



Cabinet (Resources) Panel

17 December 2013

Time 5.00pm **Public meeting?** YES **Type of meeting** Executive

Venue Civic Centre, St Peter's Square, Wolverhampton WV1 1SH

Room Committee Room 4 (3rd floor)

*A pre-meeting for members of the Panel will
be held in meeting room 4 at 4.30pm.*

Membership

Chair Cllr Andrew Johnson (Lab)

Labour

Cllr Peter Bilson
Cllr Steve Evans
Cllr Roger Lawrence
Cllr Phil Page
Cllr John Reynolds
Cllr Paul Sweet

Conservative

Liberal Democrat

Quorum for this meeting is two Councillors.

Information for the Public

If you have any queries about this meeting, please contact the democratic support team:

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Wolverhampton WV1 1RL

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Agenda

Part 1 – items open to the press and public

Item No. Title

MEETING BUSINESS ITEMS

1. **Apologies for absence**
2. **Declarations of interest**
3. **Minutes of the previous meeting (26 November 2013)**
[For approval]
4. **Matters arising**
[To consider any matters arising from the minutes]

DECISION ITEM (Red – reserved to Council)

5. **Local Council Tax Reduction Scheme 2014/15 Onwards**
[To agree revisions to the local council tax reduction scheme]

DECISION ITEMS (Amber – delegated to the Cabinet (Resources) Panel)

6. **Quarter 2 Revenue Budget Monitoring**
[To agree matters relating to the 2012/2014 revenue budget as at the end of the second quarter]
7. **Fixed Penalty Review**
[To agree the proposals relating to fixed penalties]

INFORMATION ITEMS

8. **Changes to Employee Establishment**
[To note the schedule of changes approved by the Cabinet Member and directors]
9. **Schedule of Green Decisions**
[To note the schedule of open and exempt decisions approved by Cabinet Members following consultation with the relevant employees]

EXCLUSION OF PRESS AND PUBLIC

10. **Exclusion of press and public**
 [To pass the following resolution:

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 items of business as they involve the likely disclosure of exempt information on the grounds shown below.]

Part 2 – exempt items, closed to the press and public

<i>Item No.</i>	<i>Title</i>	<i>Grounds for exemption</i>	<i>Applicable paragraph</i>
11.	Corporate Procurement Award of Contracts for Works, Goods and Services [To agree the acceptance of the award and extension of Council contracts as required by the Council’s Contract Procedure Rules]	Information relating to the financial or business affairs of any particular person (including the authority holding the information)	3
12.	Surplus Properties and Disposal Methods [To agree to declare properties surplus to requirements and the disposal methods]	Information relating to the financial or business affairs of any particular person (including the authority holding the information)	3
13.	Progression of Section 77 Submission for the Change of the Use of the Various Surplus Schools’ Playing Fields [To agree for the Council to seek Secretary of State approval for the disposal of playing fields on surplus school sites]	Information relating to the financial or business affairs of any particular person (including the authority holding the information)	3
14.	Provision of Hired School Transport [To agree the acceptance of tenders for the 2013/14 academic year]	Information relating to the financial or business affairs of any particular person (including the authority holding the information)	3
15.	Blocks 10 and 11 [To approve the Funding and Phase agreements in respect of Blocks 10 and 11 and the Queens building at Wolverhampton Interchange.]	Information relating to the financial or business affairs of any particular person (including the authority holding the information)	3

INFORMATION ITEMS

16. **Changes to Employee Establishment**
 [To note the schedule of changes approved by Cabinet Members and Directors]
- Information relating to any individuals 1



Cabinet (Resources) Panel

Minutes – 26 November 2013

Attendance

Members of the Cabinet (Resources) Panel

Cllr Andrew Johnson (chair)
Cllr Peter Bilson
Cllr Steve Evans
Cllr Roger Lawrence
Cllr Phillip Page
Cllr John Reynolds
Cllr Paul Sweet

In Attendance

Cllr Elias Mattu – Cabinet Member for
Leisure and Communities

Employees

Keith Ireland	Strategic Director – Delivery
Tim Johnson	Strategic Director – Education and Enterprise
Mark Taylor	Assistant Director – Finance
Wendy Trainor	Interim Chief Legal Officer
Andrew Merritt-Morling	Programme Manager
Peter Oakeshott	Head of Procurement
Steve Brotherton	Head of Commissioning Older People
Helen Rowney	Commissioning Officer
Liz Kiely	Democratic Support Officer
Matthew Vins	Graduate Management Trainee

Part 1 – items open to the press and public

Item No. Title

MEETING BUSINESS ITEMS

86. Declarations of interests

Councillor Andrew Johnson declared non-pecuniary discloseable interests in:

- Agenda Item No 6: Capital Programme 2013/14 to 2017/18 Quarter Two Review.
- Agenda Item No 13: Corporate Procurement Award of Contracts for Works, Goods and Services.

87. Minutes of the Previous Meeting (5 November 2013)

Resolved:

That the minutes of the meetings held on 5 November 2013 be approved as a correct record and signed by the Chair.

88. Matters Arising

The Leader referred to Resolution 82 and advised that the matter which had been previously deferred had now been rectified.

RED ITEMS (Reserved to the Council)

89. Housing Revenue Account Business Plan Update Quarter Two 2013/14

Resolved:

- (i) That Council be recommended to adopt the updated business plan as the approved Housing Revenue Account business plan including the capital programme for 2013 to 2017/18.
- (ii) That subject to consultation with tenants, the above- inflationary rent increases be implemented to address the shortfall in the HRA business plan noting that this would mean a rent increase of c.6.25% in April 2014, and 3.5-4% in subsequent years.
- (iii) That an indicative freeze in managing agents' allowances be put in place for the next five years.
- (iv) That Capital Expenditure Plans be reviewed and any further increases in capital expenditure be resisted except where that expenditure results in a net contribution to the plan and is affordable in the short-term.
- (v) That the forecast outturn against the 2013/14 revenue budget which is a surplus before allocations of £10.5 million compared to a budgeted surplus of £11.4 million be noted.

90. Capital Programme 2013/14 to 2017/18 Quarter Two Review

Councillor Johnson asked for both himself and Councillor Reynolds to be provided with explanations in relation to the overspends as identified in Appendix B of the report.

Resolved:

- (i) That Council be recommended to approve the revised medium term General Fund (excluding housing) capital programme of £290.8 million for the period 2013/12 to 2017/18 including General Fund private sector housing, the total General Fund capital programme being £310.5 million.
- (ii) That virements totalling £3.8 million be approved in respect of ICT, Developments, Electric Vehicle Charging Points, i54 Travel Plan, Block 10 & 11 Wolverhampton Interchange and Youth Zone.
- (iii) That additional resources for existing schemes totalling £11.0 million be

- approved.
- (iv) That additional resources for new schemes totalling £1.6million be approved.
 - (v) That the 2013/14 updated schedules of works be approved for the following schemes:
 - Delivery ICTS Capital Programme
 - Education and Enterprise Corporate Asset Management
 - Schools, Skills and Learning Capital Maintenance and Basic Needs Grant
 - (vi) That the re-allocation of the Structural Maintenance rolling programme budget above the level of delegated authority be approved, the budget for D'Eyncourt Road will increase from £133,000 to £310,000.
 - (vii) That it be noted that a medium term budget of £232.3 million for the Housing Revenue Account and £19.7 million for the General Fund private sector housing budget is due for separate approval by Cabinet on 26 November.
 - (viii) That virements totalling £3.0 million in respect of Canalside Quarter, High Street Link and the Expansion of Primary School Places be noted.
 - (ix) That additional resources for new schemes totalling £19.4 million be noted.

91 Treasury Management Activity Monitoring – Mid Year Review 2013/14

Resolved:

- (i) That it be noted that the Council is continuing to operate within the Prudential and other Indicators and also within the requirements set out in the Council's approved Treasury Management Policy Statement .
- (ii) That it be noted that revenue savings of £870,000 for the General Fund and £2.8 million for the Housing Revenue Account are forecast from treasury management activities in 2013/14.
- (iii) That it be noted that a mid-year review of the Treasury Management Strategy Statement had been undertaken and the Council was operating within the limits and requirements approved.
- (iv) That a report on charging for the use of credit cards be presented to the next meeting of the Panel.

DECISION ITEMS (Amber – Delegated to the Cabinet)

92. Empty Property Strategy – Compulsory Purchase of 8 Mandale Road, Fallings Park

Resolved:

- (i) That the Wolverhampton City Council (8 Mandale Road, Fallings Park, Wolverhampton) Compulsory Purchase Order 2013 be made.
- (ii) That the Strategic Director for Education and Enterprise on behalf of the Council:
 - Take all reasonable steps as soon as it is reasonably practical to secure the making, confirmation and implementation of the Order including the publication and service of all Notices and the presentation of the Council's

case at any Public Inquiry

- acquire interests in the land within the Order either compulsorily or by agreement before or after making the order
- Approve agreements with landowners setting out the terms for the withdrawal of objections to the Order, and or making arrangements for re-housing or relocation of any occupiers
- Approve to the making of a General Vesting Declaration
- Approve the disposal of the property by auction, tender or private treaty

93. Regional Growth Fund and European Regional Developments Fund – Approval of Collaboration Agreements

Resolved:

- (i) That specific collaboration agreements be approved where funds are in the process of being secured to enable delivery of the Growing Priority Sectors and Growth Factory projects and the Chief Legal Officer to be authorised to execute the final collaboration agreement
- (ii) That the Cabinet Member for Economic Regeneration and Prosperity in consultation with the Strategic Director for Education and Enterprise and the Chief Legal Officer be authorised to approve the terms of future collaboration agreements in conjunction with other Black Country Local Authorities and Black Country Consortium.

94. Funding Transfer from NHS England to Social Care 2013/14

Resolved:-

That the Council enter into an agreement under Section 256 of the National Health Act 2006 with the relevant National Health Service Body setting out that the relevant National Health Service body will provide the sum of £4.922 million to the Council which will be ring fenced for the provision of adult social care.

INFORMATION ITEMS

95. Schedule of Green Decisions

Resolved:

That the summary of open and exempt green decisions approved by Cabinet Members, following consultation with the appropriate employee, be noted.

EXCLUSION OF PRESS AND PUBLIC

96. 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(s) of business as they involve the likely disclosure of exempt information falling within the paragraphs of Schedule 12A of the Act set out below:

<i>Item No.</i>	<i>Title</i>	<i>Applicable paragraph</i>
13	Corporate procurement - award of contracts for works, goods and	3

services

14	Rating and Revenue	3
15	Community Hubs Programme	3
16	Changes to Employee Establishment	1

Part 2 – exempt items, closed to the press and public

97. Corporate Procurement – Award of Contracts for Works, Goods and Services

Resolved:

- (i) That the contract for the provision of African, Caribbean and Dual Heritage Community Support Service be awarded to the African Caribbean Community Initiative of Whitmore Reans for a three year term commencing April 2014
- (ii) That the contract for Preventative Services be awarded to Walsall Housing Group of Walsall for a term of up to four years
- (iii) That the contract for Long Term Reablement Support for People with Mental Ill Health be awarded to Midland Heart of Birmingham for a term of five years with the option to extend by a further year
- (iv) That the contract for maintenance and repair of patient handling equipment for social care establishments be awarded to Medequip Assistive Technology of Middlesex for a term of three years plus an option to extend for up to one year
- (v) That the contract for maintenance and repair of patient handling equipment for Independent Living Service be awarded to NRS Healthcare of Leicestershire for a term of three years plus an option to extend for up to one year
- (vi) That the contract for the provision of gully cleansing and ancillary services be awarded to Gwynedd Environmental Waste Services Ltd T/A GEWS Ltd of Shrewsbury of a term of two years with an option to extend for a further two years
- (vii) That the contract for maintenance of land and highway drainage be awarded to Drainage and Civil Engineering Ltd of Wolverhampton for a term of two years with an option to extend for a further two years
- (viii) That the contract for an Urban Traffic Management and Control Common Database be awarded to Cloud Amber of Bristol for a term of ten years.
- (ix) That the existing agreement with Wolverhampton Voluntary Sector Council for the provision of support to self-help groups be varied to include the empowerment and enablement group for an annual fixed

term sum this payment would be in addition to the current annual contract.

- (x) That the existing contract for the provision of a highways asset management service with Pitney Bowes Systems of Hatfield be extended and varied for a period of two years to include an asset management service for the grounds maintenance service.
- (xi) That the Sub Regional Foster Care Contract be extended for a twelve month period from 1 April 2014 to 31 March 2015 to facilitate a full service review at an unknown contract value due to the demand led nature of the service provision.
- (xii) That it be noted that for each of the procurements and items within the report the appropriate Cabinet Member and Director/Assistant Director have been consulted and are supportive of the recommendations.
- (xiii) That the new format report to assist in proper governance and decision making as and where necessary be noted.

98. **Rating and Revenue Matters**

Resolved:

That the recommendations for discretionary rate relief applications be approved.

99. **Community Hubs Programme**

Resolved:

- (i) That the following Individual Decision Notices be endorsed:
 - Acceptance of Tender Phase One Community Hubs Ashmore Park (16 July 2013)
 - Acceptance of Tender Phase One Community Hubs Long Knowle (16 August 2013)
 - Acceptance of Tender Phase One Community Hubs Pendeford/Priory Green(16 August 2013)
 - Acceptance of Tender Phase One Community Hubs Wednesfield (21 October 2013)
- (ii) That the execution of the individual agreements by the Chief Legal Officer following the Individual Decision Notices be endorsed.
- (iii) That the cessation of the Parkfields element of the Community Hubs be endorsed

100. **Changes to Employee Establishment**

Resolved:

That the employee establishment changes as detailed in the report be noted.



Cabinet (Resources) Panel

17 December 2013

Report title	Local Council Tax Reduction Scheme 2014/15 Onwards	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keith Ireland, Delivery	
Originating service	Revenues and Benefits	
Accountable employee(s)	Sue Martin Tel Email	Head of Revenues & Benefits 01902 554772 sue.martin@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board Council	5 December 2013 18 December 2013

Recommendation(s) for action or decision:

That Cabinet (Resources) Panel:

1. Reviews the consultation feedback and equalities analysis.
2. Approves the Local Council Tax Discretionary Discount Policy
3. Recommends that Council:
 - 3.1. Notes the feedback from consultation.
 - 3.2. Notes the equality analysis.
 - 3.3. Approves the following revisions to the Local Council Tax Reduction Scheme
 - a) The basis on which support is calculated is revised from 91.5% of net liability to 88% of gross liability.
 - b) The rate at which support is withdrawn as income increases (the taper) is revised from 20% to 23%.

- c) Support is restricted to the level of a band C property.
 - d) Entitlement to second adult rebate is removed.
 - e) The capital cut-off limit is revised from £16,000 to £6,000.
 - f) The rate of non-dependent deduction is increased by 5% above the government uprating of the Prescribed Scheme for 2014/15.
 - g) Entitlement to backdated awards is limited to one month.
 - h) The disregard of child benefit income is limited to the rate for the first child.
- 3.4. Approves the full text of the revised scheme which is to be adopted from 1 April 2014.
- 3.5. Authorises the Cabinet Member for Resources in consultation with the Strategic Director Delivery, to make any consequential amendments to the Council's Constitution.

The recommendations above make reference to a number of specific documents for review and approval. Those documents are:

- Consultation feedback report – appendix (i)
- Equality analysis summary – appendix (ii)
- Council Tax Discretionary Discount Policy – appendix (iii)
- Local Council Tax Reduction Scheme which is published at <https://wolverhampton.cmis.uk.com/decisionmaking/Calendar/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8417/Committee/1448/SelectedTab/Documents/Default.aspx>

1. Purpose

- 1.1. This report seeks approval from Cabinet (Resources) Panel to submit the Local Council Tax Reduction Scheme to Full Council with a recommendation that the proposed revisions to the scheme be adopted from 1st April 2014.

2. Background

- 2.1. From April 2013 the council implemented its own Local Council Tax Reduction Scheme to replace council tax benefit which had been abolished. Government continues to set the rules for pensioners and so the local scheme applies only to working age families.
- 2.2. The abolition of council tax benefit was accompanied by a reduction in Government funding for council tax support. In Wolverhampton the impact was estimated to create a pressure of £3.2 million, a combination of the loss of £2.7 million grant funding and £500,000 in lost council taxbase
- 2.3. A transitional scheme was implemented for 2013/14 following a decision by Council on 23 January 2013. The council received a one-off Government grant of £600,000 towards the cost of the scheme, but this still left a gap of £1.9 million which was ultimately funded through other savings and the use of reserves approved as part of the Medium Term Financial Strategy for 2013/14.
- 2.4. The council's overall financial position means that to continue to fund the cost of the scheme at current levels is unaffordable.
- 2.5. A working group comprising representatives of Scrutiny Board and Confident Capable Council Scrutiny Panel met on 27 June and 14 August 2013 to consider a range of options for the local scheme. Following this pre-decision scrutiny, Cabinet agreed to publish a proposed scheme for consultation containing the following revisions:
 - a) The basis on which support is calculated is revised from 91.5% of net liability to 88% of gross liability.
 - b) The rate at which support is withdrawn as income increases (the taper) is revised from 20% to 23%.
 - c) Support is restricted to the level of a band C property.
 - d) Entitlement to second adult rebate is removed.
 - e) The capital cut-off limit is revised from £16,000 to £3,000.
 - f) The rate of non-dependent deduction is increased by 5% above the government uprating of the Prescribed Scheme for 2014/15.
 - g) Entitlement to backdated awards is limited to one month.
 - h) The disregard of child benefit income is limited to the rate for the first child.
- 2.6. A draft revised scheme was published for consultation on 12 September 2013 as part of a comprehensive public consultation exercise.

- 2.7. The recommendations set out in this report take into account the levels of savings the council needs to make as a result of the cut in Government grant, whilst still providing support to working age residents on low incomes with the majority of their council tax.

