

Attendance

Members of the Cabinet

Cllr Ian Brookfield (Chair)
Cllr Stephen Simkins (Vice-Chair)
Cllr Paula Brookfield
Cllr Steve Evans
Cllr Bhupinder Gakhal
Cllr Dr Michael Hardacre
Cllr Jasbir Jaspal
Cllr Linda Leach
Cllr Beverley Momenabadi (Virtually)

Employees

Tim Johnson	Chief Executive
Mark Taylor	Deputy Chief Executive
Emma Bennett	Executive Director of Families
John Denley	Director of Public Health
Charlotte Johns	Director of Strategy
Claire Nye	Director of Finance
David Pattison	Chief Operating Officer
John Roseblade	Director of City Housing and Environment
Alison Shannon	Chief Accountant
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
Apologies for absence were submitted on behalf of Councillor Obaida Ahmed. |
| 2 | Declaration of interests
No declarations of interests were made. |
| 3 | Minutes of the previous meeting
Resolved:
That the minutes of the previous meeting held on 19 January 2022 be approved as a correct record and signed by the Chair. |

4 **Capital Programme 2021-2022 to 2025-2026 Quarter Three Review and 2022-2023 to 2026-2027 Budget Strategy**

Councillor Ian Brookfield presented the key points from the report on an update on the 2021-2022 financial performance of the General Revenue Account and Housing Revenue Account (HRA) capital programmes, that also provided a revised forecast for 2021-2022 to 2025-2026 as at quarter three of 2021-2022. The report also recommended revisions to the current approved capital programme covering the period 2021-2022 to 2026-2027 for approval and recommendation to Full Council.

Resolved:

That Council be recommended to approve:

1. The revised City of Wolverhampton Capital Strategy.
2. The revised, medium term General Revenue Account capital programme of £346.1 million, an increase of £47.7 million from the previously approved programme, and the change in associated resources.

That Cabinet approves:

1. The virements for the General Revenue Account capital programme detailed at Appendix 5 to the report for:
 - i. existing projects totalling £9.7 million;
 - ii. new projects totalling £6.3 million.
2. The amendments to the Collaboration Agreement in relation to the Black Country Executive Joint Committee City Deal and Growth Deal dated the 7 May 2014, the aim being to simplify the governance arrangements and reduce timeframes for project approvals.
3. Wolverhampton Council's entry into a Deed of Variation relating to the above Collaboration Agreement to these record changes as detailed within Appendix 6 to the report.
4. Delegated authority to the Deputy Leader: Inclusive City Economy in consultation with the Chief Operating Officer and Directors of Regeneration and Finance to conduct any negotiations and to agree any minor amendments and to subsequently authorise the sealing of this Deed of Variation.
5. The continued delegations to the Portfolio Holder responsible for Resources, in consultation with the Director of Finance, to approve the allocation of:
 - i. The Corporate Provision for Future Programmes (previously known as the Corporate Contingency) budget to individual projects in order that corporate priorities may be addressed in an agile and timely manner;
 - ii. The Transformation Development Efficiency Strategy to individual transformation projects in order to benefit from the capital receipts flexibility announced in the Autumn Statement 2015 and in line with the Medium Term Financial Strategy.

That Cabinet notes:

1. That description of the budget known as the Corporate Contingency was reviewed to better reflect its purpose. Therefore, it was renamed to the Corporate Provision for Future Programmes budget.
2. That Chartered Institute of Public Finance and Accountancy (CIPFA) have published changes to the Prudential Code for Capital Finance in Local Authorities. The Capital Strategy would be reviewed over the coming months in light of these changes and an update would be provided to Cabinet and Council for approval at a future meeting.

