

Attendance

Members of the Scrutiny Board

Cllr Philip Bateman MBE (Chair)
Cllr Val Evans
Cllr Rita Potter
Cllr Wendy Thompson
Cllr Simon Bennett
Cllr Susan Roberts MBE
Cllr Ellis Turrell (Vice-Chair)
Cllr Jacqueline Sweetman
Cllr Qaiser Azeem
Cllr Anwen Muston

In Attendance

Cllr Stephen Simkins (Leader of the Council)
Cllr Steve Evans (Deputy Leader and Cabinet Member for City Housing)
Cllr Louise Miles (Cabinet Member for Resources)

Witnesses

Laura Shoaf (Chief Executive of the WMCA)
James Hughes (Member Relationship Manager WMCA)
Cllr Cathy Bayton (Chair of WMCA Overview and Scrutiny Committee)
Cllr John McNicholas (Chair of WMCA Transport Delivery Overview and Scrutiny Committee)

Employees

Martin Stevens DL (Scrutiny Team Leader)
Tim Johnson (Chief Executive)
Mark Taylor (Deputy Chief Executive)
David Pattison (Chief Operating Officer)
Charlotte Johns (Director of Strategy)
James Howse (Interim Director of Finance)
Jenny Lewington (Deputy Director City Housing)
Alison Shannon (Chief Accountant)
James Amphlett (Head of Data and Analytics)
Jo McCoy (Finance Business Partner)
Laura Noonan (Scrutiny and Systems Manager)
Lee Booker (Scrutiny Officer)
Earl Piggott-Smith (Scrutiny Officer)

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Apologies for absence**
Apologies for absence were received from Cllr John Reynolds and Cllr Barbara McGarrity.

- 2 **Declarations of interest**
Cllr Phil Bateman MBE declared a non-pecuniary interest under item 6, Performance and Budget Monitoring – Quarter 2 as Chair of Governors of Phoenix School.

Cllr Val Evans declared an interest under item 7, Housing Revenue Account Business Plan 2024-2025 including rent and service charges, as her husband was the Cabinet Member for City Housing. In line with Statutory Scrutiny Guidance, she did not wish to scrutinise an area where a close relative was the Portfolio Holder for an item being considered by the Board. She would leave the room when the item was discussed.

Cllr Susan Roberts MBE declared an interest under item 7, Housing Revenue Account Business Plan 2024-2025 including rent and service charges, as she was the Chair of the Wolverhampton Homes Board. She would leave the room when the item was discussed.

Cllr Rita Potter declared an interest under item 7, Housing Revenue Account Business Plan 2024-2025 including rent and service charges, as a Wolverhampton Homes Board Member. She would leave the room when the item was discussed.

- 3 **Minutes of the previous meeting (14 November 2023)**

Resolved: That the minutes of the meeting held on 14 November 2023 be approved as a correct record and signed by the Chair.

- 4 **West Midlands Combined Authority (WMCA) Report on work with Wolverhampton Council**

The Chief Executive of the West Midlands Combined Authority presented a report on their work with Wolverhampton Council. She thanked the Scrutiny Board for the invitation to speak at the Board. The Combined Authority were very happy to attend meetings of the Board and any meetings going forward. She stated that the role of the WMCA was to help City of Wolverhampton Council deliver their priorities within the City. The Combined Authority was also the Transport Authority, which worked very closely with the City of Wolverhampton Council as the Highways Authority. She summarised the main points of the briefing paper which had been provided to Scrutiny Board, a copy of which is attached to the signed minutes.

The Chair stated that the WMCA was a very important organisation for the Council and it was important to make the best of all the opportunities available through the Combined Authority.

The Leader of the Council emphasised the commitment of the Council to the Combined Authority. The Council was an active Member in the Combined Authority. It was critical for the Council to have a fair and equitable split from the new Single Settlement arrangements.

The Leader of the Council commented there were many challenges faced in regard to transport. He wanted two new tram lines for Wolverhampton. One for the City Centre through the Rail Hub into Stafford Road and onto i54. The second along Wednesfield Road, connecting New Cross Hospital and into the heart of Walsall. The new tram routes would form an important part of the Green agenda.

The Leader of the Council stated that he was keen to hear Members views on how the Council were regularly updated about the Combined Authority. Following the cancellation of part of the HS2 he was keen to understand where the money earmarked for that purpose would be spent on transport projects.

The Chair stated the importance of Members questions at the WMCA Overview and Scrutiny Committee being answered. He was saddened that his question in relation to when the new tram link to Wolverhampton train station would be open, was not answered at the time of the Committee or in writing subsequently thereafter. He had found out the answer from reading a press report in the Express and Star Newspaper.

