



Cabinet (Resources) Panel

9 December 2014

Report title	Capital programme 2014/15 to 2018/19 quarter two review	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director(s)	Keith Ireland, Managing Director Sarah Norman, Community Tim Johnson, Education and Enterprise	
Originating service	Strategic Finance	
Accountable employee(s)	Mark Taylor Tel Email	Assistant Director Finance 01902 55(6609) mark.taylor@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	6 November 2014

Recommendation(s) for action or decision:

1. The Cabinet (Resources) Panel recommends that Council:
 - a) Approves the revised medium term general fund capital programme of £219.7 million, an increase of £24.9 million from the previously approved programme (paragraph 2.3), reflecting the latest projected expenditure for the medium term.
 - b) Approves additional resources for six new and seventeen existing projects totalling £24.9 million (paragraph 4.9).
 - c) Approves the revised medium term Housing Revenue Account (HRA) capital programme of £239.7 million, an increase of £2.0 million from the previously approved programme (paragraph 5.2).

- d) Approves new capital projects for 'Heath Town estate redevelopment', the 'Installation and upgrade of Carelink alarm systems' (paragraph 5.4) and the programme for 'Garage demolitions' (paragraph 5.9) included within the revised HRA capital programme.
- e) Delegates authority to the Cabinet Member for Leisure and Communities and the Cabinet Member for Resources in consultation with the Strategic Director for Community and the Assistant Director Finance to award a grant from the Sports Investment Strategy (paragraph 4.9).

2. The Cabinet (Resources) Panel is recommended to:

- a) Approve six General Fund virements with a gross transfer value of £2.9 million detailed at Appendix B (paragraph 4.6).
- b) Approve the updated schedules of works for the capital projects under the following directorates;
 - i) Community: Urban Parks Refurbishment, Sports Investment Strategy (appendix C1)
 - ii) Delivery: ICTS, Leisure Centres and Disposals (appendices C2 - C3)
 - iii) Education and Enterprise: BSF, Capital Maintenance and Expansion of Primary School Places (appendices C4 – C6)
- c) Delegate authority to the Cabinet Member for Resources in consultation with the Assistant Director Finance to approve the allocation of the provision of the 'Disposals Programme' to individual capital schemes (see also paragraph 4.8).
- d) Approve the HRA virement of £100,000 from the External Works programme to facilitate a new programme for 'Garage demolitions', for which approval is also sought (paragraph 5.9).

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. The expenditure position for quarter two of 2014/15 which stands at 27.3% of the approved general fund capital budget (paragraph 3.3).
2. The expenditure position for quarter two of 2014/15 which stands at 23.8% of the approved Housing Revenue Account (HRA) capital budget (paragraph 5.1).

1.0 Purpose of report

- 1.1 To provide Cabinet (Resources) Panel with an update on the financial performance of the General Fund and HRA capital programmes for 2014/15 and the revised forecast for 2014/15 to 2018/19 as at quarter two of 2014/15.
- 1.2 To recommend revised General Fund and HRA capital programmes for the period 2014/15 to 2018/19.

2.0 Executive Summary

- 2.1 At its meeting on 16 July 2014, Council approved a General Fund capital programme totalling £194.8 million for the period 2014/15 to 2018/19.
- 2.2 Table 1 below shows the changes proposed when comparing the approved budget with that proposed, along with the resources identified to finance the proposed change.

Table 1: Summary of the forecast budgets compared to approved

General Fund	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Budget						
Approved	124,220	48,007	14,657	5,921	2,036	194,841
Projected	122,692	57,035	29,195	8,752	2,036	219,710
Variance	(1,528)	9,028	14,538	2,831	-	24,869
Financing						
Approved						
Internal resources	82,837	41,097	7,747	323	936	132,940
External resources	41,383	6,910	6,910	5,598	1,100	61,901
	124,220	48,007	14,657	5,921	2,036	194,841
Projected						
Internal resources	80,803	47,960	17,585	3,154	936	150,438
External resources	41,889	9,075	11,610	5,598	1,100	69,272
	122,692	57,035	29,195	8,752	2,036	219,710
Variance	(1,528)	9,028	14,538	2,831	-	24,869

- 2.3 This report recommends variations to the approved programme totalling an increase of £24.9 million bringing the total revised capital programme to £219.7 million.
- 2.4 The approved General Fund capital budget for 2014/15 amounts to £124.2 million. Expenditure to the end of quarter two 2014/15 totals £33.9 million. This represents 27.3% of the approved budget.
- 2.5 At its meeting on 17 September 2014, Council approved a revised Housing Revenue Account (HRA) business plan, including the HRA capital programme totalling £237.7 million for 2014/15 to 2018/19.

- 2.6 The approved HRA capital budget for 2014/15 amounts to £84.4 million. Expenditure to the end of quarter two 2014/15 totals £20.1 million. This represents 27.3% of the approved budget.
- 2.7 A further revised business plan totalling £239.7 million is proposed for the 2014/15 to 2018/19 period, an increase totalling £2.0 million. A summary analysis of variances when comparing the approved HRA budget to that proposed can be seen in Table 2.

Table 2: Summary of the HRA forecast budgets compared to approved

Housing Revenue Account	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Total £000
Budget						
Approved	84,431	50,503	38,233	33,178	31,365	237,710
Projected	74,935	62,040	38,233	33,178	31,365	239,751
Variance	(9,496)	11,537	-	-	-	2,041
Financing						
Approved						
Internal resources	73,675	50,503	38,233	33,178	31,365	226,954
External resources	10,756	-	-	-	-	10,756
	84,431	50,503	38,233	33,178	31,365	237,710
Projected						
Internal resources	63,285	62,040	38,233	33,178	31,365	228,101
External resources	11,650	-	-	-	-	11,650
	74,935	62,040	38,233	33,178	31,365	239,751
Variance	(9,496)	11,537	-	-	-	2,041

3.0 2014/15 General Fund capital programme

- 3.1 At its meeting on 16 July 2014, Council approved a 2014/15 General Fund capital programme totalling £124.2 million.
- 3.2 Table 3 provides an analysis of general fund capital expenditure to the end of quarter two compared to the approved budget.