3. Revisions to the Scheme – key principles

- 3.1. A wide range of issues has been considered in designing the scheme as now proposed, including:
- The Government's "Statement of Intent" issued in May 2012, Regulations and other guidance relating to vulnerable people and work incentives.
 - Feedback received from public consultation.
 - An assessment of the impact on equalities.
 - Incentivising work and alignment with emerging Universal Credit proposal.
 - Maintaining, where appropriate, key elements of the Council Tax Benefits scheme.
 - The impact on collection rates for council tax (including the impact on major precepting authorities) and the administrative costs of the scheme.
 - The reduction in Government funding for council tax support nationally and the direct impact on the council's overall financial position.
 - The loss of transitional grant after the first year of the scheme.
- 3.2. Taking into account the equalities assessment and analysis of comments received during consultation, the key features of the scheme as now recommended are:
- a) Support for people of pensionable age will be provided in accordance with the Government's Regulations through a means tested reduction.
 - b) Support for people of working age will be provided through a means tested reduction.
 - c) There will be a discretionary hardship scheme to provide additional assistance in exceptional circumstances to the most vulnerable. The proposed Council Tax Discretionary Discount Policy is included as appendix (iii).
 - d) The scheme should continue to disregard in full war disablement pensions and pensions for war widows and widowers.
- 3.3. This means most households of working age will pay more towards their council tax from April 2014 and there will be extra help for the most vulnerable in exceptional circumstances.

4. Consultation and analysis

- 4.1. The Local Government Finance Act 2012 specifies that before adopting or revising a scheme, the council must (in the following order):
- Consult any major precepting authority which has power to issue a precept to it.
 - Publish a draft scheme in such a manner as it thinks fit.
 - Consult such other persons as it considers are likely to have an interest in the operation of the scheme.

- 4.2. The council has carried out a comprehensive public consultation exercise in line with the requirements set out above. An explanation of the proposals and feedback questionnaire was delivered to every household in the City.
- 4.3. The council's website included a simple to use on-line calculator that allowed any resident to check and compare their entitlement under the current and proposed schemes.
- 4.4. A summary of the range of events and methods used to ensure participation was as wide as possible is available at:
<https://wolverhampton.cmis.uk.com/decisionmaking/Calendar/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8417/Committee/1448/SelectedTab/Documents/Default.aspx>
- 4.5. Consultation commenced on 12 September and ran until 11 November 2013. During the course of the consultation there were 566 unique visits to the consultation web pages on the council website and 406 people used the on-line comparison calculator. There were 806 formal consultation responses and a range of public consultation events attended by over 400 people.
- 4.6. A detailed report on the outcome of consultation is attached as appendix (i).
- 4.7. Response to the consultation questions can be summarised as follows:

To what extent do you agree or disagree with	Strongly agree / agree	Strongly disagree / disagree
The council's overall proposal	48%	33%
The proposal to restrict liability to 88%	52%	26%
The proposal to end the disregard of Child Benefit other than for the First child	51%	25%
The proposal to increase the taper from 20% to 23%	45%	26%
The proposal to restrict support to the equivalent of a Band C property	45%	27%
The proposal to remove Second Adult Rebate	45%	28%
The proposal to remove entitlement to those with capital above £3,000	34%	48%
The proposal to increase Non-Dependant deductions by 5% above uprating	47%	24%
The proposal to restrict backdating to one month	45%	29%

- 4.8. The individual proposal receiving the lowest level of support from consultation is the proposal to remove entitlement for those with capital above £3,000. The response rate of 48% either disagreeing or strongly disagreeing is significantly above all other proposed changes.

- 4.9. The main themes in the textual responses were that £3,000 was too low, it penalises people who have saved for emergencies, discourages saving and would not last long before being completely eroded.
- 4.10. There was strong agreement that the council's scheme should provide additional help to families with children on a low income (71% of respondents agreed or strongly agreed), disabled people (84% of respondents agreed or strongly agreed), Carers (77% of respondents agreed or strongly agreed) and people on low incomes (71% of respondents agreed or strongly agreed).

5. Transitional and hardship protection

- 5.1. If any changes are made that have the effect of making the scheme less generous, the council is under a duty to consider transitional protection for any individuals that would receive a lower level of support.
- 5.2. Those people who will potentially experience the greatest loss under the proposed revisions are those that lose all entitlement to support under the following proposals
- a) Entitlement to second adult rebate is removed.
 - b) The capital cut-off limit is revised from £16,000 to £3,000.
- 5.3. In the first instance, second adult rebate is not awarded on the basis of the financial circumstances of the claimant but is based on the financial circumstances of other adult(s) in the household. This therefore means that the claimant themselves may not be on a low income; otherwise they would and can continue to claim support in their own right. In view of this it is not considered necessary to provide transitional protection.
- 5.4. In the second instance, the consultation analysis has already identified this proposal as receiving the lowest level of support. Section 6 of this report recommends an improvement to this proposal which is considered sufficient to remove the need to provide transitional protection.
- 5.5. In all other circumstances and also for anyone experiencing exceptional hardship a Local Council Tax Discretionary Discount Policy has been developed and is attached as appendix (iii).

6. Conclusion

- 6.1. Overall there is less agreement with the proposals than for the initial scheme consulted on last year. A positive level of support and agreement for the principles of the scheme can however be concluded from the consultation exercise.
- 6.2. Protection is maintained under the proposed revisions to the scheme in the following ways:

- For claimants with children the scheme will disregard as income any award of child benefit for the first child and through an addition to the needs allowance for each child.
 - For claimants with a disability the scheme will disregard as income any awards of attendance allowance or disability living allowance and with additions to the needs allowance through the disability premiums.
 - For claimants with caring responsibilities, anyone who has an actual or underlying entitlement to carers allowance is entitled to an additional carers premium as part of their needs allowance.
 - For claimants in receipt of a war pension, war widows' pension or war disablement pension the proposed scheme continues to disregard such income in full.
 - For claimants in low paid employment, the proposed scheme will continue to provide disregards of both earned income and of elements of working tax credit.
- 6.3. In view of the response to the proposal about removing entitlement for those with capital above £3,000 however it is recommended that the final scheme be altered to raise the limit.
- 6.4. A review of the textual consultation responses shows that where alternatives to either the proposed limit of £3,000 or the current limit of £16,000 were suggested they were fairly evenly spread between £5,000 and £10,000.
- 6.5. It is recommended that the initial proposal of a capital limit of £3,000 be amended to £6,000 for the following reasons
- a) Almost two thirds of claimants with capital between £3,000 and £16,000 would benefit from this revision as their capital is below £6,000.
 - b) In the current scheme capital details are only verified if above £6,000. Setting the limit at £3,000 would require an exercise to recheck capital for all working age claimants at an administrative cost that would erode potential savings.
- 6.6. Revising the capital limit to £6,000 would reduce the savings from those projected in the initial proposals by £63,000.
- 6.7. The recommended revisions to the scheme for 2014/15 onwards are:
- a) The basis on which support is calculated is revised from 91.5% of net liability to 88% of gross liability.
 - b) The rate at which support is withdrawn as income increases (the taper) is revised from 20% to 23%.
 - c) Support is restricted to the level of a band C property.
 - d) Entitlement to second adult rebate is removed.
 - e) The capital cut-off limit is revised from £16,000 to £6,000.
 - f) The rate of non-dependent deduction is increased by 5% above the government uprating of the Prescribed Scheme for 2014/15.
 - g) Entitlement to backdated awards is limited to one month.
 - h) The disregard of child benefit income is limited to the rate for the first child.

7. Financial implications

- 7.1. Revisions to the scheme are proposed on the basis of making up some of the shortfall in Government grant and in particular the loss of transitional grant which is receivable in 2013/14 only.
- 7.2. The mandatory protection of pensioners who continue to receive the same level of assistance as under the previous council tax benefit scheme results in additional costs falling on working age claimants.
- 7.3. Financial modelling of revisions to the scheme is based on current caseload profile, council tax liability. Variation in either of these factors will affect the overall cost of the scheme. For example an increase in council tax for 2014/15 is likely to lead to an increase in caseload and expenditure.
- 7.4. Modelling of the revisions to the scheme outlined in paragraph 6.7 and using the assumptions described in paragraph 7.3 would reduce the cost of the scheme by an estimated £760,000
- 7.5. The net saving is calculated taking into account anticipated collection rates and the precept for Fire and Police. A prudent estimate has been used to forecast collection rates along with allowing for the 10% preceptors share.
- 7.6. The savings that result from revising the scheme contribute towards the council's significant financial challenge. Failure to adopt these revisions will mean that savings of £0.8M remain to be found from elsewhere.

[NA/03122013/L]

8. Legal implications

- 8.1. The Local Government Finance Act received Royal Assent on 31 October 2012. The Act includes a requirement for the council to adopt any revisions to its local council tax support scheme by 31 January of the year in which changes are to be implemented. Failure to do so would result in the council having to maintain the scheme currently in place.
- 8.2. The framework within which billing authorities must devise their Council Tax Reduction Schemes is contained in Part 1 of Schedule 4 to the Act. This Schedule provides that the following matters must be included in an authority's scheme:
 - a) a description of the classes of person entitled to a council tax reduction;
 - b) details of the reductions which are to apply to those classes (different classes of persons may be entitled to different reductions);
 - c) the procedure under which a person may apply for a Council Tax reduction; and
 - d) an appeals procedure covering decisions over entitlement to a reduction and the amount of any reduction due

These items are all included in the proposed revised scheme.

- 8.3. Section 67 (2)(aa) Local Government Finance Act 1992 as amended by the 2012 Act states that the implementation of a local council tax support scheme and any subsequent revisions to the scheme will be a function reserved to full Council.
- 8.4. The Council has prepared an Equality Assessment, appendix (ii) to assess the impact of the proposed revisions to the local council tax support scheme on residents of Wolverhampton
- 8.5. Consultation has been carried out in accordance with the sequence set out in the 2012 Act. The council has attempted to ensure that all interested parties are able to give a view.
- 8.6. The council must consider whether there are any groups or individuals that are adversely impacted by any changes when making its final decisions on a local scheme.

[JH/04122013/M]

9. Equalities implications

- 9.1. A full equality analysis has been carried out in respect of the proposed revisions to the local council tax support scheme and a summary is included as appendix (ii) to this report.
- 9.2. Cabinet (Resources) Panel will need to have due regard to any adverse equality implications arising from whatever approach is adopted. Given that persons with the relevant protected characteristics will feature highly within claimant profiles, it is reasonable to expect that adoption of the proposed revisions will have some adverse equality implications.

10. Environmental implications

- 10.1. There are no environmental implications arising from this report.

11. Schedule of background papers

Local Government Finance Act 2012

<http://www.legislation.gov.uk/ukpga/2012/17/contents/enacted>

Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<http://www.legislation.gov.uk/uksi/2012/2885/contents/made>

Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012

<http://www.legislation.gov.uk/uksi/2012/2886/made>

Report to Scrutiny Board 9 July 2013

<https://wolverhampton.cmis.uk.com/decisionmaking/Calendar/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8428/Committee/1468/Default.aspx>

Report to Cabinet 11 September 2013

<https://wolverhampton.cmis.uk.com/decisionmaking/Calendar/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8398/Committee/1446/Default.aspx>

Council Tax Reduction Scheme Consultation Booklet

<https://wolverhampton.cmis.uk.com/decisionmaking/Calendar/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/8417/Committee/1448/SelectedTab/Documents/Default.aspx>

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Wolverhampton City Council

Local Council Tax Benefit Scheme Consultation

November 2013

FULL REPORT

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1) Project details

Title	Wolverhampton Council Tax Consultation
Client	Wolverhampton City Council
Project number	PR13150
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2) Summary of key findings

- ◆ This consultation was designed to measure public perception towards proposed amendments to the local council tax benefit scheme that was introduced in 2012. Responses from this consultation suggest that there is a need to understand the impact from the first increase in 2012. This is supported by verbatim comments from the postal and online surveys, as well as from comments received from Whitmore Reans Welfare Centre.
- ◆ Overall, there is less agreement with these proposals than the initial scheme in 2012. Many respondents felt the proposals were confusing, with insufficient information or explanation of terms to enable decisions to be made; a sizeable proportion of residents suggested that the proposals were too complicated to understand. This can be partly attributed to the fact that there was only one element proposed for change in 2012 but eight elements for change in 2013, with examples presented to provide scenarios of how people might be affected.
- ◆ Reasons for disagreement with the proposals include factors such as 'it will make the poor, poorer' and that the proposals directly impact on those who are already finding it difficult to pay. Wolverhampton Tenant Federation suggest 'this may mean that the amount collected through these proposals will actually be less due to decreasing incomes'. Similarly, Wolverhampton Police suggest there needs to be a careful balance between additional charges due to reductions and the increased level of bad debt and written off claims.
- ◆ The impact of other Welfare Reform changes was also a key reason to disagree with these proposals as those claiming council tax benefits will be adjusting to other income changes and the effects of this need to be carefully considered. Respondents who disagreed with the proposals also suggested that savings should be made elsewhere (e.g. target other services first). This view was supported by Wolverhampton Tenant's Federation who felt that workers on low incomes already had to find extra funds due to the 'bedroom tax', rent increases and other reforms, from incomes that are not increasing.
- ◆ Respondents who agreed with the proposals were most likely to cite the following reasons; a need to stop a 'benefit culture' and instead to 'encourage people to find work', that 'everyone should pay something towards services', and 'parents should be responsible for their children' (and not rely on benefits to support them). These respondents were most likely to agree that the proposals were the only option the council had in a difficult economic environment.
- ◆ Considering the individual elements of the scheme those who are disabled were the most likely to disagree with the proposals. There was generally support across sub-groups of the population that, those that are disabled (and to some extent their carers), should receive support as they have fixed income and would be unable to find work/would be limited to the work/hours they could do. However, whilst respondents on the whole agreed that those who are disabled should be supported, they suggest this should be available for 'genuine' cases only. Note that this survey did not collect working status and family classification so analyses and comparison by these sub groups is not possible.

- ◆ Those who agreed with the majority of proposals were more likely to agree that large families in particular were a strain on the council and communities and child benefit should be classed as income. This combines with the view that larger households may have multiple adults who are able to work yet single adult households are unfairly penalised.
- ◆ A relatively high proportion of residents disagree with the proposal to reduce the capital limit from £16,000 to £3,000. The extent of disagreement varies from those who feel savings should not be considered at all and those who feel the reduction is too steep and the limit should be between £5,000-£10,000 to protect those households who have put money aside for burial, boiler repair etc. Women of Wolverhampton support a reduction to either £8,000 or a taper as without a suitable financial cushion, many households would face debt when unforeseen circumstances occurred, such as redundancy, household repairs, etc.
- ◆ The need to reduce poverty, and in particular child poverty, raises opposition to the proposed disregard on child benefit. This may also disproportionately affect female lone parents suggested Women of Wolverhampton.
- ◆ The abolition of 2nd adult rebate and increase in non-dependent charges may mean that parents were financially unable to house adult children. This will put additional pressure on housing and other services (Women of Wolverhampton). Higher levels of the Lesbian, Gay, Bisexual and Transgender community rent, live with parents or in hostels, and the 2nd adult rebate changes will add to increasing pressure caused by other Welfare reforms (Wolverhampton Lesbian, Gay, Bisexual and Transgender Network).
- ◆ Compared to the 2012 consultation, the Armed Services Community divides respondents as to those who feel this is a job like any other and those who feel this profession deserves additional support. This may be a result of this question being merged together with other services this year, compared to it being a separate question last year. Many respondents were also unclear as who within the Armed Services Community it includes (e.g. those currently serving), whereas in 2012 it related to post-service benefits.
- ◆ Those opposed to the reduction of backdating awards from 6 months to 1month felt many people would not be able to apply in such a short timeframe, such as those recently unemployed having a 28 day grace on working tax credits (and mistakenly thinking they would have to wait a month to apply for support), those with mental health issues, people believing their application is in progress, etc. A recommendation of 3 months was suggested (Whitmore Reans Welfare Centre).
- ◆ Residents suggest that possible groups disadvantaged by these proposals include single adult households, due to the effective removal of Single Person Discount, disabled persons and carers, who are on fixed incomes and cannot cover reductions in benefits. The effective removal of Single Person Discount also impacts on the Lesbian, Gay, Bisexual and Transgender community, 60% of whom live in single person households and have reduced available income (Wolverhampton Lesbian Gay Bisexual and Transgender Network).

3) Introduction

Background

Wolverhampton City Council commissioned M·E·L Research to undertake analysis of findings from a public consultation exercise into proposed changes to the Local Council Tax Benefit Scheme, originally introduced in April 2013. This report presents full findings from the consultation including analysis for sub-groups, based on the full set of responses.

The consultation findings will be used to inform proposed amendments to the design of a Local Council Tax Benefit Scheme from April 2014.

Methodology and sample

Wolverhampton City Council designed and produced a 16 page booklet style information guide and questionnaire to support the Council Tax Reduction Scheme consultation. M·E·L Research produced a web based online version of the questionnaire using Snap Professional survey software.

Respondents were provided with background information on the local scheme that was introduced in April 2013 and the proposed amendments to eight elements of this scheme. This information included the projected shortfall in funding for Council Tax support and examples (scenarios) about how the proposed amended scheme could affect different types of residents.

A full copy of the proposed scheme was published on the council website including a link to the online survey. Hard copies were posted to all properties in the city. Additional consultation was undertaken with local groups representing residents who may be affected by the proposed amendments. Feedback from five responding groups were considered alongside the survey data and included in the analysis. Roadshows were also conducted at locations across Wolverhampton to raise awareness of the proposed amendments to the Local Council Tax Benefit Scheme.

Returned postal questionnaires were submitted to M·E·L Research for data cleansing, entry and analysis (including coding of verbatim responses). Data from the online survey has been merged with postal returns and analysed together in this report.

The consultation was undertaken between 12th September 2013 and 11th November 2013. The final date for consultation responses was Monday 11th November 13.

Response

The total number of responses to the consultation survey was 806 (637 paper questionnaires and 169 online questionnaires). This compares to 1,007 in 2012 (848 paper questionnaire and 159 online questionnaires). Details of the achieved sample profile are provided at Appendix A.

