

Joint Cabinet and Cabinet (Resources) Panel

Minutes - 29 July 2020

Attendance

Members of the Cabinet

Cllr Ian Brookfield (Chair)
Cllr Louise Miles (Vice-Chair)
Cllr Paula Brookfield
Cllr Steve Evans
Cllr Dr Michael Hardacre
Cllr Jasbir Jaspal
Cllr Linda Leach
Cllr John Reynolds
Cllr Stephen Simkins
Cllr Jacqueline Sweetman

Employees

Tim Johnson	Chief Executive
Mark Taylor	Deputy Chief Executive
Emma Bennett	Director of Children's Services
Ross Cook	Director of City Environment
John Denley	Director of Public Health
Ian Fegan	Director of Communications and External Relations
Charlotte Johns	Director of Strategy
Richard Lawrence	Director of Regeneration
Claire Nye	Director of Finance
David Pattison	Director of Governance
Denise Pearce	Head of Human Resources
Laura Phillips	Head of Democratic and Support Services
David Watts	Director of Adult Services
Jaswinder Kaur	Democratic Services Manager
Dereck Francis	Democratic Services Officer

Part 1 – items open to the press and public

- | <i>Item No.</i> | <i>Title</i> |
|-----------------|---|
| 1 | Apologies for absence
No apologies for absence were received for the meeting. |
| 2 | Declaration of interests
No declarations of interests were made. |

3 **Minutes of the previous meetings**

Resolved:

That the minutes of the meeting of Cabinet held on 8 July 2020 and the joint meeting of Cabinet and Cabinet (Resources) Panel held on 23 June 2020 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 meetings.

5 **Revenue Budget Monitoring Quarter One 2020-2021**

Councillor Louise Miles presented the Revenue Budget Monitoring 2020-2021 report for quarter one. The report included a projection of the likely revenue outturn position for the General Fund and the Housing Revenue Account when compared with the Council's approved revenue budgets for 2020-2021 and the projected financial implications of the Covid-19 pandemic.

Resolved:

1. That the use of £732,000 from the Regeneration Reserve to fund various regeneration schemes as detailed at paragraph 5.4 of the report be approved.
2. That the use of £200,000 from the Our Technology Reserve to fund continued development of Agresso system as detailed at paragraph 5.5 of the report be approved.
3. That the use of £73,000 from the Adults Safeguarding Reserve to offset additional costs of running the Safeguarding Partnership Board as detailed in paragraph 5.6 of the report be approved.
4. That the creation of a new reserve and the transfer of £190,000 in year underspend against local elections to cover future elections costs as detailed in paragraph 5.7 of the report be approved.
5. That the establishment of supplementary expenditure budgets within the 2020-2021 approved budget as detailed in section 6.0 of the report for grant funded expenditure be approved.
6. That 37 virements totalling £6.2 million, for transfers within directorates, as detailed in Appendix 4 to the report be approved.
7. That the write-off of two Non-Domestic Rates (NDR) debts totalling £13,115.60 as detailed in Appendix 5 to the report be approved.
8. That the write-off of one Council Tax debt totalling £5,203.61 as detailed in Appendix 6 to the report be approved.
9. That the write-off of one Housing Benefit debt totalling £6,910.76 as detailed in Appendix 7 to the report be approved.
10. That it be noted that the overall projected outturn for the General Fund for 2020-2021 is forecast to a break-even outturn position, excluding the impact of Covid-19.

11. That it be noted that at this stage in the financial year it is difficult to forecast redundancy costs. However, as forecast in recent years it is anticipated that the cost of redundancies can be met from reserves.
12. That it be noted that a £10.4 million surplus on the Housing Revenue Account (HRA) is projected compared with a budgeted surplus of £10.8 million as shown at Table 20 and in detail at Appendix 3 to the report. The projected reduction to the surplus of £443,000 would reduce redemption of debt by £443,000.
13. That it be noted that 41 sundry debt accounts totalling £21,923.34, as detailed in paragraph 9.3 to the report, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
14. That it be noted that 320 council tax accounts totalling £112,538.25, as detailed in paragraph 9.5 to the report, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
15. That it be noted that 18 Non-Domestic Rates (NDR) debts totalling £63,983.68, as detailed in paragraph 9.6, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
16. That it be noted that 9 housing benefit overpayments totalling £5,240.48, as detailed in paragraph 9.9 of the report, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

6

Draft Budget and Medium Term Financial Strategy 2021-2022 - 2023-2024

Councillor Louise Miles presented the draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024. The report sought approval to proceed to the formal consultation stage of the budget process.