Table 3: Expenditure to the end of quarter two of 2014/15

Directorate	Approved budget £000	Expenditure to the end of quarter two £000	Variance over / (under) £000	Expenditure as % of budget %
Delivery	24,070	3,229	(20,841)	13.4%
Community	8,077	2,338	(5,739)	28.9%
Education and Enterprise	86,849	28,170	(58,679)	32.4%
Housing Private Sector	5,224	135	(5,089)	2.6%
Total	124,220	33,872	(90,348)	27.3%

- 3.3 General fund expenditure to the end of quarter two stands at £33.9 million against a budget of £124.2 million which represents 27.3% of the approved budget for 2014/15.
- 3.4 The latest financial monitoring information indicates that capital expenditure during 2014/15 will be lower than the approved budget at £122.5 million, a reduction of £1.7 million. This reflects £2.7 million increase in planned expenditure offset by a £4.5 million decrease in expenditure as a result of project re-profiling over subsequent years.
- 3.5 To understand the impact that this might have on the Council's capital resources it is necessary for 2014/15 requirements to be considered alongside the medium term capital programme covering the period up to and including 2018/19. An analysis of the medium term projected expenditure compared to budget is provided in Table 1 and a more detailed analysis is provided in Section 4.

4.0 Medium term General Fund capital programme

- 4.1 A revised medium term capital programme, covering the period 2014/15 to 2018/19 of £219.7 million is proposed (see Table 1), a projected increase of £24.9 million.
- 4.2 The projected increase has been analysed over existing directorates and is detailed in Table 4.

Table 4: Variance analysis of 2014/15 to 2018/19 projected budgets by Directorate

Directorate	Approved budget	Forecast budget	Variance
	2014/15 to 2018/19	2014/15 to 2018/19	over / (under)
	£000	£000	£000
Community	9,346	9,283	(63)
Delivery	45,673	51,342	5,669
Education and Enterprise	124,474	143,954	19,480
Housing Private Sector	15,348	15,131	(217)
Total	194,841	219,710	24,869

- 4.3 The projected increase of £24.9 million reflects additional expenditure of £36.8 million not already assumed in the approved capital programme requiring Council approval, offset by expenditure reductions of £11.9 million.
- 4.4 Any proposals to increase the level of the capital programme are considered by Capital Programme Working Group, via a capital appraisal mechanism, prior to approval being sought from Councillors.
- 4.5 Table 5 provides a summary of the projected changes in expenditure for new and existing projects requiring Council approval. Specific project details in relation to these changes are provided at appendix A. The transfer of some projects from one Directorate to another is also detailed which has a net nil impact on the overall capital budget.

Table 5: Summary analysis of the projected change in expenditure

Directorate	Projected change in expenditure			Total increase / (decrease) in expenditure £000
	New projects £000	Existing projects £000	Restructure £000	
Community	70	(95)	(38)	(63)
Delivery	2,808	-	2,861	5,669
Education & Enterprise	12,438	9,865	(2,823)	19,480
Private Sector Housing	-	(217)	-	(217)
Total	15,316	9,553	-	24,869

- 4.6 Requests for budget virements between projects are detailed in appendix B.
- 4.7 Ancillary schedules of works for approval are detailed in appendices C1 to C6.
- 4.8 Approval is sought to delegate authority to the Cabinet Member for Resources in consultation with the Assistant Director Finance to approve the allocation of the provision of the 'Disposals Programme' to individual capital schemes. This is to enable works to be initiated in relation to the disposal of non-strategic sites, the nature of which would not allow sufficient time to gain normal Council approvals.
- 4.9 Approval is also sought to delegate authority to the Cabinet Member for Leisure and Communities and the Cabinet Member for Resources in consultation with the Strategic Director for Community and the Assistant Director Finance to award a grant from the Sports Investment Strategy.
- 4.10 Table 6 analyses the type of resources identified to finance the projected change in expenditure.

Table 6: Summary of financing for projected change in expenditure

Summary	Internal resources £000	External resources £000	Projected change in resources £000
New projects	8,308	7,008	15,316
Existing projects	9,190	363	9,553
Total	17,498	7,371	24,869

- 4.11 The programme is financed through internal and external resources. Internal resources reflect expenditure that requires the use of Council resources and over which the Council therefore has absolute discretion. Capital receipts are only assumed where there is reasonable certainty that they will be received within the required timeframe. External resources is funding secured from external organisations e.g. central government.
- 4.12 The implications of the levels of borrowing required have been fully reflected in the revenue budget and medium term financial strategy.

4.13 Details of the financing of the revised capital programme are shown in Table 7.

Table 7: Summary of recommended changes to financing of the General Fund capital programme

2014/15 to 2018/19				
	Approved budget	Recommended budget	Variance	Resource as % of expenditure
	£000	£000	£000	
Expenditure	194,841	219,710	24,869	100.0%
Financing				
Internal resources				
Capital receipts	17,790	16,565	(1,225)	7.5%
Prudential borrowing	114,350	132,833	18,483	60.5%
Revenue contributions	800	1,040	240	0.5%
Subtotal	132,940	150,438	17,498	68.5%
External resources				
Grants & contributions	61,901	69,272	7,371	31.5%
Subtotal	61,901	69,272	7,371	31.5%
Total	194,841	219,710	24,869	100.0%

Note: The use of Revenue contributions will be reviewed at year end to identify whether this is the appropriate option or whether borrowing will provide the opportunity to deliver in year savings.

