title	Audit and Risk Committee Annual Report 2018-2019	
Referring body	Audit and Risk Committee	
Councillor to present report	Councillor Alan Butt	
Wards affected	All Wards	
Cabinet Member with lead responsibility	Councillor Louise Miles Resources	
Accountable director	Claire Nye, Director of Finance	
Originating service	Audit	
Accountable employee	Peter Farrow	Head of Audit
	Tel	01902 554460
	Email	peter.farrow@wolverhampton.gov.uk
Report to be/has been considered by	Audit and Risk Committee	10 June 2019

Recommendation for decision:

The Council is recommended to:

1. Approve the contents of the 2018-2019 Audit and Risk Committee Annual Report.

1.0 Purpose

- 1.1 This report summarises the main areas of work undertaken by the Audit and Risk Committee during 2018-2019.

2.0 Background

- 2.1 On 10 June 2019 Audit Committee considered a report on Audit and Risk Committee Annual Report 2018-2019.
- 2.2 Copies of the report have been supplied to Councillors and can also be accessed online on the Council's website [here](#).

Councillors are asked to refer to the report when considering the recommendation from Audit and Risk Committee.

- 2.3 Audit Committee recommended to Council:

That the Audit and Risk Committee Annual Report for 2018-2019 be endorsed and referred to Council for approval.

3.0 Audit and Risk Committee

- 3.1 The purpose of the Audit and Risk Committee is to provide independent assurance on the adequacy of the risk management framework and the internal control environment. It provides an independent review of the governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.
- 3.2 The Audit and Risk Committee work programme for 2018-2019 will continue to be developed and presented at regular meetings of the Committee.

4.0 Financial implications

- 4.1 There are no financial implications arising from the recommendation in this report. [GE/09092019/K]

5.0 Legal implications

- 5.1 There are no legal implications arising from the recommendation in this report. [TS/09092019/Q]

6.0 Equalities implications

- 6.1 There are no equalities implications arising from the recommendation in this report.

7.0 Climate change and Environmental implications

7.1 There are no climate change and environmental implications arising from the recommendation in this report.

8.0 Human resources implications

8.1 There are no human resources implications arising from the recommendation in this report.

9.0 Corporate landlord implications

9.1 There are no corporate landlord implications arising from the recommendation in this report.

10.0 Schedule of background papers

10.1 Audit and Risk Committee – Annual Report – 10 June 2019

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Audit and Risk Committee
Annual Report
2018-2019



**Stronger
Economy**



**Stronger
Communities**



**Stronger
Organisation**

The Audit and Risk Committee at Wolverhampton

Councillor Alan Butt – Chair of the Audit and Risk Committee

The Audit and Risk Committee is a key component of the Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.



The purpose of the Audit and Risk Committee is to provide independent assurance to the Council on the adequacy of the risk management framework and the internal control environment. It provides independent review of the governance, risk management and control frameworks and oversees the financial reporting and annual governance processes.

It also oversees the work of both the internal and external auditors, helping to ensure that efficient and effective assurance arrangements are in place. The key benefits of the Committee can be seen as:

- increasing public confidence in the objectivity and fairness of financial and other reporting;
- reinforcing the importance and independence of internal and external audit and similar review processes;
- providing additional assurance through a process of independent review; and
- raising awareness of the need for internal control and the implementation of audit recommendations.

The Audit and Risk Committee agrees a work programme for each year. It is based on (but not limited to) the following main sources of assurance:

- Annual Governance Statement - this is the statutory report which the Committee approves in relation to the council's Statement of Accounts.
- Strategic Risk Register and Assurance Map - a regular review of the key risks the Council faces, and how and where the Committee can gain assurance that these risks are being well managed.
- Internal Audit - the ongoing work of, and reports from the Council's internal auditors.
- External Audit - the reports submitted to the Committee by the Council's external auditors Grant Thornton

I believe it has been another successful year for the Audit and Risk Committee and we look forward to building on this during 2019-2020.

Finally, as the new Chair of the Audit and Risk Committee I would like to thank the former Chair and all the members who served on the Committee during the year, both the internal and external auditors and all of the other officers who have contributed towards its success.

We undertook the following key developments during the year

In the last 12 months the Committee has put in place many initiatives, in what has been a productive year, helping to ensure that the City of Wolverhampton has a modern, effective and risk focused Committee.



* Site visit to the Civic Halls undertaken by members of the Audit and Risk Committee following the lessons learned report presented at the June 2018 meeting.

During the year we also:

- Continued to focus on the Council's risk management arrangements, gaining an increased assurance that the Council is managing its risks well. This also involved the Committee 'calling-in' a number of risks and their risk owners, for a more detailed review as detailed later in this report.
- Maintained a strong working relationship, through regular progress meetings, with the Council's External Auditors Grant Thornton, our Internal Auditors and Senior Officers. We also had further engagement with Grant Thornton, through regular consideration of their informative Audit Committee Update publications at Committee meetings.
- Held an additional meeting in June 2018 to consider three lessons learned reports in the key areas of:
 - Civic Halls Refurbishment*
 - Wolverhampton Interchange (Train Station)
 - Markets Relocation
- Continued to obtain strong local press coverage on a number of issues that were raised through, and discussed at the Committee, which portrayed the Council in a positive light.