5 **Treasury Management Strategy 2022-2023**

Councillor Ian Brookfield presented the report on the Treasury Management Strategy 2022-2023 for approval and recommendation to Full Council. The Strategy set out various strategies the Council must comply with in the management of its borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

Resolved:

That Council be recommended to approve:

1. The authorised borrowing limit for 2022-2023 to support the capital strategy as required under Section 3(1) of the Local Government Act 2003 to be set at £1,163.3 million (PI3, Appendix 3 to this report). The authorised borrowing limit includes a forecast provision for potential business cases that may be brought forward during the year, additional borrowing would only be authorised if the business case proves to be affordable over the medium term. The forecast borrowing is below the authorised borrowing limit.
2. The Treasury Management Strategy Statement 2022-2023 as set out in Appendix 1 to this report.
3. The Annual Investment Strategy 2022-2023 as set out in Appendix 2 to this report.
4. The Prudential and Treasury Management Indicators as set out in Appendix 3 to this report.
5. The Annual Minimum Revenue Provision (MRP) Statement setting out the method used to calculate MRP for 2022-2023 as set out in Appendix 4 to this report.
6. The Treasury Management Policy Statement and Treasury Management Practices as set out in Appendix 6 to this report.
7. That authority be delegated to Cabinet to approve updates to the Treasury Management Strategy and corresponding practices during 2022-2023 to reflect the additional reporting requirements detailed in the most recent publication of the revised Treasury Management and Prudential Codes. It is important to note that, the Council complies with the principles of the codes however due to the

timing of the release of the new Codes, CIPFA has allowed reporting on the Codes to be deferred until 2023-2024.

8. That authority continues to be delegated to the Director of Finance to amend the Treasury Management Policy and Practices and any corresponding changes required to the Treasury Management Strategy, the Prudential and Treasury Management Indicators, the Investment Strategy and the Annual MRP Statement to ensure they remain aligned. Any amendments would be reported to the Portfolio Holder for Resources and Cabinet (Resources) Panel as appropriate.
9. That authority continues to be delegated to the Director of Finance to lower the minimum sovereign rating in the Annual Investment Strategy, in the event of the UK's credit rating being downgraded by the third credit rating agency, due to the current economic climate.
10. That authority is delegated to the Portfolio Holder for Resources, in consultation with the Director of Finance, to amend the MRP statement should this be required following the outcome of the consultation.

That Cabinet approves:

1. That authority is delegated to the Portfolio Holder for Resources in consultation with the Director of Finance to progress feasibility and investment propositions in a timely manner. Updates on any propositions would be provided to Cabinet or Cabinet (Resources) Panel in future reports.

That Council be recommended to note:

1. That the MRP charge for the financial year 2022-2023 will be £19.8 million; it is forecast to increase to £21.1 million in 2023-2024 (paragraph 2.20 of the report).
2. That Cabinet or Cabinet (Resources) Panel and Council would receive regular Treasury Management reports during 2022-2023 on performance against the key targets and Prudential and Treasury Management Indicators in the Treasury Management Strategy and Investment Strategy, as set out in the paragraph 2.18 and Appendices 2 and 3 to this report.
3. That the new Treasury Management and Prudential Codes have been published and are effective immediately. However, due to the date of their release some elements, mainly changes to the capital strategy, prudential indicators and investment reporting can be deferred until 2023-2024. The documents covered in this report have been updated where possible to reflect the new Codes, any changes not reflected due to the timescales would be implemented and approval sought during 2022-2023.
4. That the documents covered in this report have been updated to reflect the latest interest rate forecasts available, however, due to uncertainties with the economy, should interest rates increase quicker than forecast, this may create a budget pressure on the treasury management budget. In the event that this were to occur, approval would be sought to accommodate the budget pressure by making a call on the Budget Contingency Reserve. This would

continue to be monitored and reviewed in light of the changing economic environment, with updates provided to Councillors throughout 2022-2023 as part of the quarterly update reports.

6 **2022-2023 Final Budget and Medium Term Financial Strategy 2022-2023 - 2025-2026**

Councillor Ian Brookfield presented the highlights from the report on a balanced budget for 2022-2023 aligned to the Council Plan priorities and an update on the Medium Term Financial Strategy (MTFS) 2022-2023 to 2025-2026, for recommendation to Full Council. Councillor Brookfield also reported on a correction to be made to the report. Figures for 'Projected Budget Annual Change in Budget Deficit/(Surplus)' had been transposed with the figures for 'Projected Cumulative Budget Deficit' in Table 5 (paragraph 1.16) and in Table 9 (paragraph 1.54) in the report and should be corrected accordingly.

Whilst supporting the budget, Cabinet members spoke about the budget proposals from the perspective of their cabinet portfolio.