4.13 General Fund capital receipts totalling £16.6 million have been assumed within the capital programme for quarter two and can be seen in Table 8. These receipts reduce the need for Prudential Borrowing.

Table 8: Receipts assumed in the revised capital programme

	Projected					Total £000
	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	
General Fund capital receipts	7,007	3,693	4,665	600	600	16,565

5.0 Housing Revenue Account capital programme

5.1 The approved HRA capital budget for 2014/15 amounts to £84.4 million. Expenditure to the end of quarter two 2014/15 totals £20.1 million. This represents 23.8% of the approved budget.

5.2 The Housing Revenue Account Business Plan totalling £237.7 million was approved by Council at its meeting on 17 September 2014.

5.3 Latest financial monitoring information forecasts expenditure to be £2.0 million higher than the approved budget and is reflected in the revised budget of £239.7 million.

- 5.4 This variance reflects additional expenditure requirements of £7.1 million offset by reduced expenditure of £5.1 million across projects within the HRA capital programme.
- 5.5 Approval is sought for the inclusion of new projects reflected in the £7.1 million increase in expenditure. £41,000 relates to an installation and upgrade of Carelink alarms project and £5.0 million for the Heath Town estate redevelopment. The Heath Town estate redevelopment budget is profiled as £2.0 million in 2014/15 and £3.0 million for 2015/16.
- 5.6 Approval to the increase in the 1-4-1 replacement programme is also sought which totals £1.9 million. Of this £1.9 million, £1.6 million is financed by way of 1-4-1 receipts and the balance from prudential borrowing, this is ensuring that 1-4-1 receipts are not used for more than 30% of the total spend on any one project. From the unallocated budget line for the 1-4-1 replacement programme it is proposed to allocate £4.0 million to the Tap works site development project.
- 5.7 Recent expenditure forecasts indicate a reduced budget requirement totalling £2.4 million for the Decent Homes programme reflecting programme re-profiling and the extension of year six projects in order to maximise the number of properties improved to the Decent Homes Standard.
- 5.8 A further reduction of £2.0 million is projected for the Other Stock Conditions programme, with the majority attributable to a reduction in planned expenditure of £1.4 million on the Energy Efficiency Works programme.
- 5.9 Approval is sought for a virement of £100,000 from the External Improvement programme budget to a new programme for Garage Demolitions, for which approval is also sought.

6.0 Key budget risks

- 6.1 Appendix D provides an analysis of the risks associated with the capital programme, along with the details of the risk control measures that are in place in order to manage and mitigate these risks as far as possible. The overall risk associated with the programme continues to be quantified as amber.

7.0 Financial implications

- 7.1 The financial implications are discussed in the body of this report.

[SH/31102014/R]

8.0 Legal implications

- 8.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs.

- 8.2 The Local Government Act 2003 brought in the current regime for capital finance for local authorities. It reduced the level of central control over local authority borrowing and capital expenditure.
- 8.3 The Council is required to comply with statutory codes of practice including the Prudential Code for Capital Finance in Local Authorities and Treasury Management in Public Services.
- 8.4 The legal framework therefore places a greater responsibility on Cabinet Members to ensure properly managed borrowing and capital expenditure without the need for government consent.
- 8.5 The main principles of the framework are prudence, sustainability and affordability.

[RB/03112014/P]

9.0 Corporate landlord implications

- 9.1 Projects funded and delivered through the Council's capital programme typically have significant impact on the Council's property portfolio. Corporate landlord implications must be considered and included in relevant documents and reports when individual capital projects and programmes are being developed.

10.0 Equalities implications

- 10.1 Under the Equality Act 2010, the Council has a statutory duty to pay due regard to the impact of how it carries out its business on different groups of people. This is designed to help the Council identify the particular needs of different groups and reduce the likelihood of discrimination; the nine equality strands covered by the legislation are:

- Age
- Disability
- Gender reassignment
- Pregnancy and Maternity
- Religion or Belief
- Race
- Sex
- Sexual Orientation
- Marriage and Civil Partnership (this strand only applies to employment and not to service delivery).

These strands include everyone.

- 10.2 Cabinet Members should also be aware that under the Equality Act 2010, they must have due regard to the Public Sector Equality Duty when making budget decisions. What this means in practice is that Cabinet Members must consciously think about the three aims

of the Public Sector Equality Duty as part of the decision making process, the three aims are to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation.
- Advance equality of opportunity by removing or minimising disadvantages, meet differing needs and encourage participation.
- Foster good relations between people from different groups.

10.3 Consideration of equality issues must influence the decisions reached by public bodies including:

- How they act as employers.
- How they design, deliver and evaluate services.
- How they commission and procure from others.

10.4 The Brown Principles, established as a result of a legal case concerning Post Offices closures in 2008, provide an important checklist when making decisions:

- Decision makers must be made aware of their duty to have due regard to the identified goals.
- Due regard must be fulfilled before and at the time that a particular decision is being considered, not afterwards.
- The duty must be exercised in substance, with rigour and with an open mind. It is not a question of ticking boxes.
- The duty is not delegable; it must be fulfilled by the organisation in question rather than through the use of an external body to do it to the organisation.
- The duty is a continuing one.
- It is good practice to keep an adequate record showing that it has considered the identified needs.

10.5 There is a range of individual projects delivered through the Council's capital programme that have significant impacts on specific groups and equality implications should be considered when individual capital schemes are being developed.

