

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 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 and Adult Services
Ross Cook	Director of City Environment
Charlotte Johns	Director of Strategy
Richard Lawrence	Director of Regeneration
Claire Nye	Director of Finance
David Pattison	Director of Governance
Laura Phillips	Deputy Director of People and Change
Jaswinder Kaur	Democratic Services Manager
Dereck Francis	Democratic Services Officer

Part 1 – items open to the press and public

Item No. *Title*

1 **Apologies for absence**
Apologies for absence were submitted on behalf of Councillor Jasbir Jaspal.

2 **Declaration of interests**
The following declarations of interests were made:

Agenda item 5 - Housing Revenue Account Business Plan 2020-2022 including Rents and Service Charges:

Councillor/Officer	Interest	Reason
Councillor Ian Brookfield	Non-pecuniary	Wolverhampton Homes leaseholder
Councillor Louise Miles	Non-pecuniary	WV Living Shareholder Board member
Councillor Jacqueline Sweetman	Non-pecuniary	WV Living Shareholder Board member
Councillor Linda Leach	Non-pecuniary	Wolverhampton Homes leaseholder
Mark Taylor, Deputy Chief Executive	Non-pecuniary	Director of WV Living
Ross Cook, Director of City Environment	Non-pecuniary	Director of WV Living

Agenda item 11 - The Marchers Helped to Own Project:

Councillor/Officer	Interest	Reason
Councillor Louise Miles	Non-pecuniary	WV Living Shareholder Board member
Councillor Jacqueline Sweetman	Non-pecuniary	WV Living Shareholder Board member
Mark Taylor, Deputy Chief Executive	Non-pecuniary	Director of WV Living
Ross Cook, Director of City Environment	Non-pecuniary	Director of WV Living

3 **Minutes of the previous meeting**

Resolved:

That the minutes of the previous meeting held on 16 December 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 meeting.

5 **Housing Revenue Account Business Plan 2021-2022 Including Rents and Service Charges**

Councillor Jacqueline Sweetman presented the report on an updated Housing Revenue Account (HRA) Business Plan 2021-2022 for recommendation to Full Council. The Business Plan aimed to balance the provision of new homes for rent, whilst continuing to invest in better and safer homes programmes to the existing stock and improving and redeveloping housing estates. The report also provided, as an integral part of that Business Plan, a proposed HRA budget for 2021-2022, including proposed rents and service charges to take effect from 1 April 2021, and a proposed HRA Capital Programme for the period 2021-2022 to 2025-2026 for recommendation to Full Council.

Resolved:

That Council be recommended to:

1. Adopt the Business Plan set out at Appendix 1 to the report as the approved Housing Revenue Account (HRA) Business Plan including:
 - a. The revenue budget for 2021-2022 at Appendix 1 to the report.
 - b. The Capital Programme for 2021-2022 to 2025-2026 at Appendix 2 to the report that includes the following among the proposed investment plans;
 - £134.0 million for new build development
 - £41.3 million provision for Estate Remodelling
 - £3.6 million for a new programme for low and mid-rise infrastructure replacement
 - £2.0 million budget provision for conversion of commercial property to residential to provide additional homes
 - £44.5 million to complete the refurbishment of the Heath Town estate
 - £86.5 million for programmes to high rise estates to include fire safety improvements, infrastructure replacement, retrofitting of sprinklers and external works.
2. Approve the implementation of an increase of 1.5% to social housing rents in accordance with the Welfare Reform and Work Act 2016 and to give 28 days notice to all secure and introductory tenants of the rent increase from 1 April 2021.
3. Approve the rates for garage rents and service charges set out in Appendix 3 to the report and formally notifies tenants.
4. Approve Management Allowances for Managing Agents as follows;
 - Wolverhampton Homes - £39,425,000
 - Bushbury Hill Estate Management Board - £1,720,000
 - New Park Village Tenants Management Organisation - £383,000
 - Springfield Horseshoe Tenants Management Organisation - £360,000
 - Dovecotes Tenants Management Organisation - £1,113,000

That Cabinet notes:

1. The consultation responses as outlined at Appendix 3 to the report. The issues raised during the consultation have been communicated to the managing agents and would also be provided to tenants as areas for possible tenant scrutiny during 2021-2022.
2. From 1 April 2020 the Regulator of Social Housing has regulated social rents charged by Local Authorities. The Rent increase at 1.5% is chargeable in line with Government policy set out in the Rent Standard 2020.
3. The issues discussed in the 2018 Social Housing Green Paper which sets out five principles for a new fairer deal for social housing residents focusing on the provision of safe and decent homes, resolving complaints, empowering tenants, tackling stigma and building new homes.
4. The National Building Safety Programme of the Ministry of Housing, Communities and Local Government and the Grenfell Inquiry pending its full outcomes, would impact upon future building safety planning. The Hackett

Review 2018 makes recommendations for residential building safety and improvements to be considered as part of all future HRA asset management and improvement planning and the Building Safety Bill introduces regulation seeking greater assurance on the safety of multi-occupied buildings.