Reporting

The output from the survey is in the form of conventional cross-tabulations. These provide results for the total sample and various sub-groups of the sample profile (e.g. age, gender). Sub-groups are as shown in Appendix A. In some cases, sub-groups have been re-grouped (e.g. age bands) to ensure reasonably robust sample sizes; see table below. The removal of some classification questions from this survey, compared to the 2012 survey, means responses by 'working status' and 'families with children' cannot be analysed.

Table 1: Sub-groups for reporting

	Number of respondents
16- 44 years	146
45-64 years	351
65 years or older	223
Not specified	86
Total	806
White	613
BME	147
Not specified	46
Total	806

Within the main body of the report, where figures are not shown in the charts, these are three per cent or less and where percentages do not sum to 100 per cent, this is due to computer rounding. The 'base' figure referred to in each chart and table is the total number of people responding to the question.

Comparisons

Where possible comparisons are shown with the previous council tax scheme consultation conducted in 2012 and any statistically significant observations noted.

Statistical reliability and statistical significance

By the very nature that surveys typically represent the views of a sample population, sampling error must be considered when evaluating the findings. This is measured by the confidence level and confidence interval of the data. As with this survey, most market research studies require a 95 per cent confidence level, indicating that we can be 95 per cent confident that the answer has not been arrived at by chance.

When comparing the results within a sub-group (e.g. age groups), the differences in results are tested for statistical significance. This way we know whether the differences are 'real' or whether they could have occurred by chance. Where statistically significant differences exist, comparisons have been included within this report and/or highlighted in tables.

4) Findings

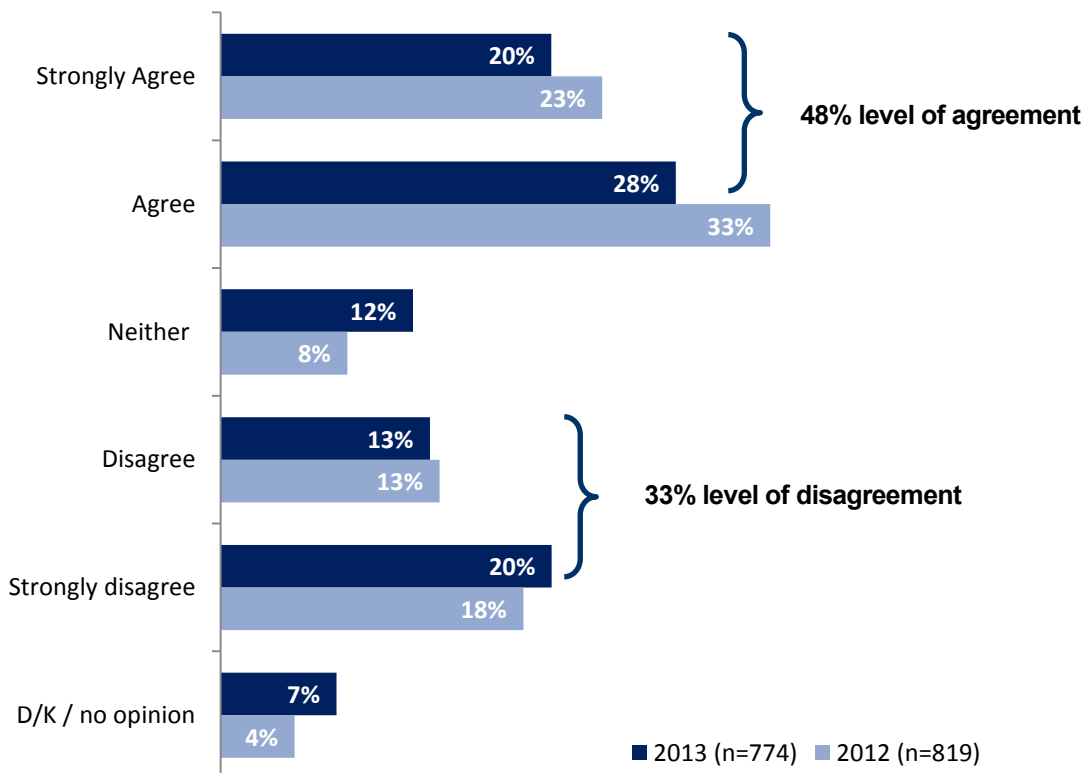
The council tax support scheme

The majority of respondents (48%) are in agreement with the proposals in relation to the council tax scheme; this rises to 60% when those who replied ‘don’t know - no opinion’ or ‘neither’ are removed. One fifth (20%) strongly agree with the proposals. Within the third of respondents that expressed a degree of dissatisfaction with the proposals, 20% strongly disagreed. Respondents expressed greater disagreement with these proposals than the original council tax scheme in 2012.

Those who do not receive council tax benefit are more likely to agree with the proposals (65%) compared to those who do receive council tax benefit (27%). Those respondents with a disability are more likely to be ambivalent (neither) or unsure (don’t know) if they agree (28%) and were overall statistically more likely to disagree (43%) than respondents who do not have a disability (27%).

Whilst all age groups have similar levels of agreement, 31% of those aged 65 and over are more likely to be ambivalent or have no opinion compared to around 14% for those aged 64 and under; this significantly reduces the disagreement levels for the over 65’s. BME respondents are less likely to agree, compared to white respondents; however the difference is not statistically significant.

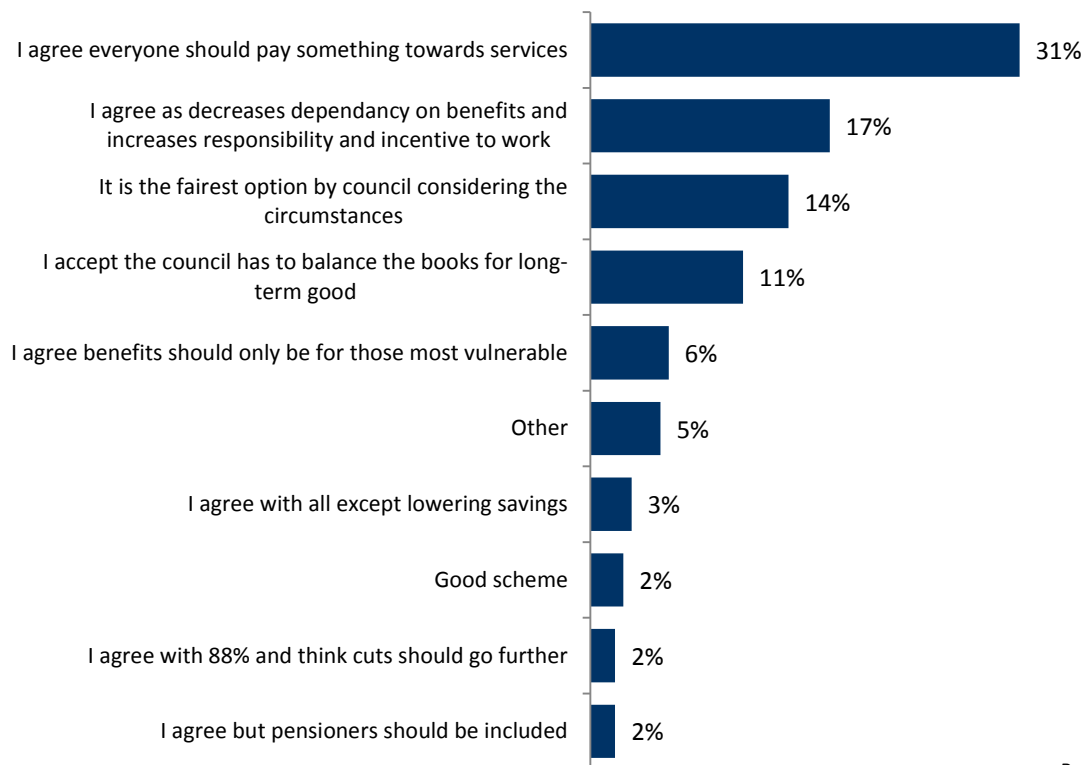
Figure 1: To what extent do you agree or disagree with the council’s proposals in relation to the Council Tax Support Scheme? – Percentage of respondents



All respondents who stated that they 'strongly agree' or 'agree' with the proposals were asked to give their reasons / opinions. **Figure 2** shows the coded responses for the 336 respondents who offered more detail.

The main reason given by respondents was the belief that 'everyone should pay something' (31%), this was also the main reason given in 2012 (53%). Nearly two-fifths (17%) agree that the proposals are necessary to encourage people to work and reduce dependency on benefits.

Figure 2: If you said 'strongly agree' or 'agree', please give your reasons/opinions *Percentage of responses (only codes with a response greater than 1% are presented)*



Base: 336

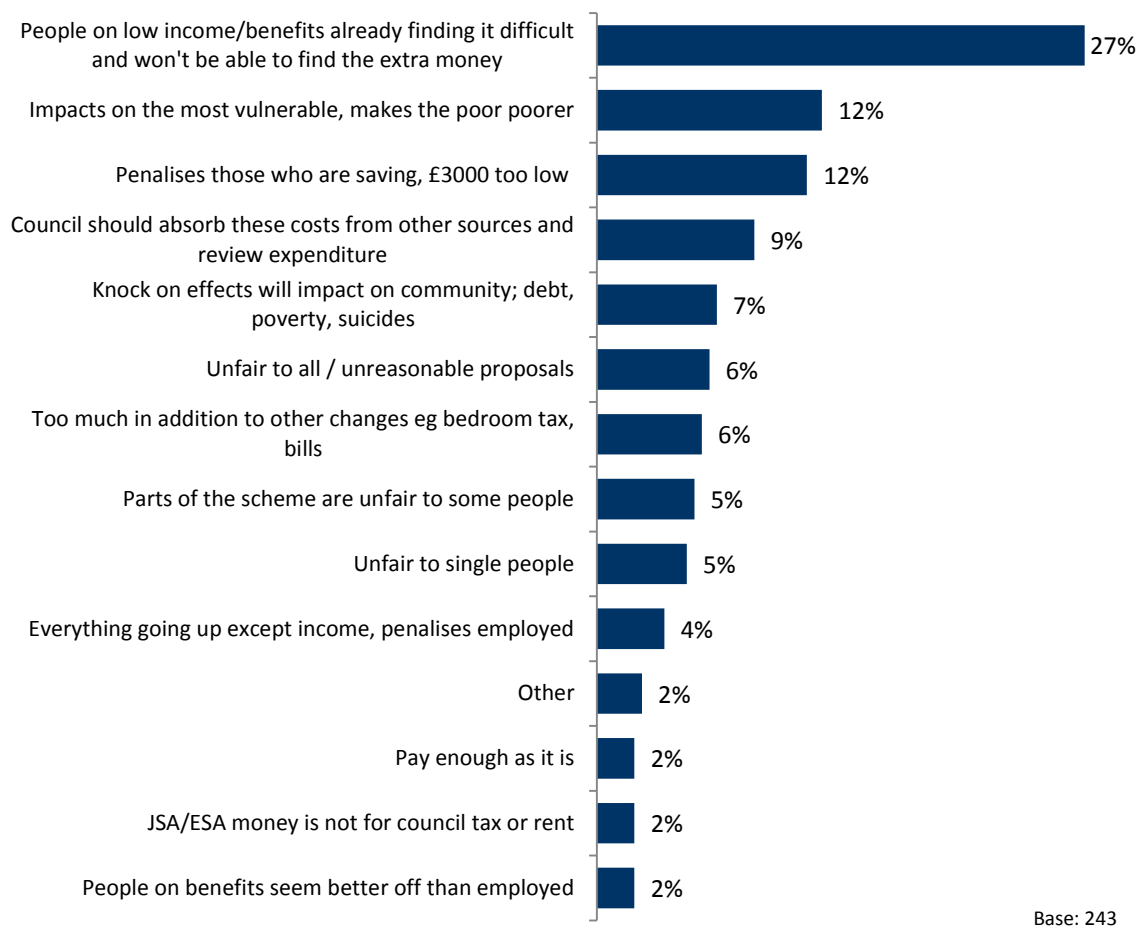
“Some people misuse these benefits and waste the income, we have to tighten our belts to suit our reducing savings, etc. and have to budget without handouts.”

“Everyone of working age should contribute to council services.”

All respondents who stated that they 'strongly disagree' or 'disagree' with the proposals were asked to give their reasons / opinions. **Figure 3** shows the coded responses for the 243 respondents who offered more detail.

The most frequent comments made relate to people on low income/benefits already finding it difficult to manage and therefore would be unable to find the extra money; 27% of comments relate to this. This is followed by the 'impact on the most vulnerable, making the poor poorer' (12%). The specific element of the proposals receiving most disagreement is the removal of the savings entitlement threshold with 12% responding it penalises those who are saving; they suggest '£3,000 is too low'.

Figure 3: If you said 'strongly disagree' or 'disagree', please give your reasons/opinions *Percentage of responses (only codes above 2% are presented)*



"A movement from £16000 to £3000 seems a considerable step change, although I do accept that some reduction may be necessary."

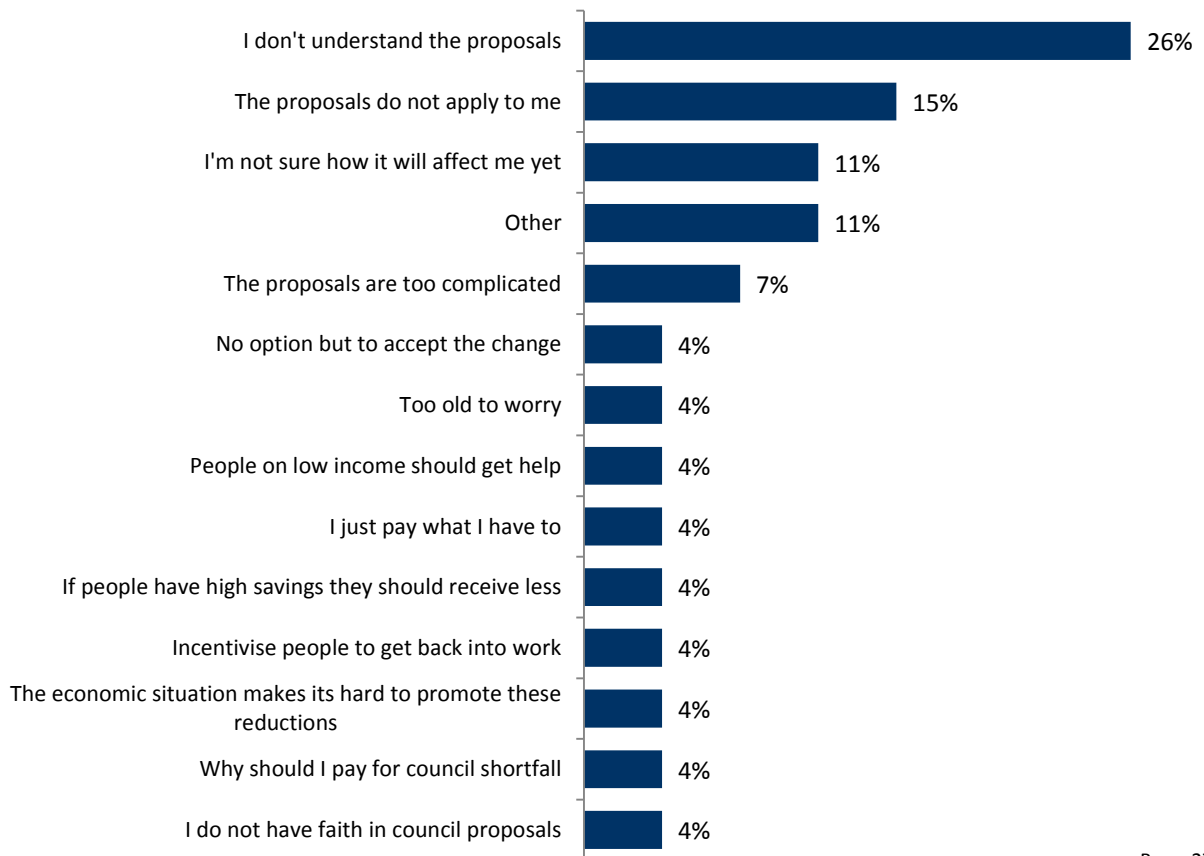
"Families with children are already struggling; statistics are showing child poverty is increasing."

"I oppose adding to the pressures on young singles through the minimum charge and higher non-dependant charges. They are already disproportionately affected by Welfare Reform and DWP sanctions. The cost of collection will be prohibitive."

Of the 27 respondents who stated that they did not know whether they agreed with the proposals all gave their reasons/opinions. Given the low base size of this analysis, care should be exercised when interpreting these results.

As **Figure 4** below shows, the most commonly provided response was 'I don't understand the proposals' (26%). An additional 7% felt the proposals were too complicated. This is slightly different to 2012 when proportionally more respondents required more information: 'I don't have enough knowledge to decide' (28%) and, 'not enough information' (19%).

Figure 2: If you said 'don't know', please give your reasons/opinions *Percentage of responses (only codes above 2% are presented)*



Base: 27

"I don't know what a "taper" is, no explanation in the document."

"Insufficient information provided to make a fully informed decision may need to apply a time limit to allow people with a change in circumstances to relocate to another property."

"No two situations are the same."