10.6 This requirement would also apply if there were to be any redirection of capital funding in year so as to ensure that the impact of any changes is considered.

11.0 Environmental implications

11.1 A wide range of projects delivered through the capital programme have significant environmental implications and are geared to promote improvements to the physical environment.

12.0 Schedule of background papers

- 12.1 Capital Budget Outturn 2013/14 including Quarter One Monitoring 2014/15 – Report to Cabinet on 25 June 2014, Council on 16 July 2014.
- 12.2 Housing Revenue Account (HRA) Business Plan Update Quarter One 2014/15 – Report to Cabinet on 23 July 2014, Council on 17 September 2014.

13.0 Schedule of Appendices

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Analysis of projected change in expenditure

Appendix A

Community	New / Existing project	Approved budget £000	Proposed budget £000	Forecast change in expenditure £000	Financing Internal resources £000	External resources £000
Upgrading of accessible facilities at Action for Independence - Albert Road Proposed scheme is funded by Community Capacity Grant transferred from Residue on Capital Investment in Community Capacity budget	New	-	70	70	-	70
Community Capacity Grant Proposed transfer of grant to fund a new scheme 'Upgrading of accessible facilities at Action for Independence - Albert Road'	Existing	70	-	(70)		(70)
Urban Parks refurbishment programme - Spring Road Industrial Estate (Taylor Road) Net reduction of budget to better reflect Section 106 contributions available.	Existing	1,228	1,203	(25)		(25)
Bilston Leisure Centre Due to a restructure the scheme has been reallocated to the Delivery directorate with no impact to the overall capital budget.	Restructure	38	-	(38)	(38)	-
Subtotal		1,336	1,273	(63)	(38)	(25)

Delivery	New / Existing project	Approved budget £000	Proposed budget £000	Forecast change in expenditure £000	Financing Internal resources £000	External resources £000
Leisure Centre Enhancement Programme Proposed scheme is for targeted investment for the development/upgrade of leisure facilities funded by council resources and Sport England grant.	New	-	705	705	555	150
Disposals Programme Proposed scheme is for the various sites that have been scheduled for disposal as part of the Medium Term Financial Strategy.	New	-	2,103	2,103	2,103	-
Bilston Leisure Centre Due to a restructure the scheme has been transferred from the Community directorate with no impact to the overall capital budget.	Restructure	-	38	38	38	-
Corporate Asset Management Due to a restructure the scheme has been transferred from the Education & Enterprise directorate with no impact to the overall capital budget.	Restructure	-	2,823	2,823	2,823	-
Subtotal		-	5,669	5,669	5,519	150

Private Sector Housing	New / Existing project	Approved budget £000	Proposed budget £000	Forecast change in expenditure £000	Financing Internal resources £000	External resources £000
Empty Property Strategy Planned expenditure increase to reflect the rise in empty property receipts available to fund the project.	Existing	326	486	160	160	-
All Saints Phase 1 Proposed reduction in planned expenditure to reflect the resources available to fund the project.	Existing	226	149	(77)	(77)	-
Grant and Loan Fund Withdrawal of the scheme from the capital programme.	Existing	300	-	(300)	(300)	-
Subtotal		852	635	(217)	(217)	-

Analysis of projected change in expenditure

Appendix A

Education & Enterprise	New / Existing project	Approved budget £000	Proposed budget £000	Forecast change in expenditure £000	Internal resources £000	External resources £000
Universal Infant Free School Meals Scheme approved by Cabinet (Resources) Panel on 8th April 2014 not previously reported.	New	-	588	588	-	588
Civic Halls Improvement Plan Scheme approved by Cabinet on 1st October 2014 is funded by £6.2M external grant via Black Country Local Enterprise Growth Deal and a transfer of £4.2M from the "Reallocation of Resources for Regeneration Priorities" which was identified following a review of the Council's capital programme reported to Cabinet on 25 June 2014	New	-	10,400	10,400	4,200	6,200
West Side On 26th March 2014 Cabinet approved the 'West Side Delivery Strategy' and allocation of resources from 'Reallocation of resources for Regeneration Priorities' following a review of City Centre funding and the wider capital programme.	New	-	1,450	1,450	1,450	-
Expansion of Primary School Places On 17th September 2014 Council approved an additional council resources of £14,801M for Phase 3 Primary Expansion schemes over a period of four years from 2014/15 to 2017/18.	Existing	14,986	30,221	15,235	14,801	434
Building Schools for the Future Increase of external resources relates to BSF £0.080K grant funding from DoFE not previously included in programme and a reflected reduction of £0.058K contributions from Academy Schools. Increase of internal resources relates to an increase in school's contributions school's agreed variations.	Existing	16,761	17,032	271	249	22
14-19 Diploma Exemplar Learning Centre Proposed budget increase to accommodate a retention payment.	Existing	-	7	7	7	-
Planned maintenance Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	-	164	164	-	164
Asbestos Removal Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	-	25	25	-	25
Boiler/Pipework Replacements Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	45	715	670	-	670
Roof/Window/Lighting Replacements Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	82	582	500	-	500
St Peter's/St Edmund's Access Road Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	-	50	50	-	50
Contingency Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	-	195	195	-	195
Toilet Refurbishment Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	-	120	120	-	120
Fire Prevention Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	6	100	94	-	94
Demountables Proposed allocation of uncommitted Capital Maintenance grant to the scheme for 2014/15.	Existing	-	720	720	-	720