5. Asset planning in 2020-2021 would look at the future management and asset planning for non-traditional homes, including high-rise homes.

6 **Council Tax Base and Business Rates (NDR) Net Rate Yield 2021-2022, Provisional Local Government Finance Settlement Update and Outcome of Scrutiny Review**

Councillor Louise Miles presented the report on the estimates for the Wolverhampton Collection Fund 2021-2022, which the Council managed on behalf of local precepting bodies and central government. She also reported on the key points arising from the Local Government Provisional Finance Settlement 2021-2022 and the impact on the Council's Medium Term Financial Strategy and on the outcome of the budget scrutiny process and budget engagement process with residents, businesses and other key stakeholders.

Resolved:

1. That the Collection Fund Council Tax Base for 2021-2022 be set at 63,580.55 Band D equivalents.
2. That the Collection Fund Business Rates, also referred to as Non-Domestic (NDR), Net Rate Yield for 2021-2022 be set at £68.9 million.
3. That authority be delegated to the Cabinet Member for Resources in consultation with the Director of Finance to approve amendments to:
 - a. The final Business Rates Net Yield as required as a result of changes to the NNDR 1 form (National Non-Domestic Rates return) by the Ministry of Housing, Communities and Local Government or data revisions and changes in projections;
 - b. The Council Tax Base as a result of any data revisions and changes in projections.
4. That the responses from the Scrutiny Board in relation to the Draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024 be received and noted.
5. That the outcome of the 2021-2022 Provisional Local Government Finance Settlement be noted.
6. That it be noted that the budget engagement process forms part of the continuous dialogue throughout the year with residents and key stakeholders on council priorities and the budget.
7. That it be noted that the final budget report presented to Cabinet in February 2021 would reflect the outcome of the settlement and detailed budget work for 2021-2022, including a review of all budget reduction proposals and the risks associated with their delivery.

7 **Collection Fund Estimated Outturn 2020-2021**

Councillor Louise Miles presented the report on the estimated outturn for Council Tax and Business Rates, also referred to as Non-Domestic Rates (NDR), transactions on the Collection Fund in 2020-2021. The proposals would inform the budget setting process for 2021- 2022 for the Council and precepting bodies. She informed Cabinet that there was continuing cause for concern over the collection of council tax for the future. It was part of the Council's financial planning for the next financial year as one of the indirect costs of the Covid-19 pandemic. She again called upon the Government to make good on their promise to continue to meet these costs. Councillor Miles also referred to the 'Talk to Us' campaign launched by the Council to engage with people, particularly those suffering the financial consequences of Covid-19 to assist them in the various ways the Council can, in paying their council tax.

Resolved:

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

The estimated outturn in 2020-2021 is a cumulative deficit of approximately £7.8 million after accounting for the Hardship Fund grant to compensate for council tax reliefs but prior to funding for 75% of irrecoverable losses. Based on their proportion of the 2020-2021 council tax bill, as approved by Council in March 2020 the amounts are as follows:

- City of Wolverhampton Council £6.8 million
- West Midlands Police and Crime Commissioner £660,000
- West Midlands Fire and Rescue Authority £251,000

2. That the apportionment of the payments from the precepting authority of their share of the Business Rates deficit, also referred to as Non-Domestic Rates, in equal instalments be approved.

The estimated outturn in 2020-2021 is a cumulative deficit of approximately £9.0 million after accounting for the forecast additional Covid-19 business rates reliefs funded by Section 31 grant but prior to funding for 75% of irrecoverable losses; this is as a result of a cumulative deficit totalling £818,000 brought forward from 2019-2020 and an estimated deficit in 2020-2021 totalling approximately £8.2 million. As prescribed by legislation the amounts are as follows:

- City of Wolverhampton Council £8.9 million
- West Midlands Fire and Rescue Authority £90,000

3. That authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance, to confirm any final changes to the forecast outturn reflecting any further information received ahead of the statutory deadline of 31 January 2021.

8 **Wolverhampton Pound: Spend Local for More Jobs and Opportunities**

Councillor Ian Brookfield presented the report Wolverhampton Pound: spend local for more jobs and opportunities. He reported that as part of the Council's Relighting Our City recovery framework, and the commitment to work as 'one city' alongside our civic partners to drive community and economic recovery, the Council had been working with key civic partners, City of Wolverhampton College, Royal

Wolverhampton NHS Trust, University of Wolverhampton and Wolverhampton Homes to develop the city's approach to Community Wealth Building, the Wolverhampton Pound. The approach aimed to leverage the combined power of the city's institutions, businesses and communities to build and retain local wealth in Wolverhampton, creating new jobs and opportunities.