The Vice-Chair welcomed the WMCA report to the Scrutiny Board. He believed it to be a fantastic summary of the work the WMCA had been doing across the region and in Wolverhampton. He echoed the Chair's comments about the importance of the Combined Authority to the City. He referred to the report which cited that the WMCA had been responsible for or facilitated a total of £350 million worth of investment in the Wolverhampton area. The Combined Authority had been hugely influential for Wolverhampton since its inception. He emphasised the importance of the use of public transport to reduce car usage.

The Vice-Chair stated that Wolverhampton was the only Constituent Authority in the WMCA area that had one railway station. He was keen to see the establishment of a new station on the west side of the City on the Wolverhampton to Shrewsbury train line and access to London in the other direction.

The Chief Executive of the WMCA confirmed that a business case was being drawn up for a new station at Tettenhall.

A Member of the Panel praised the fact that the item had come before Scrutiny Board, he was keen to learn more about the work of the Combined Authority. He asked about the impact of Birmingham City Council issuing a Section 114 notice on the region and Wolverhampton. He commented that the North East of Wolverhampton would benefit from a train station or even a tram link. He asked what the WMCA role was in providing support for the project management of projects. He felt this was where the City could benefit as well, not just in the funding of projects but the logistics for delivery of projects on time and within budget. The Chief

Executive responded that Birmingham City Council were going through their budget process and more information would be clear in the New Year when this was published on the impact of changes. She did believe it would be a challenging time for the City and for investments and projects that might not go head. She felt that the Single Settlement would help with the delivery of projects as there would be a consistent plan for years ahead.

A Panel Member welcomed the full report which the Chief Executive of the WMCA had given. She referred to the importance of the City Learning Quarter, to help upskill the population, which would in turn give them access to quality jobs at sites such as the i54. She also referred to traffic pressures in the City particularly near the border with Staffordshire and asked the WMCA to look into the issues.

A Panel Member asked what mechanisms the WMCA had in place for monitoring and assessment and how information relating to this was communicated at Local Authority level. The Chief Executive responded that they had a Single Assurance Framework, this was for any schemes coming into the WMCA over £5 million. There was also an Investment Board for schemes up to £20 million level and anything above £20 million went directly to the WMCA Board. Schemes were regularly monitored. She was excited about the forthcoming Single Outcome framework.

Members asked questions about equalities in transport such as mobility concerns and about the Local Transport Plan.

The Chief Executive of the WMCA commented that the WMCA Board had endorsed the Local Transport Plan, but work was taking place on the area strategies. She hoped these area strategies would help address some of the traffic issues which had been raised by Councillors in the meeting. She would be happy to report any strategies back to the Scrutiny function of the Council. An Equalities Impact Assessment was completed for any transport scheme.

The Chief Executive of the WMCA was supportive of the City Learning Quarter Scheme. Youth unemployment was a huge challenge for the West Midlands Region and was a critical issue for the WMCA.

The Chair on behalf of the Scrutiny Board thanked the Chief Executive of the WMCA for her attendance at the meeting.

Resolved:

- A) That the report from the WMCA be noted.
- B) A report from the WMCA, presented by the Chief Executive of the WMCA on their work with City of Wolverhampton Council be received annually at Scrutiny Board.
- C) An all Councillor Briefing Session be held with the WMCA on an annual basis.

5 **West Midlands Combined Authority (WMCA) Overview and Scrutiny Annual Report**

Cllr Cathy Bayton, Chair of the West Midlands Combined Authority Overview and Scrutiny Committee along with Cllr John McNicholas, Chair of the West Midlands Combined Authority Transport Delivery Overview and Scrutiny Committee were present for the item.

Cllr Bayton stated that a change which occurred over the course of last year, following a Governance review, was that the Transport Sub-Committee was now a Transport Delivery and Scrutiny Committee in its own right.

Cllr Bayton stated City of Wolverhampton Council's representative on the WMCA Overview and Scrutiny Committee was Cllr Phil Bateman. Since the change to the Local Enterprise Partnerships, it was felt important to maintain the voice of business and so a business person from one of the Housing Associations attended on a regular basis. The Scrutiny Committee met a total of seven times a year. For the current Municipal year, there would be a total of two question and answer sessions with the Mayor. The one on policy had already been completed which took place in the October. The one on the budget would be taking place later that week and would be a combined session with the Transport Delivery Overview and Scrutiny Committee.

Cllr Bayton commented that the Annual report outlined the work of the Scrutiny Committee in the last Municipal year. The focus of the year had been to ensure that the powers of the Combined Authority and its policies were delivering for the people of the West Midlands. For the current Municipal year there would be a strong focus on the performance of the Combined Authority and its outcomes delivered against its strategic aims and objectives. She went into detail about the items the Combined Authority had already covered in the year to date.