Analysis of projected change in expenditure

Appendix A

Education & Enterprise	New / Existing project	Approved budget £000	Proposed budget £000	Forecast change in expenditure £000	Internal resources £000	External resources £000
Canalside Quarter Net increase in budget. Due to additional developers contributions of £200k allocation enabled to release £100k of borrowing.	Existing	900	1,000	100	(100)	200
Local Sustainable Transport Fund Increase of Section 31 IT Grant	Existing	614	751	137	-	137
City Centre Transport & Movement Enhancements Proposed virement of £35k from Reallocation of Resources for Regeneration Priorities and new High Street Innovation Fund grant allocated to fund the expenditure.	Existing	1,396	1,441	45	35	10
Integrated Transport Centro Quick Wins grant	Existing	4,885	5,000	115	-	115
Reallocation of resources for Regeneration priorities Proposed transfer of resources to support schemes such as West Side, Civic Halls Improvement Plan and City Centre Transport & Movement Enhancements.	Existing	6,556	1,366	(5,190)	(5,190)	-
Wolverhampton City Centre Interchange Change reflects the revised funding available for the project	Existing	1,309	1,283	(26)	-	(26)
Capital maintenance Proposed allocation of uncommitted Capital Maintenance grant to support various maintenance schemes.	Existing	11,484	8,512	(2,972)	-	(2,972)
Southside On 23rd July 2014 Cabinet approved the release of unallocated funds from the Southside budget to the Reallocation of Resources for Regeneration Priorities budget.	Existing	4,263	3,868	(395)	(395)	-
Corporate Asset Management Due to a restructure the scheme has been reallocated to the Delivery directorate with no impact to the overall capital budget.	Restructure	2,823	-	(2,823)	(2,823)	-
Subtotal		66,110	85,590	19,480	12,234	7,246
TOTAL				24,869	17,498	7,371

Virements
Virements requiring approval

Appendix B

Education and Enterprise	Virement required £000	Comments
Capital Maintenance	(2,538)	Proposed transfer of £2,538,000 between schemes within the Capital Maintenance programme.
Planned maintenance	164	
Boiler/Pipework Replacements	640	
Roof/Window/Lighting Replacements	500	
St Peter's/St Edmund's Access Road	50	
Contingency	250	
Toilet Reburshment	120	
Fire Prevention	94	
Demountables	720	
Capital Maintenance	(134)	
Expansion of Primary School Places	134	
Canalside Quarter	(100)	Proposed transfer of £70,000 to fund new capital scheme.
Reallocation of resources for Regeneration priorities	100	
Reallocation of resources for Regeneration priorities	(35)	
City Centre Transport & Movement Enhancements	35	Proposed reallocation of £50,000 to accommodate expenditure plans on existing schemes
Residue on Capital Investment in Community Capacity Grant	(70)	
Upgrading of accessible facilities at Action for Independence - Albert Road	70	
Local Safety Schemes	(50)	
Walking, Cycling, Safer Routes to School and minor highway improvements	50	
Total	-	

Virements to note

Education and Enterprise	Virement required £000	Comments
Capital Maintenance	(300)	Council's approval on 17th September 2014
Expansion of Primary School Places	300	Council's approval on 17th September 2014
Reallocation of resources for Regeneration priorities	(4,200)	Cabinet approval on 1st October 2014
Black Country Growth Deal - Cultural Programme	4,200	Cabinet approval on 1st October 2014
Reallocation of resources for Regeneration priorities	(1,450)	Cabinet approval on 26th March 2014
West Side	1,450	Cabinet approval on 26th March 2014
Southside	(395)	Cabinet approval on 23rd July 2014
Reallocation of resources for Regeneration priorities	395	Cabinet approval on 23rd July 2014
Total	-	

Community

Appendix C1

Urban Parks Refurbishment	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Main programme:						
East Park	386	-	-	-	-	386
Spring Road Ind Estate (Taylor Rd)	117	-	-	-	-	117
Grapes Pool / Moseley Park	20	-	-	-	-	20
Hay Canal Basin Broad Street	181	-	-	-	-	181
Cricket Provision (externally funded)	121	-	-	-	-	121
Heath Town Park	117	-	-	-	-	117
Bowling provision (externally funded)	131	-	-	-	-	131
West Park Play	60	-	-	-	-	60
All Saints Park	70	-	-	-	-	70
Total Urban Parks Refurbishment	1,203	-	-	-	-	1,203

Sports Investment Strategy	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Main programme:						
Barnhurst Lane pitches	1,545	273	-	-	-	1,818
Synthetic Pitch at Our Lady and St Chads School	987	-	-	-	-	987
Aldersley Synthetic Pitch	5	-	-	-	-	5
Payment of grant	-	200	-	-	-	200
Projects in Development	-	795	-	-	-	795
Total Sports Investment Strategy	2,537	1,268	-	-	-	3,805