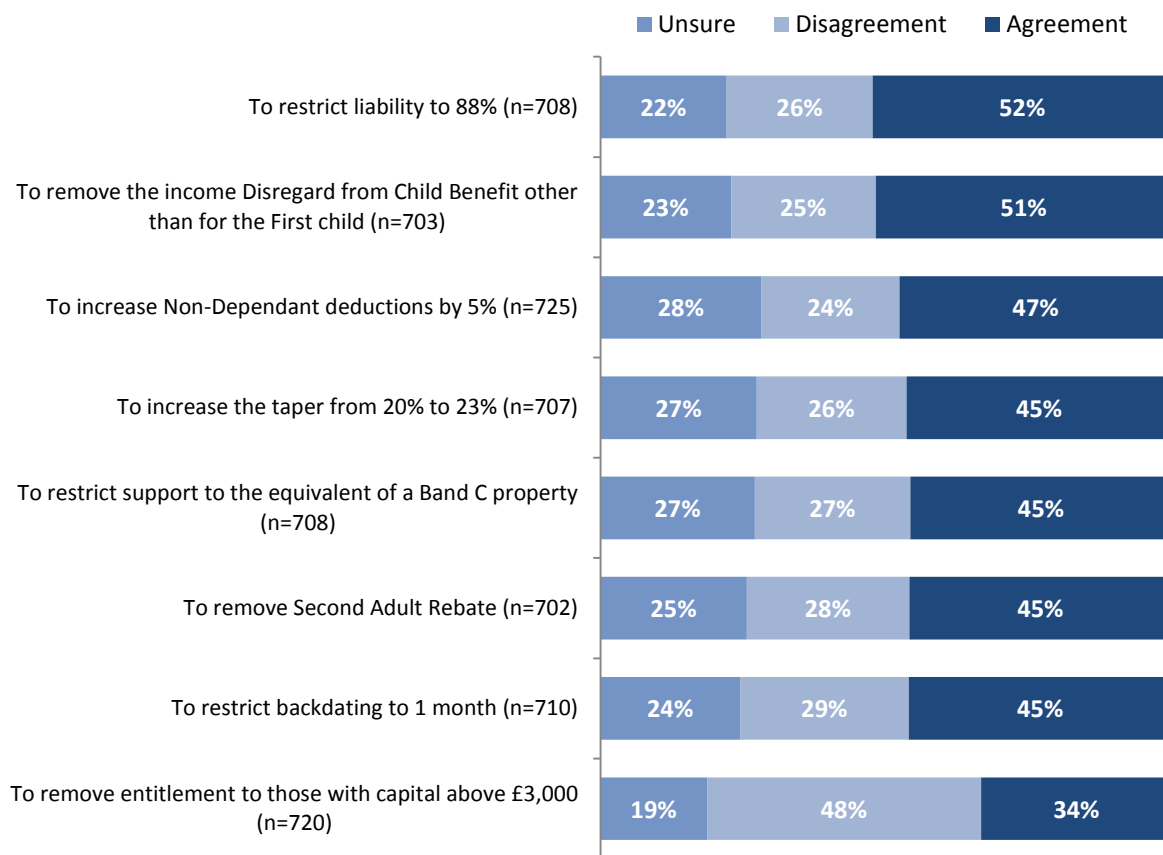
Elements of the council tax support scheme

Respondents were asked the extent they agreed with each of the eight individual elements of the scheme. This differs from 2012 when only one amendment was proposed. The overall majority, 52%, agreed with the proposal 'to restrict liability to 88%', while 51% agreed 'to remove the income disregard from child benefit other than for the first child'.

Respondents were least likely to agree with the proposal 'to remove entitlement to those with capital above £3,000'. Just under one half (48%) disagree with this proposal. There are no statistically significance differences between any of the sub-groups to this element of the proposals.

The five other proposals received similar levels of agreement (47%-45%) and disagreement (24%-29%).

Figure 5: To what extent do you agree or disagree with the individual elements that make up the proposals?
Percentage of responses



There are a number of statistically significant differences in views based upon sub-groups of the population, most notably between those with and without a disability and those who do and don't pay council tax.

Those respondents without a disability were statistically more likely to support all proposals (61%-69%) than those with a disability (54-61% vs. 24-34%).

- ◆ Those without a disability were statistically more likely to support the proposal 'to restrict liability to 88% compared to those with a disability (61% vs. 34%).
- ◆ Respondents without a disability were also statistically more likely to support the proposal 'to remove the income disregard from child benefit other than for the first child' than those with a disability (58% vs. 35%). Similarly those from a white ethnic background were more likely to agree with this proposal (56%) than those from other ethnic groups (37%).
- ◆ Respondents without a disability were statistically more likely to support the proposal 'to increase the taper from 20% to 23%' than those with a disability (56% vs. 25%).
- ◆ Respondents without a disability were statistically more likely to support the proposal 'to restrict support to the equivalent of a Band C property' than those with a disability (54% vs. 29%).
- ◆ Respondents without a disability were statistically more likely to support the proposal 'to remove second adult rebate' than those with a disability (55% vs. 24%).
- ◆ Respondents without a disability were statistically more likely to support the proposal 'to increase non-dependant deductions by 6%' than those with a disability (58% vs. 26%).
- ◆ Respondents without a disability were statistically more likely to support the proposal 'to restrict backdating to 1 month' than those with a disability (54% vs. 29%). Those from a white ethnic background were more likely to agree with this proposal (50%) than those from other ethnic groups (34%).

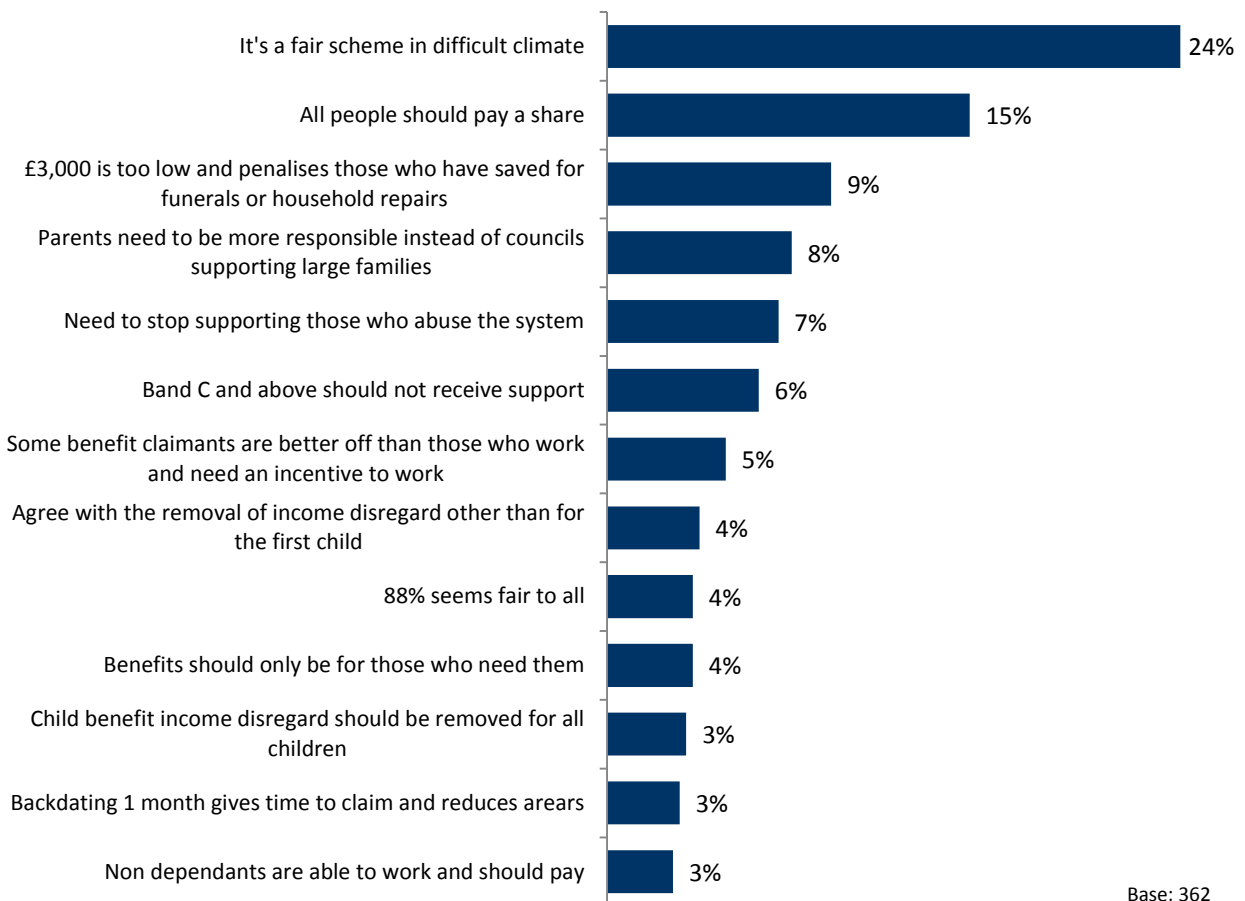
Those respondents who do not receive council tax support were statistically more likely to support all proposals (61%-69%) than those who do receive council tax support (27% vs. 35%). The only variant for this relates to the proposal 'to remove entitlement to those with capital above £3,000 where the level of agreement fell for both those who do not receive support (46%) and those who do receive support (19%).

All respondents who stated that they ‘strongly agree’ or ‘agree’ with the proposals were asked to give their reasons / opinions. **Figure 6** shows the coded responses for the 362 respondents who offered more detail.

Nearly one-quarter of respondents (24%) feel that the proposed scheme is fair to all. This is mirrored by 15% who feel that everyone should pay towards services. The specific elements of the scheme with most support are ‘restricting support to the equivalent of a band C property’ (6%) and ‘remove the income disregard from Child Benefit other than the first child’ (4%) although a further 3% felt that all child benefit should be regarded as income. There is also support ‘to restrict backdating to 1 month’ (3%).

However, nearly one in ten (9%) feel that the £3,000 savings threshold is too low.

Figure 6: If you said ‘strongly agree’ or ‘agree’, please give your reasons/opinions *Percentage of responses (only codes above 2% are presented)*



Base: 362

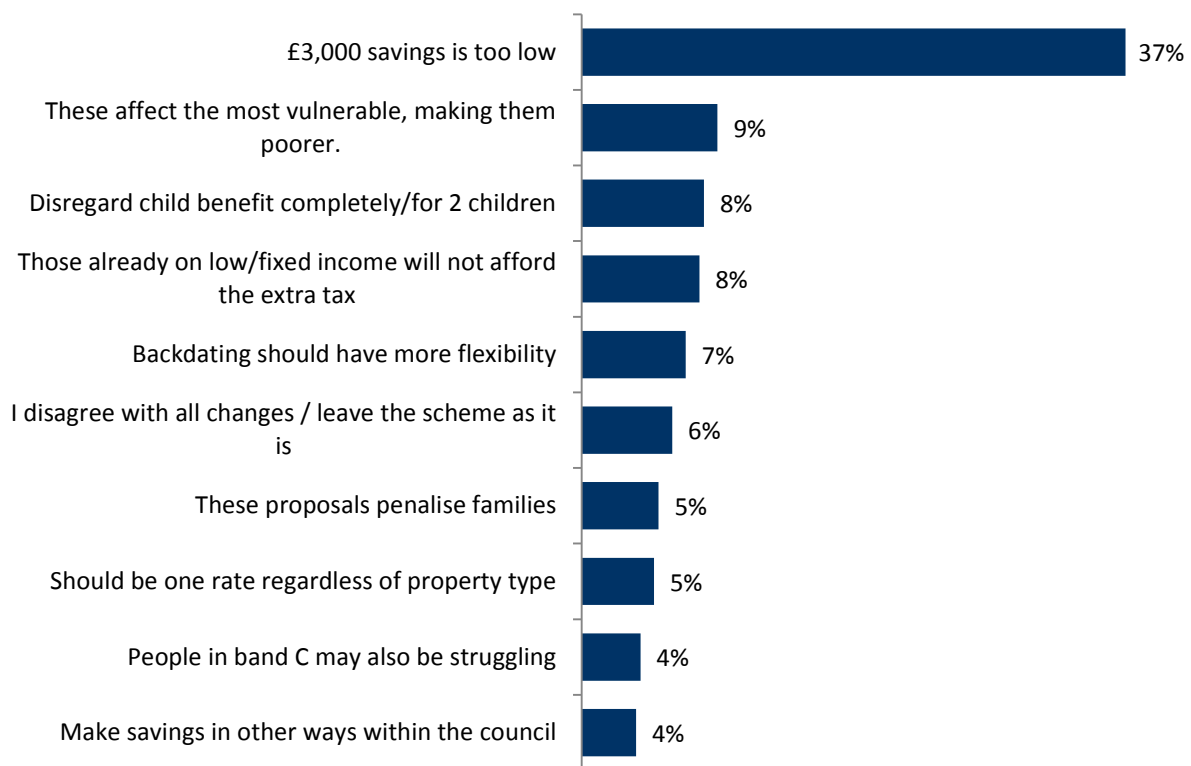
All respondents who stated that they ‘strongly disagree’ or ‘disagree’ with the proposals were asked to give their reasons/opinions. **Figure 7** shows the coded responses for the 322 respondents who offered more detail.

Nearly two-fifths (37%) disagree with the proposal ‘to remove entitlement to those with capital above £3,000’, indicating a feeling this level was too low. Nearly one in ten (9%) felt that the proposals will affect the most vulnerable and those on low incomes will not be able to afford the increases (8%).

The proposal ‘to remove the income disregard from child benefit other than for the first child’ was opposed by 8% who felt it should apply to all children/at least 2 children per household, while 5% believe the proposals will penalise families.

The proposal ‘to restrict backdating to 1 month’ was also opposed by 7%, while the proposal ‘to restrict support to the equivalent of a band C property’ received comments that all property bands should have a fixed rate of tax (5%) and people may be struggling regardless of property band (4%).

Figure 7: If you said ‘strongly disagree’ or ‘disagree’, please give your reasons/opinions *Percentage of responses (only codes above 2% are presented)*



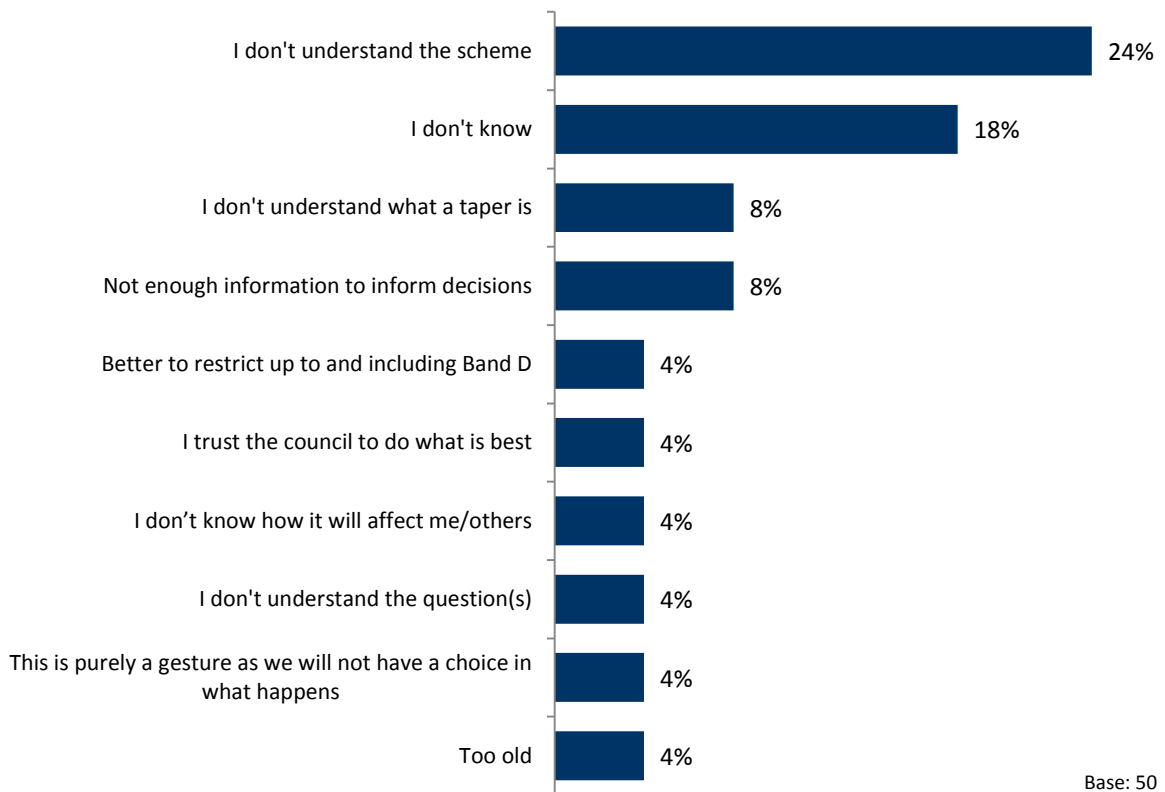
Base: 322

“Capital of £3000 not enough especially for a couple. Not enough to pay for more than one funeral let alone emergency repairs, i.e. roof or boiler.”

Of the respondents who stated that they did not know whether they agreed with the proposals, 50 gave their reasons/opinions. Given the low base size of this analysis, care should be exercised when interpreting these results.

As **Figure 8** below shows, nearly one-quarter (24%) simply felt they did not understand the proposals. An additional 8% felt there was not enough information to inform decisions and 4% did not understand the question(s). A further 18% simply replied 'I don't know'. The most confusing element for residents appears to relate to the tapered reduction, with 8% not understanding what 'taper' means.