Cllr Bayton referred to the new Scrutiny protocol released by Government. They would be making sure the Scrutiny model aligned with the protocol and was fit for purpose. They wanted to strengthen their working relationships with stakeholders.

Cllr Bayton commented that last year their Scrutiny deep dive had been on skills. For this year it would be on examining how the Combined Authority exercised its power and funding in respect to Brownfield Development and to assess how the regions communities had benefited.

Cllr McNicholas described the Leader of City of Wolverhampton Council as a fierce advocate for Wolverhampton in his engagement with the WMCA.

Cllr McNicholas described his aim as Chair of the Transport Delivery Scrutiny Committee was to ensure there was value to their work. He gave his views on the current situation with transport in the West Midlands and some of the work which would be taking place in the year ahead, which included work on Hydrogen and Real-time information. He was supportive of a two-way process with Wolverhampton. Cllr Barbara McGarrity and Cllr Carol Hyatt were the two representatives from Wolverhampton Council on the Transport Delivery Scrutiny Committee.

The Vice-Chair stated his support for Scrutiny and additional meetings when required. As an opposition, Wolverhampton Conservatives did not have any places on any of the official Scrutiny Committees at WMCA. He was not aware of the issues which the two Wolverhampton Councillors on the WMCA Transport Delivery Scrutiny Committee were raising, he described this as a vacuum of information. He highlighted the difference between how Scrutiny Chairs were chosen at WMCA compared to Wolverhampton. At the WMCA it had to be a Chair chosen from the opposition, whereas in Wolverhampton they were currently all Councillors in the administrative group.

The Chief Operating Officer confirmed that under law there was a requirement that WMCA Scrutiny Chairs were from the Opposition. Across Councils in the West Midlands, Wolverhampton gave more seats to the Opposition for the Vice-Chair of Scrutiny roles than any other authority, unless there was no overall control. Most Councils had given the Chair and Vice-Chair roles to the controlling group, unless there was no overall control of the Council. Wolverhampton Council was therefore more favourable to the Opposition than any other authority in the West Midlands.

The Chair proposed that the WMCA should come before the Board at least on an annual basis.

Cllr Bayton confirmed the legal position in regard to the appointment of the Chair of WMCA Scrutiny Committees. All Scrutiny Committees were cross party. All meetings were recorded for anyone who wished to see the proceedings. The Chair of the WMCA Scrutiny Committee was always from a different Group to the Mayor. When the Scrutiny Committee Members were known, Members could express an interest in the Chair position. The people that had expressed an interest then went forward to the Mayor and the Constituent Authority Leaders, who made the decision as to who was to be appointed as Chair of the Scrutiny Committee.

Cllr McNicholas confirmed that the two representatives from Wolverhampton Council on the Transport Scrutiny Committee did raise issues regarding transport matters relating to Wolverhampton.

Resolved: That the WMCA Scrutiny Annual Report be brought back to Scrutiny Board on an Annual basis.

6

Performance and Budget Monitoring 2023-2024 - Quarter 2

The Chief Operating Officer introduced a presentation on Performance and Budget Monitoring 2023-2024 – Quarter 2. He commented that budget, performance and risk was considered together. The report focused on how the Our City, Our Plan was being delivered, alongside the Council's latest financial position and looking at strategic risk. The report, as was usual, had been received by the Council's Cabinet first. The co-ordinated approach of Budget, Performance and Risk was recognised as good practice.

The Interim Director of Finance stated that it was clear the Council had managed its finances well and was in a comparatively strong position compared to other Councils. The Council was expected to set a balanced budget in 2024-2025, it was however likely to require the use of some reserves. Beyond that timeframe the position became even more challenging for the Council and all other Local

Authorities, without changes to the National Funding model for Local Government. The Council had a prudent level of reserves, with 5% of the current year's net budget being held in general reserves in line with best practice. The Reserves in line with best practice had been reviewed by the Resources and Equality Scrutiny Panel on 7 December 2023.

The Interim Director of Finance commented that the prediction at Quarter 2 was that the budget for 2022-2023 would be £1 million overspent. Work was continuing to try and bring the cost pressure down.

The Chief Accountant identified the projected in year cost pressures as being mainly in relation to increased demand and inflationary pressures such as:-

- Children and Young People due to complex high cost residential placements and inflation.
- Temporary accommodation and housing subsidy grant.
- Home to School transport.
- Waste Services / Recycling Costs.