Delivery

Appendix C2

ICT capital programme	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Main programme:						
Future Developments	603	1,500	2,000	-	-	4,103
Emergency Projects	100	-	-	-	-	100
Security Enhancement [1001]						
Enterprise Anti Virus	18	-	-	-	-	18
Network Access Control	30	-	-	-	-	30
Network Intruder Detection	10	-	-	-	-	10
	58	-	-	-	-	58
Refresh [1002]						
Microsoft Enterprise Agreement	428	395	377	-	-	1,200
Storage Refresh [1003]						
Replace NEO4000 tape library	42	100	-	-	-	142
Upgrades [1004]						
Replace / Upgrade Firewalls	63	-	-	-	-	63
Email labelling for GCSx	60	-	-	-	-	60
Web Filtering and Email Filtering	153	-	-	-	-	153
Qlikview	6	-	-	-	-	6
Enterprise SFTP Solution	-	100	-	-	-	100
Corporate Data Network - contract renewal	300	-	-	-	-	300
	582	100	-	-	-	682
Infrastructure Upgrades [1005]						
IP Telephony	114	-	-	-	-	114
Windows 7 Migration	72	30	-	-	-	102
Replace smaller mainframe applications	152	-	-	-	-	152
Network Hardware Refresh	31	30	30	-	-	91
SSL / VPN Remote Access replacement /	129	-	-	-	-	129
Replace public network infrastructure	99	-	-	-	-	99
Expand production VM environment and	32	60	30	-	-	122
DASS to SIP trunking	2	1	-	-	-	3
SX2000 decommissioning	2	1	-	-	-	3
SCCM	50	-	-	-	-	50
SCOM	50	-	-	-	-	50
Thin client solution	-	205	-	-	-	205
	733	327	60	-	-	1,120
Data Centres [1006]						
Cold aisle containment	-	20	-	-	-	20
Uninterruptable Power Supply (UPS)	26	-	-	-	-	26
Environmental monitoring	-	15	-	-	-	15
Additional Data Cabinets	5	12	-	-	-	17
Air conditioning	1	-	-	-	-	1
Mainframe decommission and deep clean	20	-	-	-	-	20
	52	47	-	-	-	99
Main programme total	2,598	2,469	2,437	-	-	7,504
Desktop Refresh	1,733	-	-	-	-	1,733
Disaster Recovery	237	225	225	-	-	687
Total ICT capital programme	4,568	2,694	2,662	-	-	9,924

Delivery

Appendix C3

Leisure Centre	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Bilston Leisure Centre	38	-	-	-	-	38
Central Baths	290	-	-	-	-	290
Aldersley Leisure Village	365	-	-	-	-	365
Bert Williams Centre	10	-	-	-	-	10
Leisure Centre Equipment	40	-	-	-	-	40
Leisure Centre Enhancement Programme	705	-	-	-	-	705
Total Leisure Centre programme	743	-	-	-	-	743

Disposals Programme	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Outline Planning Consents	29	47	23	-	-	99
Pennfields - Demolition	165	-	-	-	-	165
Danesmore - Relocation of licencees	30	-	-	-	-	30
Wednesfield High - Demolition	-	622	-	-	-	622
Reprovision of playing field provision	211	616	-	-	-	827
Future years demolitions	-	-	360	-	-	360
Total Disposals Programme	435	1,285	383	-	-	2,103

Education and Enterprise

Appendix C4

BSF programme	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Sample:						
The Kings/Tettenhall Wood	69	-	-	-	-	69
Phase 1:						
Bilston Academy (Mineshaft Works)	4	-	-	-	-	4
Coppice Performing Arts	70	-	-	-	-	70
SWBA	501	-	-	-	-	501
Wednesfield High	126	-	-	-	-	126
Phase 2:						
St Edmunds / Compton Park Site	441	-	-	-	-	441
Moreton Community / School	102	-	-	-	-	102
Our Lady & St Chad Catholic	36	-	-	-	-	36
Colton Hills Community Schools	71	-	-	-	-	71
Phase 3:						
Midpoint Centre	385	-	-	-	-	385
North East Academy	2,454	-	-	-	-	2,454
Smestow	975	-	-	-	-	975
Westcroft	639	-	-	-	-	639
Aldersley	1,322	-	-	-	-	1,322
Moseley Park	2,456	-	-	-	-	2,456
New Park Special	1	-	-	-	-	1
St Peter Church of England School	201	-	-	-	-	201
Wolverhampton Girls High	275	-	-	-	-	275
Councils contribution to LEP/PFI Schemes	80	-	-	-	-	80
Deansfield Compensation	-	303	-	-	-	303
Heath Park Compensation	-	401	-	-	-	401
VAT Adjustments:						
St Edmunds	30	-	-	-	-	30
St Peters	190	-	-	-	-	190
Our Lady & St Chad Catholic	47	-	-	-	-	47
VAT refund from HMRC	(3,041)	-	-	-	-	(3,041)
BSF - ICTS Infrastructure Schemes:						
Contractual Costs	586	-	-	-	-	586
Highfields	28	-	-	-	-	28
Penn Fields	71	-	-	-	-	71
Coppice Performing Arts	26	-	-	-	-	26
SWBA	18	-	-	-	-	18
Wednesfield High	99	-	-	-	-	99
St Edmunds / Compton Park Site	9	-	-	-	-	9
Moreton Community School	41	-	-	-	-	41
Our Lady & St Chads	148	-	-	-	-	148
Colton Hills	36	-	-	-	-	36
North East Academy	1,130	-	-	-	-	1,130
Smestow	1,055	-	-	-	-	1,055
Westcroft	26	-	-	-	-	26
Moseley Park	1,055	-	-	-	-	1,055
St Peters Cof E School	138	-	-	-	-	138
Wolverhampton High School	146	-	-	-	-	146
Green Park	169	-	-	-	-	169
Midpoint / Orchard Centre	10	-	-	-	-	10
Aldersley	992	-	-	-	-	992
Tettenhall Wood	95	-	-	-	-	95
Deansfield	313	626	-	-	-	939
Heath Park	811	405	-	-	-	1,216
Abnormals / SLG / ELS	861	-	-	-	-	861
Total BSF capital programme	15,297	1,735	-	-	-	17,032