Figure 8: If you said 'don't know', please give your reasons/opinions *Percentage of responses (only codes above 2% are presented)*



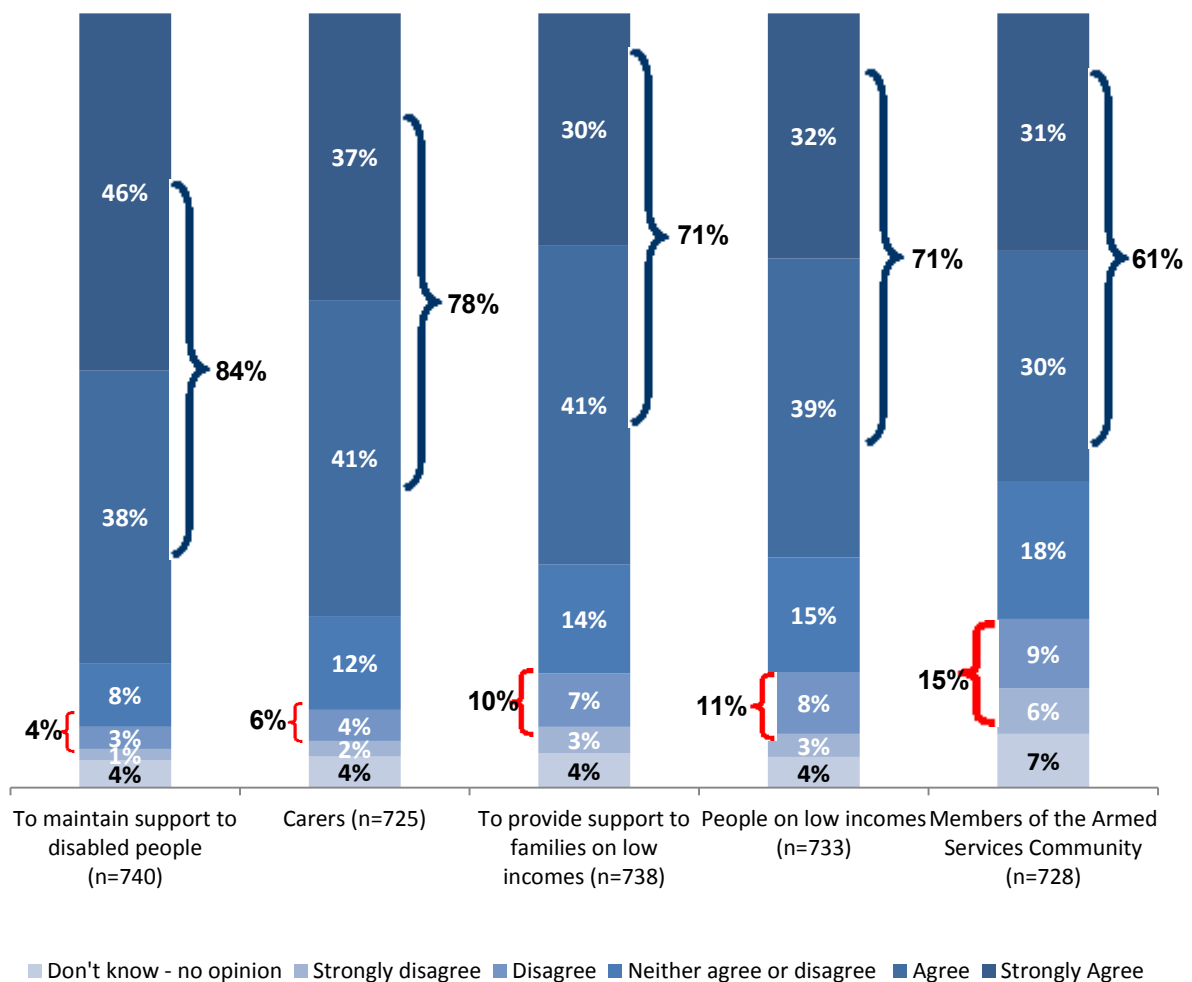
Existing Allowances

Respondents were asked the extent they agreed that the Council's proposed scheme should provide additional help to listed groups of residents. This question combines two separate questions from 2012, where proposals to disregard income War Disability Pension and War Widows/Widowers Pension was asked separately to the other four groups of residents in this analysis.

Similar to 2012, respondents were most likely to agree that the scheme should provide additional help to disabled people (84% total agreement compared to 81% in 2012); and carers (78% total agreement compared to 66% in 2012). Seven out of ten people (71% total agreement) felt that families on low incomes and people on low incomes should receive additional support.

The change in question and generalisation of 'armed forces' may account for the decline in agreement from 69% in 2012 to 61% this year (total agreement) who agree that members of the armed forces should receive additional support.. Residents comments suggest that more information may be necessary to before an informed decision can be formed.

Figure 9: To what extent do you agree or disagree that the Council's proposed scheme should provide additional help to the following residents? Percentage of responses



The table overleaf shows analysis of responses by sub-groups of the population.

Table 2: Overall % strongly agree and agree that the council's proposed scheme should provide additional help to... Percentage of respondents

	Families on low incomes	Disabled people	Carers	People on low incomes	Members of Armed Services Community
16 to 44 years	71%	84%	74%	74%	60%
45-64 years	76%	86%	82%	75%	62%
65-+ years	67%	83%	75%	64%	63%
Male	69%	83%	75%	67%	61%
Female	74%	85%	80%	74%	60%
Disability	79%	88%	79%	78%	67%
No disability	70%	84%	78%	64%	59%
White	70%	84%	78%	69%	61%
BME	77%	86%	75%	78%	62%
Receive CT benefit	78%	95%	79%	67%	66%
Don't receive CT benefit	66%	75%	76%	77%	57%
Pay CT	71%	83%	77%	70%	60%
Do not pay CT	83%	86%	79%	86%	75%

As identified in previous sections, statistically significant differences in views are based upon sub-groups of the population that typically occur between those with and without a disability, those who do and do not receive council tax benefit and those who do and do not pay council tax. Notable differences are highlighted above.

All respondents who stated that they ‘strongly agree’ or ‘agree’ with the proposals were asked to give their reasons/opinions. **Figure 10** shows the coded responses for the 473 respondents who offered more detail.

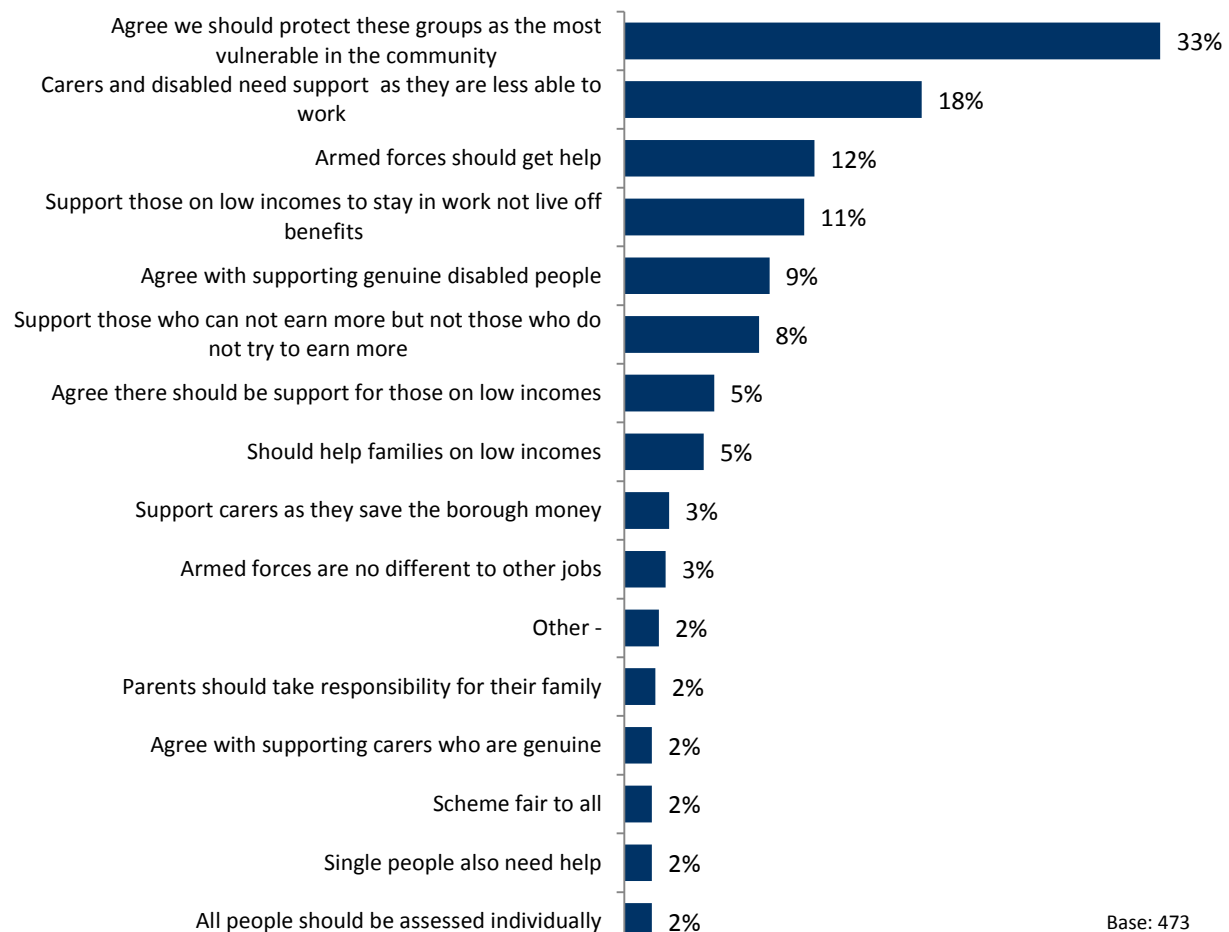
A third of respondents (33%) agreed with providing additional support to all of the listed groups as they are the most vulnerable in society. Nearly one-fifth (18%) felt carers and disabled people should get additional help because they are unable to increase their incomes; but only ‘genuine cases’ should receive support.

12% felt the armed forces should get support as they serve communities; however some were unsure as to what support they should receive while 3% felt they should be treated no differently to other professions.

Over one in ten (11%) agree that it is important to provide additional support to those who are ‘earning’ a low income rather than support those who are unemployed and ‘prefer’ living off benefits. Almost one in ten (9%) feel disabled people should receive additional support while 3% think carers need more help as they save the Council money.

Whilst 5% feel that families on low incomes should receive support, 3% feel that parents should be providing for children through central government support and that large families should be discouraged unless the parents can provide for them.

Figure 10: If you said ‘strongly agree’ or ‘agree’, please give your reasons/opinions *Percentage of responses (only codes above 2% are presented)*



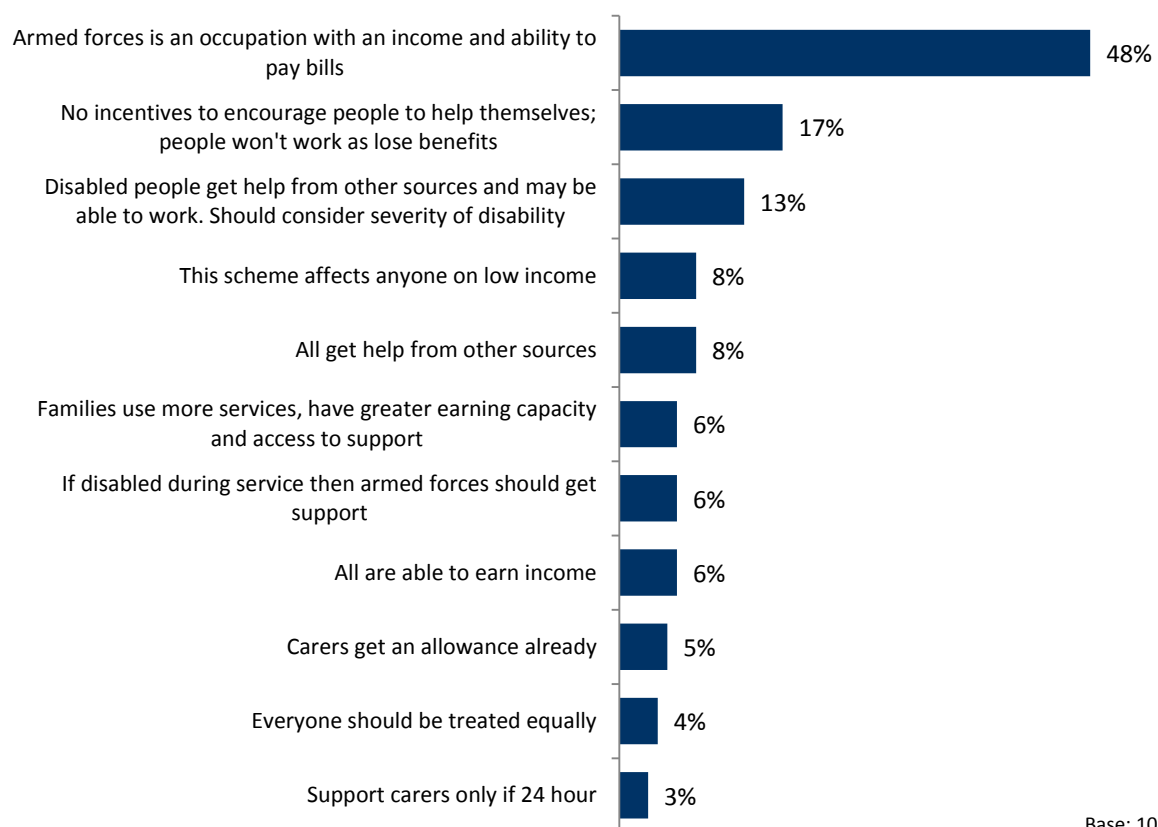
Base: 473

All respondents who stated that they 'strongly disagree' or 'disagree' with the proposals were asked to give their reasons/opinions. **Figure 11** shows the coded responses for the 102 respondents who offered more detail.

Nearly one-half of those replying to this question (48%) disagree that the armed forces should receive additional support, with suggestions that those serving are earning an income. However, if they were to become disabled during service, then 6% would support an element of additional support.

The other key reasons for disagreement with providing particular groups of the population with additional help are that the proposals focus on benefits rather than providing incentives to work (17%), that all the groups listed can get help from other sources (8%) and that all of the groups are 'able to earn an income' (6%). In the case of disabled people, while it is believed they may be able to work, the severity of the disability should be considered (13%).

Figure 11: If you said 'strongly disagree' or 'disagree', please give your reasons/opinions *Percentage of responses (only codes above 2% are presented)*

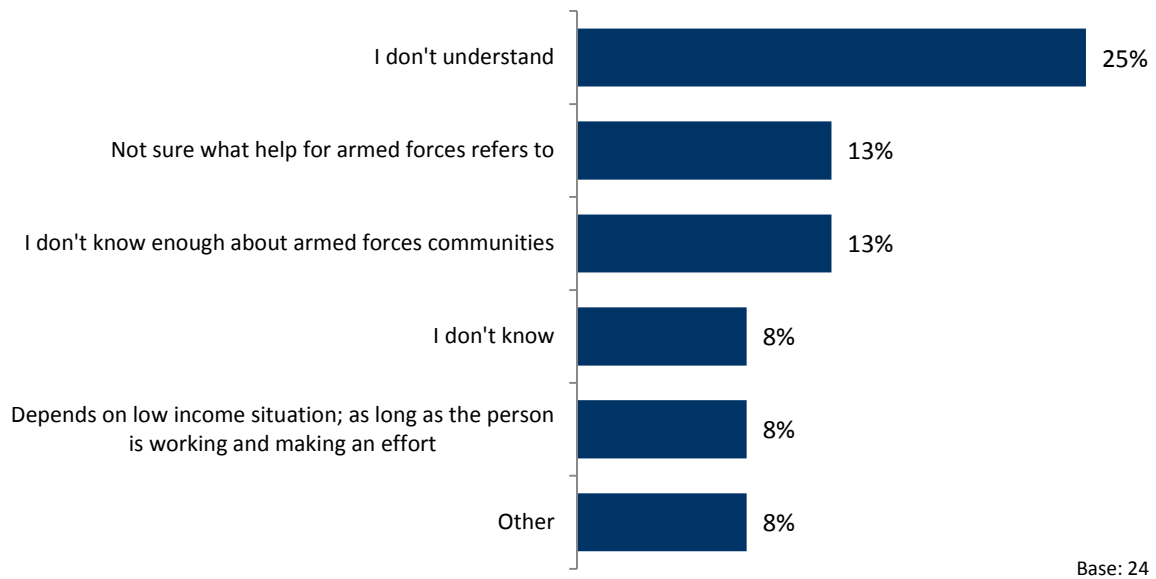


Base: 102

All respondents who stated that they ‘don’t know’ were asked to give their reasons/opinions. **Figure 12** shows the coded responses for the 24 respondents who offered more detail. Caution should be given due to the low sample base for this question.

One quarter of respondents who answered ‘don’t know’ suggest they simply did not understand the proposals. Similarly, 13% are not sure what was meant by additional help for Armed Services or did not have enough information about the armed forces community to comment.

Figure 12: If you said “don’t know”, please give your reasons/opinions *Percentage of responses (only codes above 4% are presented)*

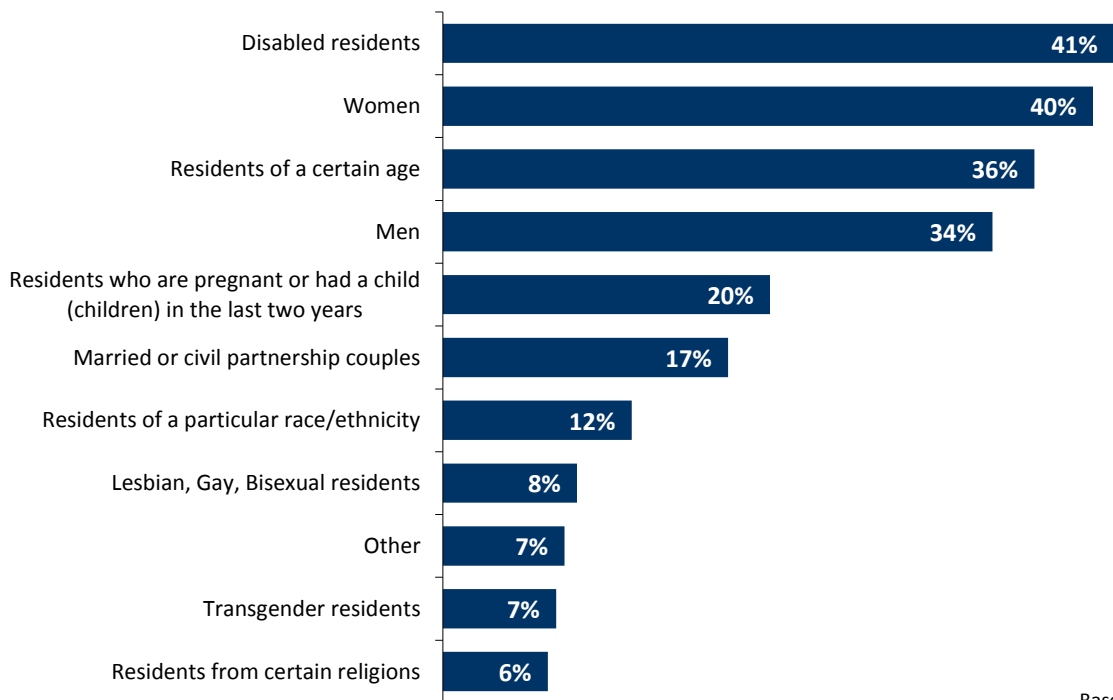


Disadvantaged groups

Asked to identify, from a provided list, which residents they thought would be most disadvantaged by the proposed scheme, the most commonly cited groups were: disabled residents (41%); women (40%), residents of a certain age (36%) and men (34%).