Our key business during the year was:

Meeting	Activity
11 June 2018	<ul style="list-style-type: none"> • The Council's Statement of Accounts • External Audit Progress Report and Update • Annual Governance Statement • Annual Internal Audit Report
25 June 2018 (additional meeting)	<ul style="list-style-type: none"> • Markets Relocation – Lessons Learned • Wolverhampton Interchange (Train Station) – Lessons Learned • Civic Halls Refurbishment – Lessons Learned
23 July 2018	<ul style="list-style-type: none"> • External Audit Progress Report and Update/Audited Statement of Accounts • Strategic Risk Register and Strategic Assurance Map • Audit and Risk Committee Annual Report • Counter Fraud Update • Payment Transparency • CIPFA Audit Committee Update • Audit Investigations Update
17 September 2018	<ul style="list-style-type: none"> • Annual External Audit Letter • External Audit Progress Report and Update • Capital Projects Lessons Learnt – Progress Update • Strategic Risk Register and Assurance Map • Internal Audit Update • Internal Audit Charter – Annual Review • Payment Transparency • Counter Fraud Update
10 December 2018	<ul style="list-style-type: none"> • External Audit Update • Strategic Risk Register and Assurance Map • Capital Projects Lessons Learnt – Progress Update • Annual Governance Statement – Action Plan Update • Internal Audit Update • Counter Fraud Update • Internal Audit – External Assessment • Payment Transparency • CIPFA Audit Committee Update • Audit Investigations Update
11 March 2018	<ul style="list-style-type: none"> • Certification Work for the City of Wolverhampton Council for the year ended 31 March 2018 • External Audit Progress Report and Update • External Audit Communications • Strategic Risk Register and Assurance Map • Internal Audit Plan 2019-2020 • Internal Audit Update

- Counter Fraud Update
- Audit and Risk Committee – Terms of Reference Annual Review
- Payment Transparency
- CIPF Audit Committee Update
- Audit Investigations Update

How we ensured there was a strong focus on risk management

One of the main roles of the Committee is to regularly review the Strategic Risk Register in order to ensure that the risks the Council faces are being suitably addressed. During the year we ‘called in’ the following risks for a more detailed review:

Waste Management Services

We heard from the Lead Officer – Waste, on how the transfer of waste service back into the Council was progressing and how the risks associated with it were being managed.

The Head of School Organisation presented an update on the current financial position of maintained nursery schools and responded to the Committee’s questions on Government funding for maintained nursery schools.

Maintained Nursery Schools

Brexit

The Head of Public Service Reform gave an overview of the significant activity the Council was engaged in regarding the uncertainties and risks associated with Brexit.

Our conclusion for 2018-2019:

As a result of our work throughout the year, we were able to confirm:

- That the system of internal control, governance and risk management in the Council was adequate in identifying risks and allowing the Council to understand the appropriate management of these risks.
- That there were no areas of significant duplication or omission in the systems of internal control, governance and risk management that had come to the Committee's attention and had not been adequately resolved.

We believe that our key achievements during the year were:

- Providing assurance through a process of independent review and challenge.
- Raising the profile of internal control issues across the Council and of the need to ensure that audit recommendations are implemented.
- Regular consideration and review of the risks that the Council faces, through examination of the strategic risk register and accompanying assurance map.
- Maintaining a good working relationship with the Council's internal and external auditors.
- Building the skills and knowledge of Committee members through regular technical updates and the consideration of related guidance issued by CIPFA.
- The presence of two independent members serving on the Committee in order to broaden the Committee's experience and independent view point.
- Maintaining a detailed focus on the actions being taken to combat fraud.
- Reviewing and updating the Committee's Terms of Reference in order to ensure they remain fit for purpose.

These are our Terms of Reference:

Statement of purpose

Our Audit and Risk Committee is a key component of the Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of our Audit and Risk Committee is to provide independent assurance to the members of the adequacy of the risk management framework and the internal control environment. It provides independent review of the governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Governance, risk and control

To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.

To review the annual governance statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.

To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.

To monitor the effective development and operation of risk management in the Council.

To monitor progress in addressing risk-related issues reported to the committee.

To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.

To monitor the counter-fraud strategy, actions and resources.

To review the governance and assurance arrangements for significant partnerships or collaborations.

Internal Audit

To approve the internal audit charter.

To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.

To approve the risk based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.

To approve significant interim changes to the risk-based internal audit plan and resource requirements.

To make appropriate enquiries of both management and the Head of Internal Audit to determine if there are any inappropriate scope or resource limitations.

To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Head of Internal Audit. To approve and periodically review safeguards to limit such impairments.

To consider reports from the Head of Internal Audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:

- Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work;
- Regular reports on the results of the quality assurance and improvement programme;
- Reports on instances where the internal audit function does not conform to the Public Sector Internal Audit Standards and Local Government Application Note, considering whether the non-conformance is significant enough that it must be included in the annual governance statement.