Cabinet also placed on record its thanks to the Council's officers, particularly from the Finance and Treasury teams, who under political direction had enabled the Council to provide these levels of service.

Resolved:

That Council be recommended to approve:

1. The net budget requirement for 2022-2023 of £267.2 million for General Fund services.
2. The Medium Term Financial Strategy (MTFS) 2022-2023 to 2025-2026 as detailed in Table 5 and the key assumptions underpinning the MTFS as detailed in Appendix 1 to the report.
3. A Council Tax for Council services in 2022-2023 of £1,818.27 for a Band D property, being an increase of 2.99% on 2021-2022 levels, which incorporates the 1% in relation to Adult Social Care.

That Cabinet approves:

1. The updated assumptions used in the Budget 2022-2023 and the MTFS 2022-2023 to 2025-2026 as detailed in section 7 of the report.
2. That authority be delegated to the Portfolio Holder for Resources, in consultation with the Director of Finance, to approve the calculation and allocation of growth in the central share of business rates for 2022-2023 and future years to be passported to the West Midlands Combined Authority (WMCA).
3. That authority be delegated to the Portfolio Holder for Resources and the Cabinet Member for Education, Skills and Work, in consultation with the Director of Finance and the Executive Director of Families, to approve changes to the local funding formula for Schools including method, principles and rules adopted.

4. That authority continues to be delegated to the Portfolio Holder for Resources in consultation with the Director of Finance to consider further opportunities to accelerate pension contribution payments to secure additional budget reductions.
5. The continuation of the policy to fully disregard income that claimants receive from the War Widows (Widowers), War Disablement Scheme and the Armed Forces Compensation Schemes in any housing benefit assessment.
6. That the Council enter into the Better Care Fund Section 75 Agreement along with the necessary ancillary agreements from the main agreement for 2022-2023 with the Black Country and West Birmingham Clinical Commissioning Group, and delegate authority to the Portfolio Holder for Resources, Cabinet Member for Adult Services and the Cabinet Member for Public Health and Wellbeing, in consultation with the Executive Director of Families and the Director of Finance to approve the final terms of the agreement.
7. That approval is given to build in supplementary budgets, fully funded by grant for the £150 council tax energy rebate for all households in England whose primary residence is valued in council tax bands A – D and delegate authority to the Portfolio Holder for Resources, in consultation with the Director of Finance to approve any changes to the Council Tax Discretionary Discount Scheme including the establishment of supplementary budgets as required.

That Cabinet notes:

1. That the budget for 2022-2023 is in balance without the use of general reserves.
2. That, in the opinion of the Director of Finance (Section 151 Officer), the proposed levels of reserves, provisions and balances is adequate in respect of the forthcoming financial year.
3. That it is estimated that a further £12.6 million needs to be identified for 2023-2024, rising to £25.8 million over the medium term to 2025-2026 in order to address the projected budget deficit.
4. That, due to external factors, in particular the impact of Covid-19, budget assumptions remain subject to significant change, which could therefore result in alterations to the financial position facing the Council.
5. That, there continues to be considerable amount of uncertainty with regards to future funding streams for local authorities over the 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.
6. That, the overall level of risk associated with the Medium Term Financial Strategy to 2025-2026 is assessed as Red.

7. That Councillors must have due regard to the public sector equality duty (Section 149 of the Equality Act 2010) when making budget reduction decisions.
8. That the Council continues to engage with residents, businesses and other key stakeholders throughout the year which focuses on understanding people's priorities for Wolverhampton.
9. The impact of related parties on the Medium Term Financial Strategy.

7 **Our City: Our Plan**

Councillor Ian Brookfield presented the report on a refreshed council plan, Our City: Our Plan for recommendation to Full Council for approval. The report also provided an update on the new Council performance framework and how progress towards delivering the city's priorities would be monitored. Councillor Ian Brookfield reported that at the base of the plan was people. The key actions: strong families; quality care; healthy, inclusive communities; good homes; local people into jobs; and thriving economy, were all about people. The Plan was an illustration of how you level up a community and a city as it was getting right into where support was needed more.