One fifth (20%) also felt that residents who are pregnant or had a child(ren) in the last two years would be affected. Religion (6%), gender (7%), sexuality (8%) and race (12%) were least likely to disadvantage residents.

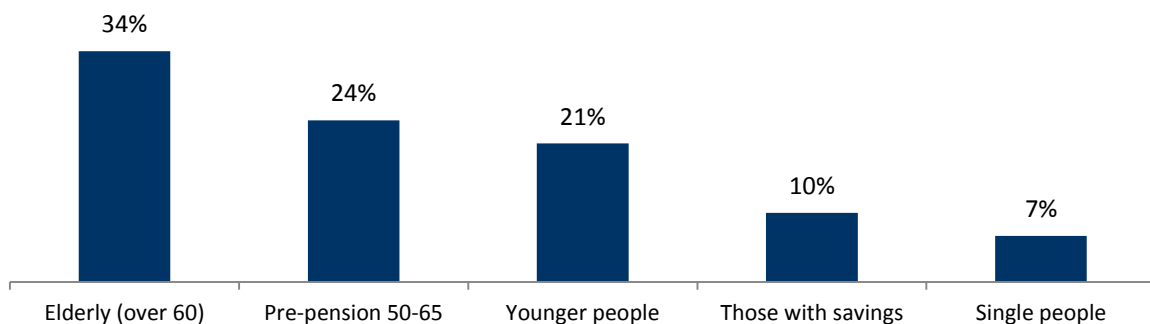
Figure 3: From the following list please tick which residents you think will be unfairly disadvantaged by the proposed scheme? – Percentage of responses



Base: 362

Other residents that may be disadvantaged (7%) are shown in **figure 14** and reflect age groups, single people of all ages and those with savings. Care should be exercised when interpreting these results due to the small base size.

Figure 4: Other residents that will be unfairly disadvantaged by the proposed scheme? Percentage of responses



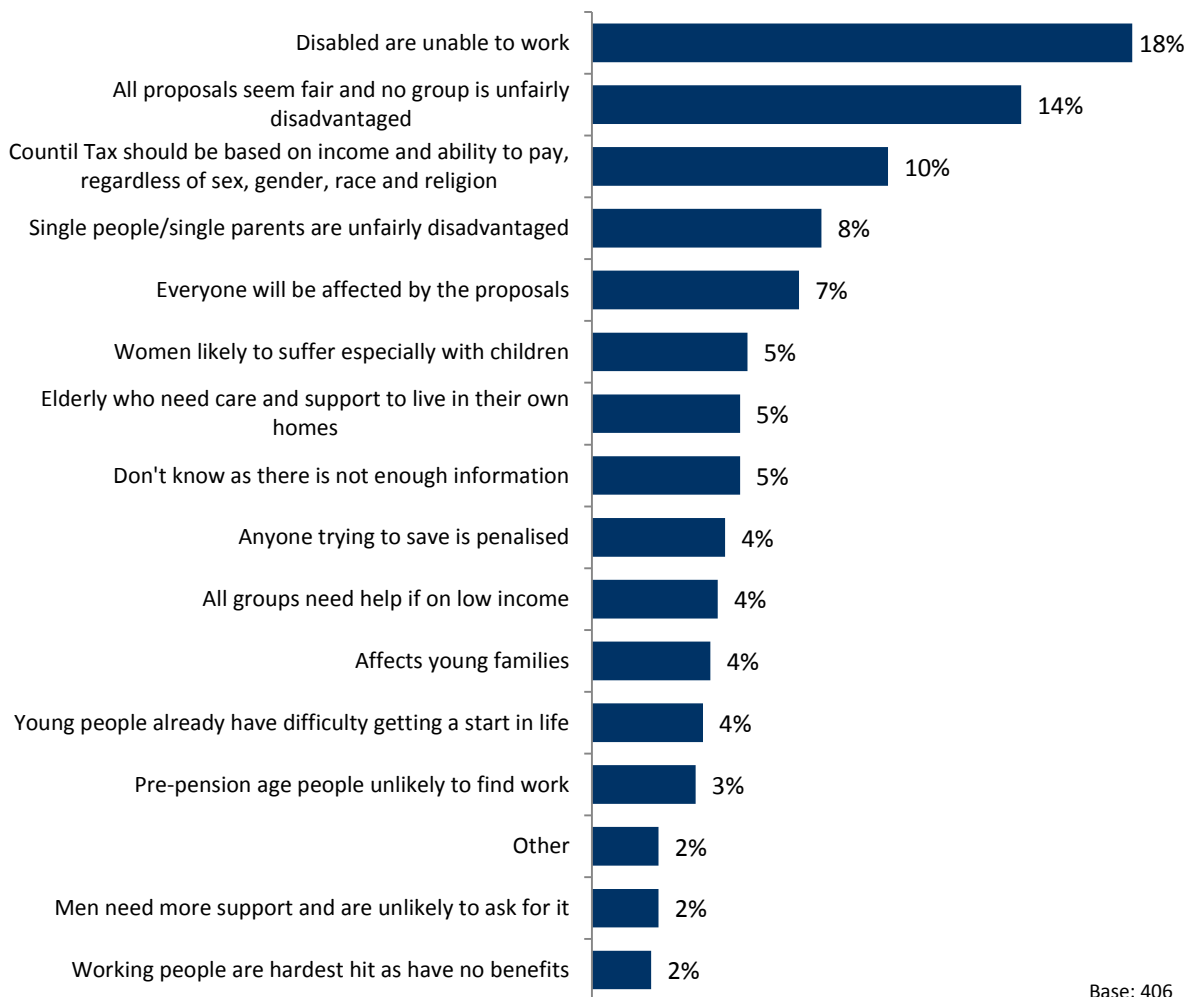
Base: 29

Respondents were asked to provide reasons why they felt any of the selected groups would be unfairly disadvantaged.

Nearly one-fifth (18%) feel disabled people would be disadvantaged as they would be unable to increase their incomes through work. Other groups that may be unfairly disadvantaged by the proposals were; single people (8%), women (5%) and elderly people (5%). One in ten felt that the proposals should not be based on anything other than income and ability to work.

Around one in seven (14%) felt the proposals were not unfair to any group.

Figure 15: Please give your reasons/opinions why you think the group(s) you have indicated would be unfairly disadvantaged *Percentage of responses (only codes above 2% are presented)*



Appendices

Appendix A: Sample Profile

The tables below show the sample profile for the 2013 consultation compared with the profile obtained in 2012 to the original local council tax consultation. The tables exclude those that did not provide the relevant information.

Age	2013		2012	
	Count	%	Count	%
16-24 years	6	1%	14	1%
25-44 years	140	19%	196	20%
45-64 years	351	48%	410	42%
65 years or older	223	31%	363	37%
Total	720	100%	983	100%

Gender	2013		2012	
	Count	%	Count	%
Male	385	51%	485	51%
Female	367	49%	457	49%
Total	752	100%	942	100%

Ethnicity	2013		2012	
	Count	%	Count	%
White British	573	75%	610	63%
White Irish	6	1%	142	15%
White Gypsy/Traveller	*	-	-	-
White Other	33	4%	28	3%
Asian: Indian	57	8%	51	5%
Asian: Pakistani	6	1%	6	1%
Asian: Bangladeshi	*	-	19	2%
Asian: Chinese	4	1%	0	0%
Asian Other	4	1%	10	1%
Mixed: White and Black Caribbean	8	1%	5	1%
Mixed: White and Asian	2	0%	2	0%
Mixed: White and Black African	*	-	3	0%
Mixed Other	4	1%	2	0%
Black/Black British: Caribbean	39	5%	52	5%
Black/Black British: African	7	1%	8	1%
Black Other	8	1%	7	1%
Other: Arab	0	0%	-	-
Other	6	1%	19	2%
Total	757	100%	964	100%

* Sample too small for inclusion

Whether have a disability which affects day to day activities, which has lasted or you expect to last at least a year	2013		2012	
	Count	%	Count	%
Yes	209	30%	248	26%
No	500	70%	705	74%
Total	709	100%	953	100%

Religion	2013		2012	
	Count	%	Count	%
No religion	152	23%	202	22%
Christian	434	64%	615	67%
Buddhist	2	0%	5	1%
Hindu	14	2%	25	3%
Jewish	2	0%	5	1%
Muslim	9	1%	17	2%
Sikh	29	4%	34	4%
Other religion	30	4%	12	1%
Total	673	100%	915	100%

Sexual orientation	2013		2012	
	Count	%	Count	%
Lesbian/gay woman	5	1%	11	1%
Gay man	13	2%	8	1%
Bisexual	9	2%	6	1%
Heterosexual/straight	543	95%	777	89%
Prefer not to say	-	-	55	6%
Other (please say)	-	-	14	2%
Total	570	100%	871	100%

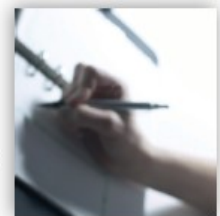
Whether currently receive Council Tax Benefit from Wolverhampton City Council	2013		2012	
	Count	%	Count	%
Yes	340	45%	397	41%
No	420	55%	569	59%
Total	760	100%	966	100%

Whether pay Council Tax to Wolverhampton City Council	2013		2012	
	Count	%	Count	%
Yes	737	94%	812	86%
No	48	6%	131	14%
Total	785	100%	943	100%

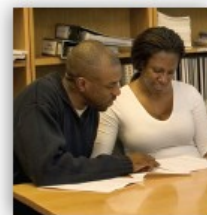
Using evidence to shape better services



Research



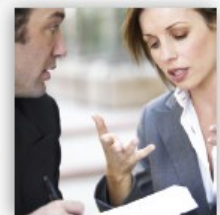
Public
Consultation



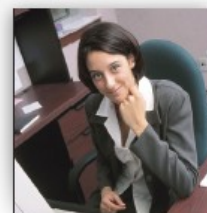
Evaluation



Surveys



Consultancy
Evaluation



Skillbuilding



M·E·L Research Ltd
8 Holt Court Aston Science Park Birmingham B7 4AX
T: 0121 604 4664 F: 0121 604 6776 W: www.m-e-l.co.uk

Measurement ♦ Evaluation ♦ Learning

Equality Analysis Summary Form

1. **What is the name of the service/function/policy/procedure (proposal) you have assessed?**

Council Tax Reduction Scheme.

2. **Please give a brief description and explanation of the proposal. What needs or duties is it designed to meet?**

The Council Tax Reduction Scheme is designed to assist working age charge payers on low incomes to pay their Council Tax. Pensioners are protected by a national scheme which is administered locally. The proposed new scheme replaces an interim scheme which was introduced for one year in April 2013 following the abolition of Council Tax Benefit. This interim scheme included a one off grant from Central Government of £600,000 which has now been removed.

3. **Please explain how the proposal was assessed for its likely effects on different groups, with clear references to the information and research used.**

The proposed policy will affect all residents of working age if they have a low income and are liable to pay Council Tax. It will also affect people who have a reduction in income in the future.

All working age people will be expected to pay at least 12% of their Council Tax liability. However, additional premiums and allowances will be used to assist those with the lowest incomes or are considered to have greater expenditure requirements such as those people who are disabled or have children.

Disability

44% of respondents to the consultation considered that disabled people were adversely affected by the proposals.

The council accepts that disabled people will receive less benefit as a result of these proposals. However, the proposals include additional premiums to assist disabled people and to continue to disregard Disability Living Allowance and Personal Independence Payments as income.

The Council also intends to introduce a Discretionary Discount Policy to assist people experiencing hardship.

Sex

Data from the 2011 census shown below shows the employment status for all lone parents irrespective of an existing claim for Council Tax Reduction.

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	% of Lone Parent Households	% of Lone Parents in part-time employment		% of Lone Parents in full-time employment		% of Lone Parents not in employment	
		W-ton	England	W-ton	England	W-ton	England
Male	8.8%	1.1%	1.4%	4.1%	5.1%	3.6%	3.2%
Female	90.3%	26.3%	32%	19.7%	20.9%	45.1%	37.4%

Women head the majority of one parent households and will be much more likely to claim a Council Tax Reduction due to either not working or working part-time. Women head 647 one parent households and will be affected by the proposal to take Child Benefit into account as income for second and subsequent children. This compares to 976 couples and 32 single parent households headed by men with two or more children.

The proposed scheme will disregard the following incomes for all parents;

- Child Benefit for the oldest child in full. Child Benefit is paid at two different rates £20.30 per week for the oldest child and £13.40 per week for subsequent children,
- Part of any earned income,
- Part of Working Tax Credit for lone parents if working over 16 hours per week,
- Part of Working Tax Credit for couples if working over 24 hours in total per week,
- Child Maintenance in full if paid by an absent parent.

In addition up to £300 weekly child care costs for working parents will be deducted from eligible earnings.

The proposed scheme also recognises the additional living expenses of families with children through the award of an addition to the needs allowance for each dependent child.

The council also intends to introduce a Discretionary Discount Policy to assist people experiencing hardship.

Ethnic Background

We hold data on the ethnic background of just over 50% of working age people currently receiving a Council Tax Reduction. Of those people who have provided information 69.6% are of a White British ethnic background, the other notable ethnic groups are Asian British people of Indian descent 7.5%, Black British people of Caribbean descent 7.2% and mixed White and Black British of Caribbean descent 4.4% . This compares to the 2011 census of the Wolverhampton population as a whole, white British 64.5%, Asian-British of Indian descent 12.9%, Black British of Caribbean descent 3.8% and mixed White and Black British of Caribbean descent 3.4%.

The council will attempt to obtain more comprehensive data from customers when initial contacts are made. As mentioned earlier approximately 25% of new claims are received electronically from the Department for Work and

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Pensions (DWP) but no information is provided in respect to ethnic background. The DWP will be reminded again that this information should be provided to enable the council to comply with its public sector duty as defined in the Equality Act 2010. However, the council has no control in this matter.

Age

People of pensionable age are excluded from this policy as Council Tax Support will continue as a national scheme for this group. However, people of working age will all be affected as the proposed restrictions and exclusions apply to all residents of working age. Single people under the age of twenty five have a lower needs allowance and therefore would be expected to pay a larger proportion of their income towards their Council Tax Liability if they are not receiving means tested benefits such as Income Based Job Seeker's Allowance. This reflects the current situation in relation to Council Tax Support, Housing Benefit and other state benefits.

Gender Reassignment

People who have had their gender reassigned or are proceeding towards this will have their Council Tax support assessed in the same way as claimants not in this group.

Pregnancy and Maternity

All claimants irrespective of pregnancy or maternity will be affected by these changes. There is no evidence that the proposed scheme adversely affects this group.

Religion or Belief

All claimants of working age irrespective of religion or belief will be affected by these changes. There is no evidence that the proposed scheme adversely affects this group. A person's religion or belief has no bearing on the assessment process and no information is collected.

Sexual Orientation

All claimants irrespective of sexual orientation will be affected by these changes. A person's sexual orientation has no bearing on the assessment process and no information is collected.

The Wolverhampton LGBT group submitted comments as part of the consultation process suggesting that LGBT people were much more likely to live in single person households. They had found that 60% of people who had responded to a survey said they lived alone and they would be adversely affected by the proposal to restrict Council Tax liability to 88% before any other discounts are calculated such as a Single Person Discount if they were claiming Council Tax Support.

The 2011 census did not collect data about sexual orientation. Therefore, we are unable to determine the percentage of people who live alone and are

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LGBT compared to those who live alone and describe themselves as Heterosexual. There is no evidence that the proposed scheme adversely affects this group.

However, the council also intends to introduce a Discretionary Discount Policy to alleviate hardship.

4. Is there any evidence to suggest that the proposal could affect some groups of people differently? Is there an adverse impact? What are the reasons for this adverse impact?

The proposals have an adverse effect on all people of working age on a low income as they will all lose some support. However, pensioners are protected from any reductions by a national scheme.

5. If the service, function, policy or procedure does have an adverse impact, can that impact be justified?

The adverse impact is as a direct result of the abolition of Council Tax Benefit as a national scheme and the removal of £3.2M Central Government subsidy.

6. Give a brief description of the consultation methods used (if appropriate), and a summary of the overall findings.

The consultation was extensive and involved sending a copy of the council's proposals to every residential property in the city. Road shows were arranged in shopping centres and markets and the proposals were advertised extensively in public buildings, the council's website and via social media. Staff were made available to visit and talk to any groups who expressed an interest.

The council's website included a simple to use on-line calculator that allowed any resident to check and compare their entitlement under the current and proposed schemes

There were 806 formal responses:

- 48% of respondents either agreed or strongly agreed with the overall proposal (rising to 60% when those who replied 'don't know' or 'no opinion' are removed)
- 33% of respondents either disagreed or strongly disagreed with the overall proposal (rising to 40% when those who replied 'don't know' or 'no opinion' are removed)
- 20% of respondents neither agreed or disagreed or didn't know.

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7. What conclusions were reached through the analysis and consultation as to the likely ability of the proposal to meet each part of the equality duty?

The proposals adversely affect all working age people on a low income. Vulnerable groups, which are likely to have higher expenditure such as disabled people or families with children are awarded additional premiums and allowances.

8. Were any modifications to the proposal introduced as a result of the analysis and consultation?

Yes, based on the consultation, not the equality analysis.