To consider the Head of Internal Audit's annual report:

- The statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of the quality assurance and improvement programme that supports the statement - these will indicate the reliability of the conclusions of internal audit.
- The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion - these will assist the committee in reviewing the annual governance statement.

To consider summaries of specific internal audit reports as requested.

To receive reports outlining the action taken where the Head of Internal Audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.

To contribute to the quality assurance and improvement programme and in particular, to the external quality assessment of internal audit that takes place at least once every five years.

To consider a report on the effectiveness of internal audit to support the annual governance statement, where required to do so by the Accounts and Audit Regulations.

To provide free and unfettered access to the audit committee chair for the Head of Internal Audit, including the opportunity for a private meeting with the committee.

External Audit

To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by PSAA or the authority's auditor panel as appropriate.

To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.

To consider specific reports as agreed with the external auditor.

To comment on the scope and depth of external audit work and to ensure it gives value for money.

To commission work from internal and external audit.

To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

Financial reporting

To receive detailed training in respect of the process associated with the preparation, sign off, audit and publication of the Council's annual statement of accounts.

To monitor the on-going progress towards publication of the Council's annual statement of accounts, ensuring the statutory deadlines are achieved.

To obtain explanations for all significant variances between planned and actual expenditure to the extent that it impacts on the annual statement of accounts.

To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.

To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability arrangements

To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.

To report to full Council on a regular basis on the committee's performance in relation to the terms of reference, and the effectiveness of the committee in meeting its purpose.

To publish an annual report on the work of the Committee.

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CITY OF WOLVERHAMPTON COUNCIL	Meeting of the City Council 18 September 2019
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Report title	i54 Western Extension – Phases 4 & 5 Budget Approval	
Referring body	Cabinet, 11 September 2019	
Councillor to present report	Councillor Harman Banger	
Wards affected	Oxley, Bushbury North	
Cabinet Member with lead responsibility	Councillor Harman Banger City Economy	
Accountable director	Richard Lawrence, Director of Regeneration	
Originating service	City Development	
Accountable employee	Peter Taylor	Head of City Development
	Tel	01902 555851
	Email	peter.taylor@wolverhampton.gov.uk
Report to be/has been considered by	Cabinet	11 September 2019

Recommendations for decision:

The Council is recommended to:

1. Approve the capital budget for the remaining phases of the i54 Western Extension programme of £22.75 million and the associated funding strategy outlined in the Cabinet report of 11 September 2019.
2. Delegate authority to the Cabinet Members for City Economy and Resources, in consultation with the Director of Regeneration and Director of Finance, to approve any variations to the i54 Western Extension supplementary budgets in the event of any changes to external funding sources.

1.0 Purpose

- 1.1 In January 2019, Cabinet approved a funding strategy and budget for the following Phases of work to bring forward i54 Western Extension: Phase 1 Site Clearance and Ecological Habitat Work, Phase 2 Access Road and Services Corridor, Phase 3 Bridleway Diversion.
- 1.2 With all key Funding and Delivery Agreements in place the Access Road Contract encompassing the above Phases commenced in June and good progress is being made and is on track for completion next Spring.
- 1.3 Approval is sought to progress the next phases of work comprising: Phase 4 Services Reservations, Phase 5a Green Infrastructure Zone 1, Phase 5b Platform Preparations, Phase 5c Green Infrastructure Zone 2.
- 1.4 The next contract is programmed to commence June 2020 which would see development plots prepared and serviced for disposal from late 2021 onwards.

2.0 Background

- 2.1 On 11 September 2019, Cabinet will consider a report on i54 Western Extension – Phases 4 & 5 Budget Approval.
- 2.2 Copies of the report have been supplied to Councillors and can also be accessed online on the Council's website [here](#).

Councillors are asked to refer to the report when considering the recommendations from Cabinet.

- 2.3 Cabinet has been recommended to recommend that Council:
 1. Approve the capital budget for the remaining phases of the i54 Western Extension programme of £22.75 million and the associated funding strategy outlined in the Cabinet report of 11 September 2019.
 2. Delegate authority to the Cabinet Members for City Economy and Resources, in consultation with the Director of Regeneration and Director of Finance, to approve any variations to the i54 Western Extension supplementary budgets in the event of any changes to external funding sources.

3.0 Financial implications

- 3.1 The financial implications are detailed in the Cabinet report of 11 September 2019.

4.0 Legal implications

- 4.1 The legal implications are detailed in the Cabinet report of 11 September 2019.

5.0 Equalities implications

5.1 The equalities implications are detailed in the Cabinet report of 11 September 2019.

6.0 Climate change and environmental implications

6.1 The climate change and environmental implications are detailed in the Cabinet report of 11 September 2019.

7.0 Human resources implications

7.1 The human resources implications are detailed in the Cabinet report of 11 September 2019.

8.0 Corporate Landlord implications

8.1 The Corporate Landlord implications are detailed in the Cabinet report of 11 September 2019.

9.0 Schedule of background papers

9.1 Cabinet report of 11 September 2019.

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