Resolved:

1. That the draft budget strategy linked to the Five Year Financial Strategy, including changes to corporate resource assumptions and growth and inflation be approved, for inclusion in the Draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024, to be reported to Cabinet in October 2020.
2. That work continues between August and October 2020 to further develop budget reduction and income generation proposals, in order to ensure that a balanced budget can be set for 2021-2022.
3. That progress on the development of budget reduction and income generation proposals be reported to Cabinet in October 2020 for approval to proceed to the formal consultation stage of the budget process.
4. That further options are explored between August and October 2020 to address the updated projected budget deficit of £8.7 million for 2021-2022 based on the Council's Five Year Financial Strategy.

5. That the establishment of supplementary revenue expenditure budgets totalling £2,775,198 funded by the Covid-19 Emergency Funding Grant for Local Government be approved. Authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance, to approve all virements required to support additional costs and loss of income relating to Covid-19.
6. That the establishment of supplementary revenue expenditure budgets totalling £393,536 funded by the Local Authority Emergency Assistance Grant for Food and Essential Supplies be approved and authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance, to approve all virements required to allocate expenditure and grant to individual schemes.
7. That authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance to establish supplementary revenue budgets funded by grant and approve all virements required to support loss of income relating to Covid-19 once this allocation has been confirmed. As detailed in paragraph 6.5 of the report, the Government have announced a co-payment mechanism for irrecoverable sales, fees and charges income, and at this time of writing this report the full details of the scheme had not been released.
8. That external grant of £999,000 awarded for the Arthur Street Bridge Project be built into the Transport capital programme and that the borrowing previously set aside in contingency for this project be vired to the corporate contingency.
9. That the capital budget of £1 million for the Towns Fund Project, funded by the external grant be approved. That authority be delegated to the Cabinet Member for City Economy and the Cabinet Member for City Environment, in consultation with the Director of Regeneration and the Director of City Environment, to approve virements to individual projects in order that projects can be implemented in an agile and timely manner.
10. That the capital budgets of £110,000 for the Ring Road St Peters Crossing, and £193,282 for Active Travel Scheme, funded by external grant be approved and authority be delegated to the Cabinet Member for City Environment, in consultation with the Director of City Environment to approve any virements required to individual projects in order that projects can be implemented in an agile and timely manner. The establishment of supplementary revenue budgets totalling £44,096 funded by external grant to support the Active Travel Scheme. Authority be delegated to the Cabinet Member for City Environment, and the Cabinet Member for Resources, in consultation with the Director of City Environment and the Director of Finance to establish revenue and capital budgets should the Council be successful in securing further funding from this grant fund.
11. That it be noted that, a number of assumptions have been made with regards to the level of resources that would be available to the Council as detailed in section 8 of the report. It is important to note that there continues to be a considerable amount of uncertainty with regards to future income streams for local authorities over the forthcoming Comprehensive Spending Review

period. At the point that further information is known it would be incorporated into future reports to Councillors. Any reduction in the Government's allocation of funding to the Council would have a significant detrimental impact and further increase the budget deficit forecast over the medium term.

12. That the impact of Covid-19 has had and would continue to have a significant financial impact on the 2020-2021 budget and Medium Term financial Strategy be noted.
13. That it be noted that, if Government do not provide sufficient grant to fund the full financial implications of Covid-19, the Council would need to identify in year efficiencies, which may impact on service delivery.
14. That it be noted that the Council would need to re-prioritise resources to fund the Recovery Strategy if further funding is not made available from Central Government.
15. That it be noted that, due to external factors, budget assumptions remain subject to significant change, which could, therefore, result in alterations to the financial position facing the Council.
16. That the updated projected deficit assumes the achievement of budget reduction and income generation proposals amounting to £8.8 million over period 2020-2021 to 2023-2024 be noted.
17. That it be noted that the 2021-2022 budget timetable would, as in previous years, include an updated report presented to Cabinet in October 2020 detailing budget reduction and income generation proposals that would be subject to formal budget consultation during October to December 2020. Further to this, an update on all budget assumptions and the Provisional Local Government Settlement would be presented to Cabinet by January 2021, with the final budget report due to be approved by Full Council in March 2021.
18. That the overall level of risk associated with the 2020-2021 Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024 is assessed as Red.

7 **City Centre Public Realm - Phases 1 and 3 Progress and Approvals for Project Delivery**

Councillor Steve Evans presented the report on progress with the design and delivery of the City Centre Public Realm phase 1 (Victoria Street) and phase 3 (North Street). Cabinet was asked to delegate authority to approve the award of the main contracts of works for Phases 1 and 3 subject to grant funding being secured and to the creation of supplementary budgets for the two phases of the project.