9. Please explain whether and how the adopted proposal differs from the original proposal.


The amended proposals increase the amount of capital that may be held by £3,000 to £6,000 before all assistance is withdrawn.

10. What equality actions have you identified?

Greater emphasis to be placed on collecting the ethnic background information of customers when they make initial claims. However, 25% of claims are received directly from DWP where equalities information is not shared with local councils. The DWP will be reminded of their responsibilities to share the information it holds so that the council can meet its public sector duty as defined by the Equalities Act.

11. What plans do you have for monitoring the proposal when it is put into effect?

The policy will be reviewed twelve months following its implementation to monitor its impact on equalities.

Signature of the lead officer undertaking the analysis	
Full name	Sue Martin
Position	Head of Revenues & Benefits
Dated	4 December 2013

Wolverhampton City Council

Council Tax Discretionary Discount Policy

- 1 Introduction**
- 2 Purpose and principles of the policy**
- 3 Awarding a discount**
- 4 Application process**
- 5 Review process**

1. Introduction

- 1.1. Section 13A of the Local Government Finance Act 1992 provides councils with discretion to grant a discount in individual cases or to a prescribed classification of cases. The discount can be anything up to 100% of the council tax bill and is met from Council resources.
- 1.2. The Local Government Finance Act 2012 abolished the national council tax benefit scheme and councils were given powers to develop their own schemes for council tax reduction from 01 April 2013.
- 1.3. The Wolverhampton Council Tax Reduction Scheme does not award full support with council tax liability to anyone if working age. As a consequence some households in Wolverhampton may be experiencing extra difficulty in meeting their new or increased council tax liability.
- 1.4. In the event of any future revisions that make the scheme less generous, the council has a duty to consider transitional protection. Individuals who are identified as in need of transitional protection will be considered for a discount under this policy.
- 1.5. This document sets out the Council's framework for granting a discount to customers experiencing hardship for any reason.

2. Purpose and principles of the policy

- 2.1. The purpose of this policy is to assist those people experiencing hardship either as a result of the introduction of, or revisions to, the council tax reduction scheme or for any other reason. It is expected that a discount will only be granted in exceptional circumstances.
- 2.2. The policy aims to provide short term financial assistance where the customer is the victim of unusual and significant misfortune. A consideration would be whether the situation is of such an unusual nature and have such an impact on the customer that any reasonable taxpayer would accept them being allowed relief to reduce their council tax.
- 2.3. This policy aims to support people to meet their council tax liability where they are able to demonstrate exceptional hardship. The test of hardship will be determined by the applicant's individual circumstances and financial ability to make payment.
- 2.4. Each application will be considered on its own merits.
- 2.5. Where appropriate, discounts will complement other support mechanisms for example debt management, money/budgeting advice, maximising benefit,

other discretionary support (e.g. Discretionary Housing Payments, Local Discretionary Grant Scheme awards) or referrals to specialist advice services.

3. Awarding a discount

- 3.1. A discount will be considered to meet some or all of the costs of council tax liability for a fixed period of time where the applicant is able to demonstrate exceptional hardship. It may be granted for any period considered to be reasonable up to a maximum of 12 months. The period and amount of any discount under this scheme will be at the discretion of the Council.
- 3.2. The application should relate to the current council tax year unless the liable person has recently received a council tax bill for a previous year. No award may be made in respect of future years.
- 3.3. Factors that will be taken into account when considering applications for a discretionary award are:
- That the applicant has an outstanding balance on their council tax account
 - Whether a extended repayment period is an appropriate alternative
 - There must be evidence of hardship or particular personal circumstances to justify a discount
 - The applicant has taken reasonable steps to resolve their situation prior to their application i.e. has made efforts to access alternative source of support , claimed discounts, exemptions and any council tax reduction they may be entitled to
 - Enforcing payment of the customer's full council tax liability would result in severe hardship e.g. insufficient money being available for their basic and essential needs such as housing, food, heating, lighting or medical needs
 - Whether the customer's circumstances are likely to improve
 - Whether there has been a major incident which forces the customer out of the property such as a flood, storm damage or explosion.
 - Whether any award would be reasonable having regard to the interests of other council tax payers.
- 3.4. Meeting the above factors will not give an automatic entitlement to a discount. The discretionary nature of this scheme will require consideration of individual circumstances based on supporting information to demonstrate severe hardship.
- 3.5. In assessing basic and essential needs the claimant's age, health and status will be taken into consideration. Expenditure which does not relate to basic and essential needs will not be taken into account when assessing hardship and examples of these items are listed below, however , this is not an exhaustive list;
- Rental charges for TV, Satellite and Internet

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- Telephone charges for mobile and landline considered unreasonably high
 - Credit cards, Store cards, Loans other catalogue debts
- 3.6. A discount would be considered to cover the following, however, this does not guarantee a discount to cover the full council tax liability:
- The shortfall between the amount of daily council tax reduction awarded and the daily council tax liability.
 - In the case of person not in receipt of council tax reduction the discount could be up to the amount of daily council tax liability but not exceed it.
- 3.7. A discretionary discount will not be considered to cover the following:
- Court and bailiff costs applied to the account
 - Charges relating to empty homes that are normally rented out on a commercial basis.
- 3.8. No cash payments will be made. Any discount under this discretionary scheme will be credited to the council tax account.

4. The application process

- 4.1. Customers who wish to make an application for this discretionary discount should apply in writing giving details to support their application. If appropriate, the council may ask for further information to support the application. If this is not provided within the timescale requested, a decision will be made based on the information already provided.
- 4.2. The application should normally be made by the person liable for council tax. However, a person acting on their behalf, can submit an application if the customer is vulnerable and requires support. The applicant must provide their consent in writing in these circumstances.
- 4.3. The council will aim to process all applications within 28 working days and applicants will be notified of the decision in writing.
- 4.4. If a discount is granted and the customer has a change of circumstances which reduces or removes the need for the discretionary discount, they should inform the council within 14 days of that change in circumstances and the discount may be reduced or recovered.
- 4.5. The discretionary discount will be recovered if the council determines that payment was made as a result of misrepresentation, fraud or failure to disclose information correctly.
- 4.6. Any discretionary discount that is deemed to have been paid incorrectly will be recovered from the council tax account.

5. Review Process

- 5.1. Under the Local Government Finance Act 1992, there is no right of appeal against the council's use of discretionary powers. The council will however accept a written request for a review of its decision. The request should include the reasons for requesting a review and any supporting information.
- 5.2. Reviews will be considered by an officer independent of the original decision maker.
- 5.3. The letter notifying of the outcome of an application for discount will include instructions on how to request a review and the address where any request for review should be sent
- 5.4. The applicant will be notified of the outcome of the review in writing.



Cabinet (Resources) Panel

17 December 2013

Report title	Revenue Budget Monitoring 2013/14	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Roger Lawrence Leader of the Council	
	Councillor Andrew Johnson Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Simon Warren, Chief Executive Sarah Norman, Community Keith Ireland, Delivery Tim Johnson, Education and Enterprise	
Originating service	Strategic Finance	
Accountable employee(s)	Mark Taylor	Assistant Director Finance
	Tel	01902 55(6609)
	Email	mark.taylor@wolverhampton.gov.uk
Report to be/has been considered by	n/a	

Recommendations for action or decision:

That Cabinet (Resources) Panel approves:

- (i) the use of £163,000 from the Efficiency Reserve to fund a review of alternative delivery models for care services currently provided in-house (paragraph 7.6.2), and procuring the services of an external provider to design and deliver a bespoke leadership and management development programme (paragraph 7.6.3).
- (ii) the write off of business rates debts that individually exceed £5,000, amounting to a total of £683,793 (paragraph 9.6);

- (iii) virements totalling £8.6 million listed in Appendix F.

Recommendations for noting:

That Cabinet (Resources) Panel notes:

- (i) the projected outturn for the General Fund which is a net over spend of £6.8 million (2.65%) (paragraph 3.2) in the event that the action being taken to address this does not deliver savings in the appropriate timescale;
- (ii) the action being taken to reduce this projected over spend (paragraph 3.3).

1.0 Purpose

1.1 The purpose of this report is to provide Councillors with an update on the projected outturn position for revenue budgets and revenue income, compared with the Council's approved revenue budgets for 2013/14 and related targets, as at the end of quarter two of 2013/14. Information from beyond the end of the second quarter has also been reflected, where available.

2.0 Summary

2.1 Overall a net over spend of £6.8 million (2.65%) is projected against the General Fund net budget requirement of £255.7 million. This net over spend of £6.8 million is analysed in Table 1 (below).

Table 1 – 2013/14 General Fund Revenue Budget Projected Outturn

	Budget 2013/14 £000	Projected Outturn 2013/14 £000	Projected Variation	
			Over/(Under)	
			£000	%
Community	159,934	166,949	7,015	4.39%
Delivery	39,627	39,890	263	0.66%
Education and Enterprise	23,698	23,423	(275)	-1.16%
Office of the Chief Executive	1,615	1,749	134	8.30%
Corporate Budgets	30,842	30,489	(353)	-1.14%
Net Budget Requirement	255,716	262,500	6,784	2.65%
Government Grant (General)	(178,492)	(178,492)	-	0.00%
Council Tax	(73,297)	(73,297)	-	0.00%
Collection Fund Surplus	(211)	(211)	-	0.00%
Total Resources	(252,000)	(252,000)	-	0.00%
(Surplus) / Deficit	3,716	10,483	6,784	2.65%
Use of General Balances	(3,716)	(3,716)	-	0.00%
Net Budget (Surplus) / Deficit	-	6,784	6,784	2.65%

2.2 The total savings target for 2013/14 is £17.5 million, which is the result of both reductions in mainstream funding and in specific grants when compared to 2012/13. Of this, £10.0 million was banked to the end of September at which point in time a further £6.0 million was also estimated with a high level of confidence. Work is in progress to deliver the remaining £1.3 million, the actions set out in paragraph 3.3 will be essential to achieve this.

2.3 In respect of council tax, the amount collected by the end of the second quarter of 2013/14 is below target by 1.35%. For business rates, the amount collected by the end of the first quarter is below target by 0.69%.

- 2.4** With regard to schools, for 2013/14 the latest budget plans approved and submitted by governing bodies forecast the use of £5.6 million of reserves in the year, with balances of £11.9 million at the end of March 2014.
- 2.5** An update on the General Fund budget risks is provided at section 10. Overall the risk for 2013/14 is currently assessed as Red.
- 2.6** It is important to note the following significant points relating to the projected outturn:
- (i) Some of the service changes required to deliver savings proposals still await full implementation;
 - (ii) The projected outturn position is subject to change due to on-going work surrounding the controllable/non-controllable classification issues, identified during the 2012/13 closedown process;
 - (iii) Cross-cutting savings held corporately may have been accounted for within individual Directorate forecasts and as such the outturn position may be worse than currently projected;
 - (iv) It is anticipated that of the £36.9 million currently held in specific reserves, £12.7 million is anticipated to be drawn down during 2013/14 (Appendix D).

3 Revenue budget monitoring – General Fund Summary

- 3.1 A summary of the Council's projected outturn against General Fund revenue budgets for 2013/14 as at the end of quarter two is provided in the table below, whilst section 4 provides a detailed explanation of the projected outturn for each directorate.

Table 2 – 2013/14 General Fund Revenue Budget Projected Outturn

	Budget 2013/14 £000	Projected Outturn 2013/14 £000	Projected Variation	
			Over/(Under) £000	%
Community	159,934	166,949	7,015	4.39%
Delivery	39,627	39,890	263	0.66%
Education and Enterprise	23,698	23,423	(275)	-1.16%
Office of the Chief Executive	1,615	1,749	134	8.30%
Corporate Budgets	30,842	30,489	(353)	-1.14%
Net Budget Requirement	255,716	262,500	6,784	2.65%
Government Grant (General)	(178,492)	(178,492)	-	0.00%
Council Tax	(73,297)	(73,297)	-	0.00%
Collection Fund Surplus	(211)	(211)	-	0.00%
Total Resources	(252,000)	(252,000)	-	0.00%
(Surplus) / Deficit	3,716	10,483	6,784	2.65%
Use of General Balances	(3,716)	(3,716)	-	0.00%
Net Budget (Surplus) / Deficit	-	6,784	6,784	2.65%

- 3.2 Overall a net over spend of £6.8 million (2.65%) is projected against the General Fund net budget requirement of £255.7 million. This represents an increase of £1.8 million against the quarter one forecast of £5.0 million, primarily due to a continued increase in the number of Looked after Children placements in addition to an increase in physical and learning disabilities care management and assessment expenditure.
- 3.3 Options to deliver additional one-off savings during 2013/14 now need to be considered urgently to address the projected over spend and reduce the call on the General Fund balance. Strategic Directors and Assistant Directors will be working to identify urgent action that can be used to deliver savings to address this projected overspend.
- 3.4 The Council's five year Medium Term Financial Strategy (MTFS), approved by Council on 6 November 2013, assumed an overspend of £5.0 million in 2013/14 to be met from general reserves, and on-going growth of £4.0 million in respect of Looked after Children. On this basis, the Council will run out of revenue reserves in 2014/15 and immediate action is required to identify further savings or bring savings proposals forward, partly through seeking 1,000 volunteers for redundancy.

- 3.5** The increase in the forecast overspend is not built into the MTFs, nor is any on-going impact in excess of the £4.0 million provided for Looked after Children.
- 3.6** Finance Teams are currently carrying out an exercise to completely rebase all budgets in advance of the implementation of Agresso in April 2014. As part of this exercise, it will be necessary for Directorates to agree action required to reduce expenditure in 2013/14 and mitigate any on-going impact in future years or identify further savings.
- 3.7** In accordance with the Council's financial procedures rules, all virements in excess of £50,000 require the approval of this panel. Appendix F outlines virements in excess of £50,000 for which approval is sought at this meeting.
- 3.8** The most significant factors contributing towards the projected over spend against the budget are reported on a service-by-service basis in section 4.
- 3.9** Work is currently on-going to identify any savings that have been reflected in the budget that are unlikely to be achieved. This will be reflected in the next update to the MTFs to ensure that a robust baseline budget is in place.

4 General Fund Revenue Budget Monitoring: Service Analysis

4.1 Community

- 4.1.1** A summary of the projected outturn against the Community 2013/14 revenue budget, as at the end of quarter two, is provided in the table below, whilst a detailed analysis is provided in Appendix A.

Table 3 – 2013/14 Revenue Budget Projected Outturn - Community

	Budget 2013/14	Projected Outturn	Projected Variation Over/(Under)	
	£000	£000	£000	%
Older People & Personalisation	37,116	37,377	261	0.70%
Health, Wellbeing & Disabilities	50,961	51,947	986	1.93%
Children, Young People & Families	49,662	54,568	4,906	9.88%
Safeguarding, Business Support and Community Services	22,798	22,834	36	0.16%
Savings to be Identified	(603)	223	826	-136.98%
Community Total	159,934	166,949	7,015	4.39%

- 4.1.2** Overall a net overspend of £7.0 million (4.39%) is projected for the year. The main factors contributing towards the forecast overspend are:

- **Older People & Personalisation** - The forecast net over spend within Older People & Personalisation is a result of a shortfall against savings targets within Telecare and Reablement, in addition to early achievement of savings resulting from the closure of Warstones Resource Centre.
- **Health, Wellbeing & Disabilities** - There is a forecast net over spend of £1.0 million which has arisen primarily as a result of an overspend on care purchasing due to increases in the volume and complexity of young people in transition and Adult demographic pressures. A detailed monitoring mechanism is currently being validated.
- **Children, Young People & Families** - There is a forecast net over spend of £4.9 million within the Assistant Directorate, due to a range of factors including the continued increase in the number of Looked after Children, representing £4.9 million of the overspend. A non-recurring contribution from prior year EIG balances offsets a forecast overspend of £1.1 million against the Children in Need budget arising from family support payments under Section 17 in addition to contact, agency and legal costs, resulting in a net overspend of £78,000.
- **Safeguarding, Business Support and Community Services** – There is a forecast net over spend of £36,000 within the Assistant Directorate due to non-achievement of Leisure Trust savings target.
- **Unachievable Savings** – There is a forecast net overspend of £826,000 arising from unachievable savings of which £603,000 relate to savings brought forward in the budget for which specific proposals were not identified.

4.2 Delivery

4.2.1 A summary of the projected outturn against the Delivery 2013/14 revenue budget, as at the end of quarter two, is provided in the table below, whilst a detailed analysis is provided in Appendix B.

Table 4 – 2013/14 Revenue Budget Projected Outturn – Delivery

	Budget	Projected	Projected Variation	
	2013/14	Outturn	Over/(Under)	
	£000	£000	£000	%
Delivery Directorate	246	246	-	0.00%
Resources	131	-	(131)	-100.00%
Financial Services	4,723	5,010	287	6.08%
Human Resources	-	(146)	(146)	N/A
Audit Services	(8)	(74)	(66)	825.00%
ICTS	(2,640)	(2,650)	(10)	0.38%
Customer Services	262	192	(70)	-26.72%
Corporate	9,049	7,994	(1,055)	-11.66%

Governance	5,086	4,840	(246)	-4.84%
City Services	22,778	24,478	1,700	7.46%
Delivery Total	39,627	39,890	263	0.66%

4.2.2 Overall a net overspend of £263,000 (0.66%) is projected for the year which is the result of a number of variances across the directorate which are analysed in Appendix B.

4.3 Education and Enterprise

4.3.1 A summary of the projected outturn against the Education and Enterprise 2013/14 revenue budget, as at the end of quarter two, is provided in the table below, whilst a detailed analysis is provided in Appendix C.

Table 5 – 2013/14 Revenue Budget Projected Outturn – Education and Enterprise

	Budget 2013/14	Projected Outturn	Projected Variation	
	£000	£000	£000	%
Partnerships, Economy and Culture	7,982	7,775	(207)	-2.59%
Regeneration	8,663	8,486	(177)	-2.04%
Schools, Skills and Learning	7,053	7,162	109	1.55%
Education & Enterprise Total	23,698	23,423	(275)	-1.16%

4.3.2 Overall it is projected that that Directorate will outturn with a net saving of £275,000 which has primarily been generated by savings from vacant posts within a number of services.