Resolved:

That Council be recommended to:

1. Approve the Our City: Our Plan, the City of Wolverhampton Council Plan.
2. Seek cross party engagement to deliver the priorities set out in Our City: Our Plan the strategic framework to level up our city.

That Cabinet notes:

1. That the priorities of Our City: Our Plan have been developed through a continuous conversation with our communities and partners with over 3,000 people engaged building on the Relighting Our City recovery commitment.
2. That a presentation and draft strategy of Our City: Our Plan was received by Scrutiny Board on 8 February 2022.

8 **Pay Policy Statement 2022 -2023**

Councillor Paula Brookfield presented the Council's Pay Policy Statement 2022-2023 for recommendation to Full Council for approval and publication in line with the requirements of the Localism Act 2011. She highlighted that the national pay award had not been agreed for 2021. This meant that if no action were taken, Council employees on pay scale points 1 and 2 would fall below the National Living Wage. To remedy this, from 1 April 2022 the pay to employees currently paid on those two pay points would be increased to £9.50 per hour and amended after the national pay settlement had been agreed. Councillor Brookfield also reported that the Council had a target of remuneration between its chief officer pay in relation to its lowest earners of no more than 10:1. The current rate was 9.39:1.

Resolved:

That Council be recommended to approve:

1. The Pay Policy Statement for 2022 - 2023.

2. The publication of the Pay Policy Statement in line with the requirements of the Localism Act 2011.

That Council be recommended to note:

1. That the national pay award for National Joint Council (NJC) and Joint Negotiating Committee (JNC) Chief Officers and Chief Executives had not been agreed, at the time of writing the Pay Policy Statement.
2. That in the absence of the NJC having yet reached a pay agreement for 2021, SCPs 1 and 2 would fall below the statutory NLW. Organisations must therefore ensure that employees currently paid on those two pay points have their pay increased with effect from 1 April 2022 to £9.50 per hour. These updated figures would continue to be paid until NJC reaches a settlement on pay for 2021.

- 9 **Adoption of South Staffordshire District Council's delegated licensing function**
Councillor Steve Evans presented the report on a proposal to transfer the licensing function from South Staffordshire District Council (SSDC) to City of Wolverhampton (CWC) from 1 April 2022, with a review after three years, and to formally accept the delegated licensing functions subject to the signing of the finalised agreement. SSDC had been in conversations with CWC for some 18 months on the proposal to take over their licencing services. In exchange City of Wolverhampton Council would purchase a number of services from SSDC up to the value of £60,000 per year for three years. The proposal would be cost neutral to CWC.

Resolved:

That Council be recommended to approve:

1. The adoption of the executive licensing functions, as delegated, by South Staffordshire Council subject to the signing of the finalised agreement.
2. The adoption of the non-executive licensing functions, as delegated, by South Staffordshire Council subject to the signing of the finalised agreement.
3. Delegated authority for the signing of the final agreement to the Chief Operating Officer in consultation with the Director of City Housing and Environment.

10 **Gender Pay Gap Report - 2021**

Councillor Paula Brookfield presented the Gender Pay Gap Report 2021 as of the snapshot date 31 March 2021. It was a statutory requirement for all organisations with over 250 employees to publish information on the difference between their male and female employees' earnings. Councillor Paula Brookfield said that the report highlighted the extensive steps the Council had taken to reduce this historical anomaly and the work by the Council's HR and Equality Diversity and Inclusion teams. The national Gender Pay Gap was at 15.4% and growing. The report showed that the Council continued to have some of the best results in comparison to its neighbouring local authorities and in the country.

Resolved:

1. That the contents of the report on the Gender Pay Gap as of the snapshot date 31 March 2021 be noted.
2. That it be noted that the median Gender Pay Gap for 31 March 2021 is 0.64% and the mean is 4.04%.
3. That it be noted that the comparison with March 2020 data – the median Gender Pay Gap was 0.00% and the mean was 4.24%.
4. That the proportion of men and women in each quartile in the Council's pay structure as of 31 March 2021 be noted.
5. That the actions the Council had taken so far to improve equality, diversity and inclusion within the workplace be noted.
6. That the actions proposed to continue to remove inequality and further promote equality, diversity and inclusion be noted.
7. That it be noted that the Equality Act 2010 (Specific Duties and Public Authorities) regulations 2017 only requires organisations to report on the gender pay gap. In addition to this, the Council have chosen to report on the race pay gap and the disability pay gap to identify areas for improvement. The Council would continue to expand this portfolio and hopes to include a review of the LGBTQ+ pay gap soon.