Education and Enterprise

Appendix C5

Capital Maintenance	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Boiler upgrades/replacement pipework/heaters:						
St Alban's Church of England Primary - replacement	30	-	-	-	-	30
Castlecroft Primary - boiler replacement	70	-	-	-	-	70
D'Eyncourt Primary - boiler replacement	150	-	-	-	-	150
Long Knowle Primary - boiler replacement	90	-	-	-	-	90
Springdale Infant and Junior - replacement pipework	100	-	-	-	-	100
Oxley Primary - replacement pipework	30	-	-	-	-	30
Westacre Infant - replacement pipework	150	-	-	-	-	150
St Thomas Church of England Primary - replacement pipework	50	-	-	-	-	50
	670	-	-	-	-	670
Roof replacements and ceilings:						
Claregate Primary - first floor ceilings	30	-	-	-	-	30
Dovecotes Primary - replacement roof covering	40	-	-	-	-	40
Grove Primary - replacement roof covering to hall	40	-	-	-	-	40
St Martin's Church of England Primary - replacement roof covering to hall, classrooms	80	-	-	-	-	80
Whitgreave Infant - replacement roof covering	40	-	-	-	-	40
Whitgreave Junior - replacement roof covering	30	-	-	-	-	30
Woodthorne Primary - replacement roof covering Junior block	60	-	-	-	-	60
	320	-	-	-	-	320
Window upgrade:						
Bushbury Nursery - replacement classroom windows	30	-	-	-	-	30
Hill Avenue Primary - replacement classroom windows	50	-	-	-	-	50
Woodfield Infant - replacement classroom windows	50	-	-	-	-	50
Woodfield Junior - replacement classroom windows	50	-	-	-	-	50
	180	-	-	-	-	180
Toilet/cloakroom upgrade:						
Elston Hall Primary - toilet refurbishment	50	-	-	-	-	50
Loxdale Primary - toilet refurbishment	50	-	-	-	-	50
Merridale Primary - cloakroom floors	20	-	-	-	-	20
	120	-	-	-	-	120
Structural/demolition/external works/security						
St Andrew's Church of England Primary - demolition of horsa building, playground replacement	150	-	-	-	-	150
Bantock Primary - reform playground	70	-	-	-	-	70
Field View Primary - provision of playground	80	-	-	-	-	80
Goldthorn Park Primary - replacement floor screeds	200	-	-	-	-	200
Lanesfield Primary - demolition of chimney	20	-	-	-	-	20
New Park School - boundary fence	150	-	-	-	-	150
New Park School - internal doors/access system/lift	50	-	-	-	-	50
	720	-	-	-	-	720
Contribution to New Build schemes:						
Edward the Elder Primary	25	-	-	-	-	25
Wood End Primary	25	-	-	-	-	25
	50	-	-	-	-	50
Asbestos removal:						
Dovecotes Primary	25	-	-	-	-	25
	25	-	-	-	-	25
Rewiring and electrical upgrades:						
Christ Church Church of England Primary	18	-	-	-	-	18
Claregate Primary	12	-	-	-	-	12
Dovecotes Primary	24	-	-	-	-	24
Long Knowle Primary	20	-	-	-	-	20
Palmers Cross Primary	20	-	-	-	-	20
St Andrew's Church of England Primary	20	-	-	-	-	20
Stow Heath Primary	25	-	-	-	-	25
Westacre Infant	10	-	-	-	-	10
Woodthorne Primary	15	-	-	-	-	15
	164	-	-	-	-	164
Contingency for emergency works	195	-	-	-	-	195
Uncommitted Balance of Capital Maintenance (schemes to be confirmed)	295	-	-	-	-	295
Total Capital Maintenance capital programme	2,739	-	-	-	-	2,739

Education and Enterprise

Appendix C6

Expansion of Primary School Places	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£000	£000	£000	£000	£000	£000
Phase 3						
Bilston Primary School Phase 3	124	715	1,201	94	-	2,134
Bushbury Hill	39	521	371	44	-	975
Eastfield Primary Phase 2	80	766	154	47	-	1,047
Loxdale Primary	223	940	52	-	-	1,215
Manor Primary	227	1,650	1,625	162	-	3,664
St Martin's Primary	164	992	602	83	-	1,841
Stowlawn Primary	31	300	28	-	-	359
Westacre Infant School	48	303	31	-	-	382
West Park Primary	69	616	98	-	-	783
						-
Schemes to be identified Phase 3	114	768	470	49	-	1,401
Contingency	81	549	336	34	-	1,000
Total Expansion of Primary School Places	1,200	8,120	4,968	513	-	14,801