Resolved:

1. That authority be delegated to the Cabinet Member for City Environment, in consultation with the Director for City Environment, to approve the award of the main works contract for City Centre Public Realm phase 1 (Victoria Street) and phase 3 (North Street) at a total estimated contract value within

expected funding limits, upon completion of the evaluation process and subject to grant funding being secured.

2. That authority be delegated to the Cabinet Members for Resources and City Environment in consultation with the Director of Finance and Director of City Environment to approve the creation of any supplementary budgets for the two phases of the project.
3. That the progress with the design and delivery of the scheme be noted.

8 **Renewal of the Public Space Protection Order - Drinking Restrictions**

Councillor Jasbir Jaspal presented the report on a proposal to renew the existing Public Space Protection Order (PSPO) – Drinking Restrictions which came into force from April 2017 to April 2020, for a further three years with the same restrictions as contained in the previous order. Consultations had taken place on the proposals. The respondents were overwhelmingly in support of the renewal of the PSPO and for the Police maintaining the powers granted by the previous PSPO.

Resolved:

1. That the renewal of the Public Space Protection Order (PSPO) drinking restrictions be approved.
2. That the recommendations for a city-wide PSPO, subject to the mandatory six-week legal challenge period allowed, which includes the same proposals as the previous order. To extend prohibitions on public drinking within Park and St Peter's wards (to include the city centre) be approved.

9 **Amendments to All Age Travel Assistance Policy**

Councillor Dr Michael Hardacre presented for approval two amendments to the All Age Travel Assistance Policy. The changes would ensure the Council was not left at risk of legal challenge in relation to the application of the Policy.

Resolved:

1. That a change section 8.8 of the All Age Travel Assistance Policy as detailed in section 3 of the report, to include exceptional circumstances and ensure there is not a 'blanket approach' towards charging for post 16 transport be approved.
2. That an amendment to the definition of 'low income families' in the All Age Travel Assistance Policy glossary as detailed in section 3 of the report, to ensure clarity that an individual or family is considered to be from a low income family if they are in receipt of free school meals as opposed to a list of 'qualifying benefits' be approved.

10 **External Funding Update Quarter Four 2020/2021**

Councillor Louise Miles presented the report seeking approvals in relation to the final bids for external funding to meet the Council's priorities following the recent submission of outline bids. The bids would attract £4.2 million of external funding contributing to the Council's climate change commitments and Council Plan priorities. Councillor Miles highlighted that over the last three years, £85 million worth of externally funded projects had been delivered across all Council proprieties. She placed on record her thanks to all those involved in this achievement.

Resolved:

1. That authority be delegated to the Cabinet Member for City Environment and the Cabinet Member for Resources, in consultation with the Director of City Environment and Director of Finance to:
 - a. Approve acceptance of the grant funding agreements and the Council entering into such agreements if the Black Country Blue Network 2, Wolverhampton Investment Smart Energy and the Black Country Electric Vehicle and Charging Infrastructure Grant Scheme projects are successful at final bid stage.
 - b. Create the necessary supplementary revenue budgets in line with the funding agreements if the projects referred to in recommendation 1 above are successful at final bid stage.
 - c. Create the necessary supplementary capital budgets in line with the funding agreements if the projects referred to in recommendation 1 above are successful at final bid stage.
 - d. Approve additional capital budget of £2.1 million funded through £1.1 million European Regional Development Fund (ERDF) grant and £976,000 Council capital match for the Black Country Blue Network 2 project. The Council capital budget will be fully funded through Section 106 agreements received.
 - e. Approve reimbursement of ERDF grant to delivery partners who are awarded ERDF grant for Black Country Electric Vehicle and Charging Infrastructure Grant Scheme.
 - f. Approve the payment of grants to businesses who are awarded ERDF grant for Black Country Electric Vehicle and Charging Infrastructure Grant Scheme.
2. Approve acceptance of memorandum of understanding and creation of required supplementary budgets to deliver the Ministry of Housing, Communities and Local Government (MHCLG) English for Speakers of Other Languages (ESOL) Integration Project.
3. The submission of full bids for key schemes to meet our climate change commitment including environmental improvements through the Black Country Blue Network 2 project, energy efficiency improvements through the Wolverhampton Investment Smart Energy project and supporting the uptake of ultra low emission vehicles through the Black Country Electric Vehicle and Charging Infrastructure Grant Scheme be noted.
4. That the successful outcome of the ESOL for Integration Fund to deliver a series of community based to support English language practice and social integration in the city be noted.
5. That the virement of funding from the Corporate Capital Contingency to create a capital budget for Wolverhampton Investment Smart Energy, subject to business case approval be noted.