There was currently no projected growth within Adult Services. The Pay award had been confirmed on 1 November 2023. The forecast assumed the provision built into the budget would be required in full. An update would be provided in Quarter 3, once the pay award had been passed onto Services.

The Head of Data Analytics presented a slide on performance. There were 52 indicators within the Our City: Our Plan of which 30 had seen improved or sustained performance, 11 had seen a decrease in performance and 11 had yet to be updated in the financial year. He identified the areas of strength and areas of focus. The areas of focus were identified as:-

- Supporting residents into Long-Term employment through delivering our new City Education, Skills and Employment Strategy.
- Supporting local businesses to thrive through development of a revised Business Growth Programme, part of Business Growth West Midlands.

The Chief Operating Officer presented a slide summarising the key points about the Council's Strategic Risk Register. The Council's Risk Register had been revised with a new covering front page to allow a clearer summary on the scores. Each risk had a detailed background, including what was being done to mitigate the risk. The revised Risk Register had been to the Council's Audit and Risk Committee on 27 November 2023. The Risk Register had a number of additional risks, some of which were national risks, such as Equal Pay. Internal Audit reports were focused on the Strategic Risks to provide confidence on the risks. The Audit and Risk Committee considered a risk at each of their meetings.

The Cabinet Member for Resources stated that following feedback from the Resources and Equality Scrutiny Panel, in all future quarterly reports an update would also be included on the reserves position, so Members would be fully aware of

the extent the Council were using the reserves. The Vice-Chair agreed it was a good enhancement to have an update on the reserves in each quarterly report. He referred to the Strategic Risk Register and the risk associated with business support. He felt it was regrettable that the statistics relating to the number of business closures in the City had been removed since the last iteration of the Strategic Risk Register. He believed the risk should not be an amber one and should be rated much higher.

The Director of Strategy commented that on the Scrutiny Work Programme there was an item on business support scheduled for the February 2024 Panel meeting. A wide range of data sets could be used associated with the business support risk. A Board Member added that the qualitative aspects as to why a business had failed, were important to understand, not just the numbers of businesses which had failed.

The Cabinet Member for Resources remarked she had met with businesses recently to discuss increasing the consultation on the budget. A Member of the Board stressed the importance of consultation with the traders.

The Leader of Council described in detail the financial problems of some Councils across the country and the reasons for their difficulties. There was a discussion about the national and European position faced by Councils.

The Cabinet Member for Resources stated that since 2011, over £240 million had been taken out of the Council's budget in cuts and savings. 90% of the Schools in Wolverhampton were rated by Ofsted as Good or Outstanding. The budget was rated as a red risk on the register. One year settlements from Government made it very difficult to plan ahead.

Resolved: That the Performance and Budget Monitoring 2023-2024 – Quarter 2 report be accepted by Scrutiny Board.

7 **Housing Revenue Account Business Plan 2024 - 2025 including Rent and Service Charges**

The Interim Director of Finance introduced a presentation on the Housing Revenue Account Business Plan 2024-2025 including rent and service charges.

The Cabinet Member for City Housing placed on record the excellent work which had been completed by Council Officers and the Council's Managing Agents and other partners such as Wolverhampton Homes and the Tenant Management Organisations (TMOs). He felt that the residents of Wolverhampton had a trust in the Council's Housing stock, for which he was immensely proud. He was pleased to report that 330 extra Council houses had been built.

A Board Member suggested that the average private sector rent in Wolverhampton should be included in section 147. She felt this would add perspective. She asked if the Council had lobbied Central Government to increase the amount people could receive in Housing benefit. The Cabinet Member for City Housing responded that the median private sector weekly rent in Wolverhampton was £229.62. In Wolverhampton the social housing average weekly rent cost was just short of £90.00. If the proposals went ahead it would increase to an average of £96.00 per

week. He referred to an Assistance Fund which had been setup last year to help people struggling to pay the rent.

The Vice-Chair remarked that some people living in social housing would be alarmed by the 7.7% increase in rent. He felt there were alternatives to ease the burden available. He also commented that repairs and maintenance needed to be at the forefront of Wolverhampton Homes priorities. Some of cases of housing conditions reported to Councillors were appalling.

The Cabinet Member disagreed with the Vice-Chair's comment and asked him to furnish some examples of appalling social housing conditions within Wolverhampton. He gave his analysis on the current housing situation in Wolverhampton.

The Leader gave this thoughts on the current financial situation and emphasised how proud he was of the social housing in Wolverhampton.

8 **Scrutiny Work programme**
The Scrutiny Work Programme was agreed.

9 **Forward Plan of Key Decisions**
The Forward Plan of Key Decisions was noted.

The meeting closed at 8:58pm.