Key Budget Risks

Appendix D

Risk Number	Category	Risk- cause/event	Impact of Risk	Probability of Risk (P) Score 1-5	Impact of Risk (I) Score 1-5	Score (PxI)	Red (R) Amber (A) Green (G)	Risk Control Measures	Owner	Review Period
1	Financial and Budget Management	Ineffective budget management.	Overspend against budget requiring either savings on other projects or additional prudential borrowing having an adverse impact on the Revenue Budget.	2	4	8	A	<ul style="list-style-type: none"> • Monthly monitoring at Service Level and to capital programme working group. • Quarterly monitoring to Cabinet Members. • Capital Programme report. 	Assistant Director Finance	Quarterly
2	Financial and Budget Management	Loss of ICT facilities e.g. due to failure of systems, loss of key personnel and/or disaster recovery arrangements.	Lack of robust financial information on which to set and monitor budgets, leading to increased projected expenditure requiring other project savings to be identified or the need for additional prudential borrowing having an adverse impact on the Revenue Budget.	3	4	12	A	<ul style="list-style-type: none"> • ICT disaster recovery project and arrangements. • Independent project management systems hold information in some instances. 	Assistant Director Finance	Quarterly
3	Financial and Budget Management	Inability to recover all VAT associated with capital expenditure.	Overspend against budget requiring either savings on other projects or additional prudential borrowing having an adverse impact on the Revenue Budget.	4	3	12	A	<ul style="list-style-type: none"> • Close scrutiny of new capital schemes to establish potential VAT implications in order that they can be effectively managed 	Assistant Director Finance	Monthly
4	Income and Funding	Inability to deliver disposal programme due to: affordability of Corporate Schemes preventing release of sites; local community and member opposition to site disposals.	<p>Loss of funding requiring projects to be delayed / stopped, or additional prudential borrowing having an adverse impact on the Revenue Budget.</p> <p>Unable to meet financial commitments e.g. repayment of Regional Infrastructure Funding requiring additional prudential borrowing having an adverse impact on the Revenue Budget.</p>	3	4	12	A	<ul style="list-style-type: none"> • Robust Project Management Systems. • Members Property Group • Reporting to Capital Programme Working Group. 	Assistant Directors	Monthly
5	Income and Funding	Decline in market for land and property resulting in failure to dispose of land or reduced level of receipt.	Reduced level of receipts requiring either a reduction in other areas of the Capital Programme or additional prudential borrowing having an adverse impact on the Revenue Budget.	2	3	6	A	<ul style="list-style-type: none"> • Pro-active management of disposals to maximise receipts, which could include conscious decision to defer sales etc. 	Assistant Director Regeneration	Monthly
6	Income and Funding	Reduction in level of Government funding after announcements made and programme committed.	Legal / political commitment to projects requiring either a reduction in other areas of the Capital Programme or additional prudential borrowing having an adverse impact on the Revenue Budget.	2	4	8	A	<ul style="list-style-type: none"> • Close monitoring of central government policy decisions. • Building in contingency plans within the capital programme. 	Assistant Director Finance	Monthly

Appendix D

Risk Number	Category	Risk- cause/event	Impact of Risk	Probability of Risk (P) Score 1-5	Impact of Risk (I) Score 1-5	Score (Pxl)	Red (R) Amber (A) Green (G)	Risk Control Measures	Owner	Review Period
7	Income and Funding	Inability to deliver outcomes / outputs in accordance with grant / S106 conditions.	Clawback of grant by funding organisations requiring either other project savings or additional prudential borrowing having an adverse impact on the Revenue Budget.	2	4	8	A	<ul style="list-style-type: none"> • Robust project management to monitor outputs / outcomes. • Reality check of business cases to support bids. 	Assistant Director Finance	Monthly
8	Income and Funding	Grant drawn down against ineligible project expenditure.	Clawback of grant by funding organisations requiring either other project savings or additional prudential borrowing having an adverse impact on the Revenue Budget.	1	4	4	A	<ul style="list-style-type: none"> • Careful, detailed monitoring of project expenditure to ensure robust grant claims. 	Assistant Director Finance	Monthly
9	Income and Funding	Availability of borrowing e.g. Central Government capping.	Lack of funding requiring projects to be delayed or stopped.	5	4	20	R	<ul style="list-style-type: none"> • Close monitoring of central government policy decisions. • Building in contingency plans within the Capital Programme. 	Assistant Director Finance	Monthly
10	Income and Funding	Affordability of borrowing.	Lack of funding requiring projects to be delayed or stopped.	3	4	12	A	<ul style="list-style-type: none"> • Building in contingency plans within the Capital Programme. 	Assistant Director Finance	Monthly
11	Third Parties	Contractors ceasing to trade.	Incomplete projects with a need to re-tender for another contractor leading to additional costs requiring either other project savings or additional prudential borrowing having an adverse impact on Revenue Budget.	2	4	8	G	<ul style="list-style-type: none"> • Departments using external service suppliers work closely with them and are kept abreast of their service and business situation. At worst this gives the council notice of emerging problems • Due diligence. 	Assistant Directors	Monthly
12	Third Parties	Delegation of programmes to partners e.g. Wolverhampton Homes.	Ineffective budget management.	2	4	8	A	<ul style="list-style-type: none"> • Regular monitoring meetings and clear stipulation regarding information requirements. 	Assistant Directors	Monthly

Appendix D

Risk Number	Category	Risk- cause/event	Impact of Risk	Probability of Risk (P) Score 1-5	Impact of Risk (I) Score 1-5	Score (Pxl)	Red (R) Amber (A) Green (G)	Risk Control Measures	Owner	Review Period
13	Third Parties	Contract delays.	Increased project costs requiring other project savings or additional prudential borrowing having an adverse effect on the Revenue Budget.	4	3	12	A	• Robust project management.	Assistant Directors	Monthly
14	Third Parties	Lack of contractors bidding for work.	Lack of competition, resulting in increased project costs and reduced VFM.	2	2	4	G	• Departments using external service suppliers work closely with them and are kept abreast of their service and business situation. This gives the City Council notice of emerging problems.	Assistant Directors	Monthly
15	Government Policy	Change in government policy requiring capital investment.	Lack of funding requiring other projects to be delayed or stopped or additional prudential borrowing having an adverse impact on the Revenue Budget.	2	4	8	A	• Close monitoring of central government policy decisions. • Building in contingency plans within the Capital Programme.	Assistant Directors	Monthly
16	Service Demands	Change in configuration of services requiring capital investment.	Lack of funding requiring other projects to be delayed or stopped or additional prudential borrowing having an adverse impact on the Revenue Budget.	1	4	4	A	• Building in contingency plans within the Capital Programme.	Assistant Directors	Monthly
17	Service Demands	Demand for service increases due to demographic changes requiring capital investment.	Lack of funding requiring other projects to be delayed or stopped or additional prudential borrowing having an adverse impact on the Revenue Budget.	1	4	4	A	• Close monitoring of service demands to enable the forecasting of pressures. • Building in contingency plans within the Capital Programme.	Assistant Directors	Monthly