11

Cannock Chase Special Area of Conservation Partnership Memorandum of Understanding and Planning Guidance

Councillor Stephen Simkins presented the report on a proposal to introduce from 1 April 2022 a charge, to be paid by developers, on all net new homes proposed within City of Wolverhampton which fall within 15km of Cannock Chase Special Area of Conservation (SAC), to contribute towards the Cannock Chase SAC mitigation programme, in accordance with the Conservation of Habitats and Species Regulations 2017 (as amended). Approval was also requested for City of Wolverhampton Council to sign up to a new Cannock Chase SAC Partnership Memorandum of Understanding (MOU) and Cannock Chase SAC Financial Agreement and to adopt Planning Guidance to Mitigate the Impact of New Residential Development on Cannock Chase SAC to allow introduction of the new contributions system from 1 April 2022.

Resolved:

1. That the adoption of a new developer contribution charge of £290.58 (subject to an annual index linked increase) for each net new home within 15km of the Cannock Chase Special Area of Conservation, to apply to all planning applications for net new homes submitted to City of Wolverhampton Council from 1 April 2022 onwards be approved.
2. That authority be delegated to the Deputy Leader: Inclusive City Economy in consultation with the Director of Regeneration, to sign the final version of the draft Cannock Chase Special Area of Conservation Partnership Memorandum of Understanding attached at Appendix 1 to the report on behalf of City of Wolverhampton Council.

3. That authority be delegated to the Deputy Leader: Inclusive City Economy in consultation with the Director of Regeneration, to sign the final version of the draft Cannock Chase Special Area of Conservation Partnership Financial Agreement attached at Appendix 2 to the report on behalf of City of Wolverhampton Council.
4. That the Planning Guidance to Mitigate the Impact of New Residential Development on Cannock Chase SAC attached at Appendix 3 to the report be approved.

12 **Business Rates Discretionary Relief**

Councillor Ian Brookfield presented the report on a proposal to extend the Council's local Scheme for Business Rates Discretionary Relief with effect from 1 April 2022 and to delegate authority to officers to award relief in individual cases which satisfy the criteria.

Resolved:

1. That the following extensions to the local Business Rates Discretionary Relief Policy be approved:
 - a. In respect of charitable and voluntary organisations for one year from 1 April 2022.
 - b. In respect of Retail, Hospitality and Leisure Business Rates relief scheme for one year from 1 April 2022
 - c. In respect of transitional relief for one year from 1 April 2022
 - d. In respect of supporting small businesses for one year from 1 April 2022
 - e. In respect of local newspaper relief for one year from 1 April 2022.
2. That authority be delegated to the Director of Finance in consultation with the Head of Revenues and Benefits to award relief in individual cases which satisfy the criteria for the categories of discretionary rate relief in accordance with Section 47 Local Government Finance Act 1988.

13 **Rainbow City**

Councillor Paula Brookfield presented for approval the Council's Rainbow City Commitment Document and Rainbow City Action Plan. Rainbow City was a collective term for a series of initiatives that would celebrate and put into practice the city's commitment to the values of equality, diversity and inclusivity.

Councillor Paula Brookfield also announced that today (23 February 2022) the Council had received a Silver Employer award from Stonewall as part of its Bring Yourself to Work campaign, for its commitment and efforts in being an LGBT+ inclusive employer. The award was testament not only to the work of the Council's Rainbow Staff Equality Forum and the Equality Diversity and Inclusion Team, but everyone within the Council. It was a public recognition that the Council's drive to embedding equalities across the piece for everybody in the city was working and on track. She expressed her thanks to all those involved for making this possible.

Cabinet also extended its congratulations to Wolverhampton Homes who had been awarded Bronze Employer for its LGBT+ inclusivity in the workplace by Stonewall.

Resolved:

1. That the Council's Rainbow City Commitment Document attached at Appendix 1 to the report be approved.
2. That the Council's Rainbow City Action Plan attached at Appendix 2 to the report be approved.