

## Special Urgency Decision

<b>Report title</b>	Budget amendments	
<b>Decision Maker</b>	Special Urgency Decision	
<b>Cabinet member with lead responsibility</b>	Councillor Louise Miles Deputy Leader	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Claire Nye, Director of Finance	
<b>Originating service</b>	Finance	
<b>Accountable employee</b>	Claire Nye	Finance
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<b>Report considered by</b>	Legal Finance	

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### Recommendation(s) for action or decision:

That the Leader, 2 Cabinet Members, Chair of Scrutiny Board and the Vice-Chair of Scrutiny Board formally agree that, in the absence of a Council meeting, the decisions below take effect on behalf of the Council under the special urgency provisions as detailed in the Council's Constitution namely paragraphs 6.10 and 6.11 of article 6 namely:

#### Covid 19 – Impact on the capital programme:

1. Notes that the Covid-19 pandemic has had a damaging impact on capital projects, internationally, across the UK and in the city, leading to cost pressures associated with new 'social distanced' operating models, materials and how they are sourced. Major development projects such as the Civic Halls and WV Living sites have been affected by this global issue.
2. Approves budgetary provision for specific risks emerging from the Covid-19 global pandemic in relation to the Civic Halls project, that cannot be contained within the contingencies already provided for within the existing budget
3. Delegate authority to the Cabinet Member for City Economy in consultation with the Director for Regeneration, to approve the award of the construction contract for the Civic Halls restoration project, to Willmott Dixon Interiors Ltd of Lock House, Castle Meadow Road, Nottingham, NG2 1AG for a total contract value as prescribed at paragraph 2.3.
4. That, due to the impact of Covid-19, a capital repayment holiday is provided to WV Living.

5. That, due to the impact of Covid-19, equity of £2 million is provided to WV Living once evidence has been provided to satisfy the Director of Finance and the Director of Governance that the investment will comply with the relevant rules.
6. To delegate authority to the Cabinet Member for Resources, in consultation with the Director of Finance to approve the final terms of the capital repayment holiday and the equity provision.
7. To delegate authority to the Director of Governance to execute the necessary agreements to give effect to the decisions made.

**Loan to Wolverhampton Homes for purchase of properties:**

8. That Wolverhampton Homes are authorised to purchase properties from WV Living for the purpose of market rental.
9. That a loan of up to £1.6 million is provided to Wolverhampton Homes to facilitate the purchase of the properties.
10. That budgetary provision is made in the capital programme to facilitate the loan.
11. To delegate authority to the Cabinet Member for Resources, in consultation with the Director of Finance to approve the final terms of the loan.
12. To delegate authority to the Director of Governance to execute the necessary agreements to give effect to the decisions made.

**Development and Delivery of City Events:**

13. Approve the establishment of supplementary income and expenditure budgets for the development and delivery of city events.
14. Delegate authority to the Cabinet Member for City Economy in consultation with Director of City Environment to approve the individual business cases for City Events.
15. Delegate authority to Cabinet Member for City Economy in consultation with Director of City Environment to approve the Council entering into contracts and agreements with or for performers for City Events.
16. Approve a virement of £100,000 from the Corporate Accounts revenue budget to the City Events revenue budget to facilitate the delivery of sporting events.

This is agreed by the following:

Leader.....

Cabinet Member.....

Cabinet Member.....

Chair of Scrutiny Board.....

Vice Chair of Scrutiny Board.....

Dated – 26.06.2020

## 1.0 Purpose

- 1.1 The Joint Cabinet and Cabinet (Resources) Panel and Cabinet has proposed that amendments be made to the budget relating to its Capital programme to reflect the impact of Covid-19 and to the delivery of City Events in the future, and related approvals. It has also proposed the provision of a loan to Wolverhampton Homes and associated approval of purchase of property by Wolverhampton Homes. Ordinarily these matters would be considered by Council, however a Council meeting is only possible on a fully remote basis and therefore it has been agreed that any Council decisions would proceed by way of Urgent Decision.

## 2.0 Background

- 2.1 On 23 June 2020 Joint Cabinet and Cabinet (Resources) Panel considered a report on Covid 19 – Impact on the capital programme and Loan to Wolverhampton Homes for purchase of properties.

Copies of the report have been supplied to Councillors and can also be accessed online on the Council's website [here](#).

Joint Cabinet and Cabinet (Resources) Panel recommended to Council that it:

### **Covid 19 – Impact on the capital programme:**

1. Notes that the Covid-19 pandemic has had a damaging impact on capital projects, internationally, across the UK and in the city, leading to cost pressures associated with new 'social distanced' operating models, materials and how they are sourced. Major development projects such as the Civic Halls and WV Living sites have been affected by this global issue.
2. Approves budgetary provision for specific risks emerging from the Covid-19 global pandemic in relation to the Civic Halls project, that cannot be contained within the contingencies already provided for within the existing budget
3. Delegate authority to the Cabinet Member for City Economy in consultation with the Director for Regeneration, to approve the award of the construction contract for the Civic Halls restoration project, to Willmott Dixon Interiors Ltd of Lock House, Castle Meadow Road, Nottingham, NG2 1AG for a total contract value as prescribed at paragraph 2.3.
4. That, due to the impact of Covid-19, a capital repayment holiday is provided to WV Living.
5. That, due to the impact of Covid-19, equity of £2 million is provided to WV Living once evidence has been provided to satisfy the Director of Finance and the Director of Governance that the investment will comply with the relevant rules.
6. To delegate authority to the Cabinet Member for Resources, in consultation with the Director of Finance to approve the final terms of the capital repayment holiday and the equity provision.
7. To delegate authority to the Director of Governance to execute the necessary agreements to give effect to the decisions made.