11 **Schedule of Individual Executive Decision Notice**

Resolved:

That the summary of open and exempt individual executive decisions approved by the appropriate Cabinet Members following consultation with the relevant employees be noted.

12 **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).

Part 2 - exempt items, closed to press and public

13 **Procurement – Award of Contracts for Works, Goods and Services**

Councillor Louise Miles presented for approval the report on the award of contracts for works, goods and services. She drew to the meetings attention exemptions to the Contract Procedure Rules approved by the Head of Procurement and Director of Finance for the period 1 to 31 May 2020.

Resolved:

1. That the variation of contract for the Very Sheltered Housing Services Schemes (Verona Court) from 1 April 2020 to 31 March 2022 by increasing the contract value by £126,900 be approved.
2. That the contract extension for Printers with Xerox UK Ltd of Bridge House, Oxford Road, Uxbridge, Middlesex, UB8 1HS for a duration of 48 months from 1 November 2020 to 31 October 2024 with an estimated extension value of £262,400 be approved.
3. That authority be delegated to the Cabinet Member for City Assets and Housing, in consultation with the Deputy Chief Executive, to approve the award of a contract for Provision Cleaning Materials, Catering Disposables and Polythene Sacks when the evaluation process is complete.
4. That authority be delegated to the Head of Legal Services to execute the contracts in respect of the above as required.
5. That the exemption to the Contract Procedure Rules approved by the Head of Procurement and Director of Finance from 1 May to 31 May 2020 as set out in Appendix 1 to the report be noted.

14 **Civic Centre Occupation - Black Country and West Birmingham Clinical Commissioning Group Central Office**

Councillor Jaqueline Sweetman presented, as part of the Council's Assets Programme, a proposal for the partial utilisation of the Civic Centre for third party occupation by the NHS Black Country and West Birmingham Clinical Commissioning Group, on a leasehold basis for their newly established Black Country Central Office.

Resolved:

1. That the partial utilisation of the Civic Centre for third party occupation by the NHS Black Country and West Birmingham Clinical Commissioning Group (CCGs) Central Office on commercial terms be approved.
2. That authority be delegated to the Cabinet Member for City Assets and Housing, in consultation with the Deputy Chief Executive, to finalise the Heads of Terms, Rental Charges and occupation terms for the CCGs' occupation.
3. That authority be delegated to the Cabinet Member for City Assets and Housing, in consultation with the Deputy Chief Executive to authorise any changes in accommodation design due to the CCGs' occupation.
4. That it be noted that the occupation of the Civic Centre by selected third parties would enable business cases to be developed for the investment into the Civic Centre and other Council property assets.

15

District Heating - Funding for a Feasibility Study

Councillor Steve Evans presented the report on a proposal to accept grant funding from the Department for Business Energy and Industrial to procure a consultant to investigate the feasibility of the development of a viable commercial District Heating Scheme in the city. Such a scheme would assist the Council in meeting its Climate Change commitments and its targets of decarbonising its heating needs, as well as supporting others within the City to decarbonise.

Resolved:

1. That the undertaking of a feasibility study into a possible District Heating Scheme incorporating the waste heat from the Energy from Waste (EfW) plant be approved
2. That the acceptance of grant funding from the Department of Business Energy and Industrial Strategy (BEIS) via the Heat Network Delivery Unit (HNDU) and consequentially creation of a supplementary budget of £70,000 to fund the feasibility study be approved.
3. That the procurement of an appropriate consultant to deliver the required feasibility study in line with the requirements of the grant funding be approved and approval of the details of the appointment be delegated to the Cabinet Member for City Environment in consultation with the Director of City Environment.

16

Priority Capital Works for Schools

Councillor Dr Michael Hardacre presented the report on a solution to resolving urgent building condition issues at the Kings Church of England School and to approve additional funding for a health and safety related programme of work being undertaken at Penn Fields Special School. The proposals would future proof the schools and the Council's involvement in them.

Resolved:

1. That priority capital works at The King's Church of England School be undertaken subject to the Department for Education formally agreeing to take responsibility for future capital work costs for further non-priority remedial work at the school.
2. That funding be approved so that the replacement of the kitchen roof at The King's School as an urgent priority can be undertaken prior to the formal agreement referred to in recommendation 1, in order to minimise the risk of school closure on Health and Safety grounds in the Autumn Term 2020.
3. That the virement of capital from the existing School Expansion budgets to support the works detailed in the report be approved.
4. That approval of the details of a grant agreement and any necessary ancillary agreements with the Kings School and/or the Lichfield Diocesan Trust be delegated to the Cabinet Member for Education and Skills in consultation with the Director of Children's Services.
5. That the updated cost of capital works at Penn Fields Special School that are required to provide a suitable environment for the school population be noted.