Resolved:

1. That the approach to maximise the Wolverhampton Pound, including the vision, objectives and priority areas for action for the next 12 months to increase local spend, creating more jobs and opportunities set out in appendix 1 to the report be approved.
2. That Cabinet endorse and support the delivery of the action plan through the Wolverhampton Anchor Network to take forward the actions and recommendations of the report.
3. That the allocation of £56,000 from the Recovery Reserve, to fund the costs associated with the delivery of the 12 month action plan to progress with the priority actions identified in the report be approved.
4. That authority be delegated to the Cabinet Member for Resources in consultation with the Director of Finance, to accept external funding and approve supplementary budgets necessary to reflect external funding offered by The Health Foundation as part of their Economies for Healthier Lives fund as a result of a successful grant funding application.
5. That it be noted that the Wolverhampton Pound vision, principles and action plan were co-produced after extensive engagement with city partners, businesses and the voluntary and community sector.

9

City of Wolverhampton Education Place Planning 2020-2022

Councillor Dr Michael Hardacre presented the report on the outcome of an external consultation exercise on the City of Wolverhampton Education Place Planning 2020-2022 strategic policy document. The document would aid the Council in meeting its statutory responsibilities regarding the provision of sufficient primary and secondary school places across the city. Councillor Dr Hardacre asked Cabinet to approve the strategic policy document, which was a triumph of careful partnership working that had taken place to try and ensure all of the city's children and young people have the best possible chances moving forward.

Resolved:

1. That the 'City of Wolverhampton Education Place Planning 2020-2022' strategic policy document be approved.
2. That the outcome of external consultation in relation to 'City of Wolverhampton Education Place Planning 2020-2022' strategic policy document be noted.
3. That the summary of discussions from the Extraordinary Children, Young People and Families Scrutiny Panel on 5 January 2021, regarding the 'City of Wolverhampton Education Place Planning 2020-2022' strategic policy document be noted.

4. That the impact of the demographic uplift on demand for schools in the City be noted.
5. That the need to identify and develop appropriate solutions to meet anticipated demand for primary and secondary educational provision in the future be noted.
6. That it be noted that the Regional Schools Commissioner is responsible for determining if academies can expand. The Council is not in full control of all the factors relating to the effective and timely supply of school places.

10 **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 item of business as it involves 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

The Chair reported that as stated previously the meeting was in confidential session as the information included in the report could, if released into the public domain, prejudice the financial position of the Council or its partners. As such all present are under a legal duty of confidentiality and must not disclose any confidential information - to do so would not only be a breach of the Council's codes (for councillors and employees) but also a breach of the legal duty of confidentiality.

11 **The Marches Help to Own Project**

Having previously declared a non-pecuniary interest in this item, Mark Taylor, Deputy Chief Executive and Ross Cook, Director of City Environment both left the online meeting whilst the report was considered.

The intention to make a key decision on the report 'The Marches Help to Own Project' at the meeting was not publicised in advance as required by the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. The decision was urgent and could not be reasonably delayed for the following reason:

- This is a complex venture involving a number of partners including the West Midlands Combined Authority - the agreement on the approach has only just come through hence the need for a reduced period of time for publication

In light of the above, consent had been obtained for the key decision to be made at the meeting under the General Exception provisions

Councillor Jacqueline Sweetman presented the report on a proposal for investment in a new affordable housing product, 'Help to Own' which provided a rental solution to local residents that gave long term tenure security, the benefits of home ownership without the risks and complete flexibility to leave whenever the tenant wishes.

Resolved:

That Council be recommended to approve:

1. An equity investment of up to £5.7 million alongside a West Midlands Combined Authority ("WMCA") investment of up to £4.78 million in a pilot for a new affordable housing product called 'Help to Own' ("H2O") and that the entering into of any agreements or documents arising out of equity investment be delegated to the Cabinet Members for City Assets and Housing and Resources in conjunction with the Director of Governance and the Director of Finance (Section 151 Officer).

The Cabinet approves that:

1. Authority be delegated to the Cabinet Members for City Assets and Housing and Resources in conjunction with the Director of Governance and the Director of Finance to approve detailed agreements necessary to establish the H2O scheme and purchase the 100 units at The Marches.
2. A further report identifying the ongoing governance structure for the scheme be brought to Cabinet for approval.

The Cabinet notes that:

1. The WMCA Board would be asked to approve their investment in the project on 15 January 2021.
2. The scheme requires creation of a new Real Estate Investment Trust (REIT) or other suitable structure to acquire the units and manage the scheme. The final structure would depend upon results of detailed accounting, taxation and legal advice which is to be jointly commissioned by the WMCA and CWC.
3. The scheme requires additional debt funding of £12.7 million which would be sourced from a third party lender. The scheme is dependent upon the availability of this funding on the terms within the proposal.
4. Under the initial terms discussed it is proposed that WMCA assumes the responsibility for any losses arising for CWC from the scheme up to a capped level to be agreed and subject to due diligence.
5. The 100 units are to be purchased from WV Living, a wholly owned subsidiary company of the Council, for £20.9 million at a discount to current sales prices of £1.2 million for bulk off plan purchase.
6. The pilot would be subject to ongoing evaluation with six monthly reports of progress to Cabinet.