### **Loan to Wolverhampton Homes for purchase of properties:**

1. That Wolverhampton Homes are authorised to purchase properties from WV Living for the purpose of market rental.
2. That a loan of up to £1.6 million is provided to Wolverhampton Homes to facilitate the purchase of the properties.
3. That budgetary provision is made in the capital programme to facilitate the loan.
4. To delegate authority to the Cabinet Member for Resources, in consultation with the Director of Finance to approve the final terms of the loan.
5. To delegate authority to the Director of Governance to execute the necessary agreements to give effect to the decisions made.

- 2.2 On 18 March 2020 Cabinet considered a report on Development and Delivery of City Events.

Copies of the report have been supplied to Councillors and can also be accessed online on the Council's website [here](#).

Cabinet recommended to Council that it:

1. Approve the establishment of supplementary income and expenditure budgets for the development and delivery of city events.
2. Delegate authority to the Cabinet Member for City Economy in consultation with Director of City Environment to approve the individual business cases for City Events.
3. Delegate authority to Cabinet Member for City Economy in consultation with Director of City Environment to approve the Council entering into contracts and agreements with or for performers for City Events.
4. Approve a virement of £100,000 from the Corporate Accounts revenue budget to the City Events revenue budget to facilitate the delivery of sporting events.

### **3.0 Reasons for Special Urgency**

- 3.1 In the light of the current situation involving Covid-19 the Council has, as a result of the Government's decision on restriction of movement, taken the decision to cancel all physical Council meetings until the rules allow these to be carried out. Whilst currently remote meetings are possible and the Council has used these for a number of Committees including Planning, Scrutiny Board and Licensing Committee and Cabinet meetings it has been decided that a fully remote Council meeting would be challenging as such it has been decided that until a mixed remote/physical meeting is permitted under the law the Council will use its urgent action powers for any decisions that must be taken by Council.
- 3.2 These powers are to be used sparingly and the guiding principles for any decisions are:

- Only those decisions that have to be made (i.e. as a result of Covid-19 or related matters, including support of businesses in this difficult time or as a result of an immovable deadline) will be made.

The decisions will be made or endorsed (where the decisions have to be made very urgently) using the Urgent Action powers.

The decisions will be made available on a regular basis to Councillors through the daily update to Councillors and in any event through a weekly roundup of the decisions made through the relevant pages on the Council's website so that the Public can access them.

The relevant powers under the Constitution are:

#### *Council Decision*

##### *6.10 Urgent Decisions outside the Budget or Policy Framework*

*An urgent decision which is contrary to the Policy Framework or budget adopted by the Council may be taken by the Cabinet if the Chair of the Scrutiny Board agrees that the decision is urgent. If no such Chair is available (or willing) then the Mayor or in his/her absence the Deputy Mayor may agree that it is urgent before a decision is taken.*

##### *6.11 Cabinet Decision*

*Where an urgent decision on a matter delegated to the Cabinet is required but it is not feasible to arrange a meeting of the Cabinet, the appropriate Director, in conjunction with the Head of Paid Service is authorised to take the appropriate urgent action provided that the action shall have first been discussed with and approved in writing by the Leader (or in the Leader's absence, the Deputy Leader) and two other Cabinet Members and the Chair and Vice-Chair of the Scrutiny Board or their nominees.*

In this case a decision is needed that the decision of Cabinet shall now take effect in the absence of a Council meeting, it is considered that the decisions are urgent on the basis that the budget either needs to be amended to allow contracts to be entered into or to ensure that important legal obligations (by the Council or other organisations) can be made.

These proposed decisions fall into the criteria for urgent decisions set out above.

#### **4.0 Reasons for decision**

The reasons for the proposed decisions are set out in detail in the appended reports.

## **5.0 Financial implications**

The financial implications of each of the proposed matters are set out in detail in the reports appended to this decision.  
[CN/26062020/C]

## **6.0 Legal implications**

The legal implications of each of the proposed matters are set out in detail in the reports appended to this decision.  
[DP/25062020/A]

## **7.0 Covid Implications**

7.1 The Covid implications are covered in detail in each of the decisions attached to this decision.

## **8.0 Schedule of background papers**

8.1 Joint Cabinet and Cabinet (Resources) Panel 23 June 2020 - Covid 19 – Impact on the capital programme.

8.2 Joint Cabinet and Cabinet (Resources) Panel 23 June 2020 - Loan to Wolverhampton Homes for purchase of properties.

8.3 Cabinet 18 March 2020 - Development and Delivery of City.

## **9.0 Appendices**

Appendix 1 - Covid 19 – Impact on the capital programme.

Appendix 2 - Loan to Wolverhampton Homes for purchase of properties.

Appendix 3 - Development and Delivery of City