4.4 Office of the Chief Executive

4.4.1 A summary of the projected outturn against the Office of the Chief Executive 2013/14 revenue budget, as at the end of quarter two, is provided in the table below.

Table 6 – 2013/14 Revenue Budget Projected Outturn – Office of the Chief Executive

	Budget 2013/14	Projected Outturn	Projected Variation	
	£000	£000	£000	%
Chief Executive	208	208	-	0.00%

Communications	(96)	(58)	38	-39.58%
Corporate Policy Unit	1,096	1,133	37	3.38%
Scrutiny	142	162	20	14.08%
Political Assistants	110	112	2	1.82%
Equalities & Diversity	155	192	37	23.87%
Office of the Chief Executive Total	1,615	1,749	134	8.30%

4.4.2 Overall a net over spend of £134,000 (8.30%) is projected for the year. There are no significant variances forecast.

4.5 Corporate Budgets

4.5.1 A summary of the projected outturn against 2013/14 corporate revenue budgets, as at the end of quarter two, is shown in the table below.

Table 7 – 2013/14 Revenue Budget Projected Outturn – Corporate Budgets

	Budget 2013/14 £000	Projected Outturn £000	Projected Variation Over/(Under) £000	%
West Midlands Transport Authority Levy	13,269	13,269	-	0.00%
Environment Agency Levy	78	67	(11)	-14.10%
Provision for Bad Debts	375	375	-	0.00%
Interest Payable	9,492	10,192	700	7.37%
Dividends Receivable	(619)	(442)	177	-28.59%
Interest Receivable	(64)	(59)	5	-7.81%
Birmingham Airport - Rent	(69)	(69)	-	0.00%
Contribution from Reserve (South Side)	(745)	(500)	245	-32.89%
Provision for the Redemption of Debt	13,900	12,160	(1,740)	-12.52%
Central Provision for Increased Pension Costs	583	-	(583)	-100.00%
Single Status inc. cost of Pay Protection	(3,850)	(3,850)	-	0.00%
Contribution to Efficiency Reserve	1,000	-	(1,000)	-100.00%
Cross-cutting Savings Proposals	(2,240)	(2,220)	20	-0.89%
Other Corporate Budgets	49	(34)	(83)	-169.39%
Underlying Issues in the Budget	(317)	1,600	1,917	-604.73%
Corporate Total	30,842	30,489	(353)	-1.14%

4.5.2 Overall a net saving of £353,000 is projected for the year. The main factors contributing towards this net saving are outlined below:

- **Treasury Management** - There is forecast to be a saving of £1.7 million on the provision for the redemption of debt due to capital expenditure financed from borrowing in 2012/13 being lower than forecast. However, part of this saving has been offset by a forecast overspend of £659,000 on interest payable, due to forecast borrowing for capital expenditure during 2013/14 being higher than originally anticipated.
- **Superannuation Recovery Target** - The local government pension employer's contribution rate for 2013/14 is 19.1%, this comprises the following two elements:
 - i. 12.2% to fund pension costs relating to future service, as calculated by the Actuary.
 - ii. 6.9% to fund pension costs relating to past service. This element of the employer's rate was agreed with West Midlands Pension Fund as being sufficient to recover a fixed lump sum of £7.8 million during the year. The £7.8 million was calculated by the Actuary and is expressed as a fixed lump sum in recognition of the declining levels in pensionable pay upon which to base the recovery. Any minor under or over recovery will be incorporated into the calculations for the following year's recovery rate. This will be monitored closely during the year and any issues will be reported to Councillors.

4.5.3 Work is currently on-going to identify controllable/non-controllable budget issues that have arisen historically. Early indications suggest that the potential magnitude of this issue may amount to £1.3 million. This will be reported in further detail in the next update to the Medium Term Financial Strategy.

5 Changes to Grant Funded Expenditure

- 5.1** It is not always possible to reflect all grant-funded expenditure in the budget approved by full council prior to the start of the financial year. This is due to late notification from grant awarding bodies of grant amounts, and proactive grant applications during the year.
- 5.2** Approval is sought from the panel to establish expenditure headings within the 2013/14 approved budget as set out in the table below, and in accordance with each individual grant's terms and conditions. This will have no effect on the Council's net revenue budget.

Table 8 – Grants

Grant	Description of Expenditure	Awarding Body	Expenditure 2013/14 £000
Community			
Remand Grant	Costs of remand placements	Youth Justice Board	108
Education and Enterprise			
Esme Fairburn Collections Fund	Use of international partnerships to develop understanding and use of Museums pop art collection	Museums Association	67
TOTAL			175

6 Voluntary Redundancy Programme

- 6.1** The Council has recently sought volunteers for redundancy/early retirement in order to identify new savings and where possible accelerate the proposals set out in the draft Medium Term Financial Strategy approved by Council on 6 November 2013.
- 6.2** Based on an assumption of 1,000 redundancy applications in 2013/14, the likely one-off cost to the Council will be £16.4 million. Although employee reductions at that level are unlikely to be achievable before March 2014, this assumption is being made for planning purposes in order to be prudent.
- 6.3** Initial discussions with West Midlands Pension Fund (WMPF) indicate that it should be possible to spread the cost of “pension fund strain” associated with redundancies over a number of years and, on 6 November 2013 Council approved the formal application to WMPF to spread the cost over a three year period. It is currently anticipated that the strain element of the cost will be approximately 40% (£6.0 million).
- 6.4** On 31 October 2013 a “capitalisation application” was submitted to Central Government to seek approval to capitalise any redundancy costs arising in 2013/14. Given the level of uncommitted General Fund Reserves at 1 April 2013, it is likely that the Council would only be able to capitalise redundancy costs in excess of £12 million, and even then it would only be possible to capitalise the statutory redundancy element. If the cost of the redundancy strain is spread over a number of years it is unlikely that the Council will receive a capitalisation direction from DCLG, so the final strategy to fund the cost of redundancy can only be agreed once all of the facts are available.
- 6.5** The Chancellor announced in the Autumn Statement that the Government will allow local authorities to sell assets and to use up to £200 million of receipts to fund one-off costs of reforming services. The methodology for obtaining approval has yet to be announced however the council is actively exploring how it can make use of this facility.

6.6 All opportunities to fund these costs from capital receipts will be explored. However, at this stage it has been assumed that the balance (approximately £10.4 million) will have to be funded from general balances in 2013/14 and 2014/15.

7 Reserves and Balances

7.1 At the beginning of 2013/14 a balance of £15.9 million was held within the general fund balance.

7.2 As part of the 2014/15 budget process all specific reserves have now been reviewed for relevance and adequacy, to determine which are no longer required (either in whole or in part) so that funds can be released to the General Fund. At the beginning of 2014/15, £44.1 million was held within specific reserves, excluding schools' general balances. As part of the draft Medium Term Financial Strategy for the five year period 2014/15 to 2018/19 considered by Council on 6 November 2013 the transfer of £7.155 million from available reserves into the general fund general reserve was approved. A full list of specific reserves is attached at Appendix D.

7.3 Due to the current level of general balances Council on 6 November approved that, for the purposes of calculating the Council's provision for the redemption of debt in 2013/14, the value of variable E shall be minus £10.0 million. Variable E is a component of the formula to calculate the annual provision for the redemption of debt; this formula is set out in the Council's annual Minimum Revenue Provision (MRP) statement which is approved each year. As set out in that policy the value of variable E is an amount to be set by Cabinet (Resources) Panel, the total value of which taken across all past and current years shall never be lower than zero, based on a value of minus £10.0 million in 2013/14 the total value of variable E will be zero. The resulting £10 million one-off benefit to the general fund budget in 2013/14 should then be transferred into general balances.

7.4 A special dividend of approximately £70.0 million is proposed to be paid by Birmingham Airport before 31 December 2013. The Council's share of this will be approximately £3.3 million. In order to support the Council's general fund and mitigate the risk of the council exhausting its reserves this has been treated as a direct contribution to reserves in table 9 below.

7.5 The following table sets out the projected level of uncommitted general fund reserve at 1 April 2014:

Table 9 – Projected Uncommitted General Fund Reserves at 31 March 2014

	£000	£000
Actual balance at 1 April 2013		(15,928)
Transfer from Specific Reserves		
Budget Contingency Reserve	(1,948)	
Efficiency Reserve	(2,980)	
Southside Reserve	(1,000)	
Other Specific Reserves	(1,227)	(7,155)
Transfer from Minimum Revenue Provision		(10,000)
Direct Contribution of Birmingham Airport Special Dividend		(3,300)
Use of Reserves in 2013/14		
Budgeted use in 2013/14 Budget	3,716	
Quarter 2 Forecast Overspend	6,767	
Redundancy Programme	10,433	20,916
Estimated balance at 1 April 2014		(15,467)

7.6 Other Transfers to/from Earmarked Reserves

7.6.1 Approval is sought from this meeting for a number of other transfers to/from earmarked reserves, as set out in the following paragraphs.

Efficiency Reserve:

7.6.2 The 2014/15 draft budget and medium term financial strategy, which is currently being consulted upon, included a number of proposals to reduce expenditure by reviewing alternative delivery models for care services currently provided in-house. In order for this review to be as comprehensive as possible, Deloitte LLP have been appointed to carry out an options appraisal on the council's behalf. Deloitte's work is expected to make a significant contribution to the council's savings programme, and it is therefore recommended that their charges be funded by a transfer of £63,000 from the Efficiency Reserve.

7.6.3 The use of £100,000 for the services of an external provider, Capita, to design and deliver a bespoke leadership and management development programme. This has been detailed in a Green Decision Notice.

7.6.4 The following table sets out the requests for approval from this meeting and the anticipated remaining balance at 31 March 2014 and 31 March 2015. It is important to note that plans are in place which will fully utilise this reserve over the medium term.

Table 10 – Efficiency Reserve

	(Use of/ Addition to Reserve £000	Balance £000
Balance as at 1 April 2013		6,366
<u>Previously approved</u>		
To establish two Consultant Social Workers and Backfill the Head of Looked after Children, in relation to the New Operating Model for Looked after Children.	(78)	
To fund commercial support to help develop proposals into a robust commercial development plan for Leisure Services.	(16)	
To establish a Transformation Programme Team in order to provide project / programme / business change management support for a range of essential transformational and savings plans within Community.	(292)	
To create a Council Temporary Staffing Agency, set up costs	(110)	
To create a Council Temporary Staffing Agency, contingency costs	(20)	
Invest 2 Save Proposals	(384)	
		(900)
Transfer to General Reserves		(2,980)
<u>Approval Sought from this Meeting</u>		
Leadership/Management Development Programme	(100)	
To fund review of alternative delivery models for care services currently provided in-house	(63)	
		(163)
Forecast Balance as at 31 March 2014		2,323
<u>Previously approved</u>		
Invest 2 Save Proposals	(864)	
		(864)
Forecast Balance as at 31 March 2015		1,459

8 General Fund Transformation Programme

- 8.1 The total savings target for 2013/14 is £17.5 million, which is the result of both reductions in mainstream funding and in specific grants when compared to 2012/13. Any issues with budgeted savings are reflected in the forecasts, and where these give rise to variations greater than £100,000 they are separately disclosed in Appendices A-C.
- 8.2 The table below provides a summary of the forecast position against budgeted savings at the end of September 2013.

Table 11 – Forecast Outturn against Savings Targets

Saving Area	Savings Targets	Actual Savings "Banked"	Estimated Savings with a High Level of Confidence	Savings Proposals not yet fully developed
	£000	£000	£000	£000
Community	8,528	5,548	1,950	1,030
Delivery	3,600	2,875	725	-
Education and Enterprise	2,011	666	822	523
Office of the Chief Executive	527	527	-	-
Corporate	2,901	362	2,539	-
Total	17,567	9,978	6,036	1,553

- 8.3 It is important to note that 'Estimated Savings with a High Level of Confidence' does not reflect an end of year forecast, merely those savings which at this point in the financial year are estimated with a high level of confidence. Work is in progress to develop proposals to deliver the remaining savings targets for the year: achieving the actions set out in paragraph 3.3 will be essential to achieving this.

9 General Fund Corporate Income

- 9.1 **Council Tax and Business Rates** – The collection of council tax and business rates is accounted for within the Collection Fund. Although this is separate to the General Fund, any surplus or deficit on the Collection Fund at the end of a financial year is shared between the precepting authorities, i.e. the Council, the fire authority and the police authority. The distribution of any balance for 2013/14 will take place in future financial years, so collection performance will ultimately have an impact on the Council's General Fund.
- 9.2 The amount due for council tax and business rates and the amount of income collected by the end of the second quarter of 2013/14 is summarised in the table below. The shortfall against target for business rates may be due to some businesses finding it more difficult to pay their business rates liability.

Table 12 – Collection of Amounts Due (In-Year)

	Amount Due £000	Amount Collected		Target Collection %	2012/13 Collection %
		£000	%		
Council Tax	83,782	42,846	51.14	52.49	51.55
Business Rates (NNDR)	75,876	41,617	54.85	55.54	56.53

Note – Amounts due are for the current year only and exclude arrears and summons costs and are net of all allowances, exemptions, rebates and reliefs granted by the end of the third quarter of 2012/13.

9.3 Changes in the amount of arrears by the end of September 2013 are detailed below:

Table 13 – Changes in Arrears

	Arrears at 1 April 2013 £000	Amount Collected during 2013/14 £000	Changes in Amounts Due during 2012/13 £000	Arrears at 30 September 2013 £000
Council Tax	8,535	1,795	(418)	6,322
Business Rates (NNDR)	5,965	230	(1,614)	4,121

9.4 A comparison of total cash collected (excluding costs) by the end of the same period in the previous financial year is provided below:

Table 14 – Total Cash Collected (excluding costs)

	2012/13 £000	2013/14 £000	Increase	
			£000	%
Council Tax	42,728	44,514	1,786	+4.18
Business Rates (NNDR)	41,256	41,804	548	+1.33

9.5 Every effort is made to collect all income due to the Council: however this is not always possible and despite all efforts some debts have to be written off. In accordance with the financial procedure rules Cabinet (Resources) Panel must approve any write offs in excess of £5,000.

- 9.6** During the previous quarter 40 such cases of business rates have been identified with a total value of £683,793 and require approval by this Panel for write off. Full details are provided at Appendix E. The reasons for the write offs are insolvency or where the debtor cannot be traced. Although the Assistant Director Finance has authority to write off any amount where the reason is insolvency, these details have been provided for completeness.
- 9.7** In addition, £248,710 of Council Tax debts and £36,397 of NNDR debts have been approved for write off by the Assistant Director Finance, Delivery during quarter two (made up of individual debts not exceeding £5,000).

10 General Fund Budget Monitoring - Risk Management

- 10.1** The following table provides a summary of the risks associated with the 2013/14 budget and medium term financial strategy, using the corporate risk management methodology.
- 10.2** The six main areas of risk are summarised below along with the assessed level of risk:

Table 15 – General Fund Budget Risks 2014/15 – 2018/19

Risk	Description	Level of Risk
Financial and Budget Management	Risks that might materialise as a result of the impact of non-pay inflation and pay awards, employees vacancy factors, VAT rules, loss of ICTS facilities, treasury management activity and the impact of single status and budget management failure.	Amber
Transformation Programme	Risks that might materialise as a result of not identifying savings, not delivering the savings incorporated into the budget and not having sufficient sums available to fund the upfront and one-off costs associated with delivering savings and downsizing the workforce.	Red
Income and Funding	Risks that might materialise as a result of income being below budgeted levels, claw back, reduction to government grant or increased levels of bad debts.	Red
Service Demands	Risks that might materialise as a result of demands for services outstretching the available resources.	Amber
Third Parties	Risks that might materialise as a result of third parties and suppliers ceasing trading or withdrawing from the market.	Amber

Risk	Description	Level of Risk
Government Policy	Risks that might materialise as a result of changes to Government policy including changes in VAT and personal taxation rules.	Red

- 10.3** The overall risk associated with the General Fund budget is currently assessed as Red.
- 10.4** Details of the risk control measures that are in place in order to manage and mitigate the risks as far as possible have been published on the Council's Website and can be found via the following link <http://www.wolverhampton.gov.uk/budgetsavings>. These risks will be closely monitored and managed throughout the year and regular updates will be presented to Councillors as part of the established budget monitoring arrangements.
- 10.5** The Council is planning its budget amidst a high degree of uncertainty, which brings with it risks. As well as specific mitigating actions on individual issues, risks have been addressed in a number of different ways:
- The Assistant Director Finance will work closely with, and where necessary challenge, the Chief Executive, Strategic Directors, Assistant Directors, Heads of Finance and leading Councillors throughout the budget process in order that such risks are identified, understood and effectively managed;
 - The planning of the budget and service plans are designed to ensure that account can be taken of the need for proper planning of change and of the financial impact in later years of decisions taken now;
 - The process of planning the budget will afford the opportunity for services to identify emerging budget pressures, including those related to legislative requirements and demographic changes. Where necessary these will result in new investment, and
 - Account will be taken, in planning the budget for future years, of any issues which emerge as part of the process of monitoring the budget during 2013/14.

11 Revenue Budget Monitoring – Schools Budgets

- 11.1** In spring 2012 the Government announced their plans to introduce a national funding formula for schools at some point in the next parliament. 2013/14 was the first transitional year towards the introduction of a national funding formula and the reform agenda dictated that local authorities use simpler funding formulae to allocate funding to schools. In addition to this there is a requirement for schools to fund more of the costs of additional support for Special Educational Needs pupils from their own delegated budgets. Schools settlements have again been subject to a Minimum Funding Guarantee (MFG) which will prevent any setting from losing more than 1.5% per pupil compared to 2012/13. For the first time it was possible to limit the amount schools were gaining under the new framework, locally schools gains were capped to 3% per pupil.

11.2 As a result the current year will be a challenging one for schools as they begin to work to funding allocations determined by the new funding frame work and the increased expectation in respect of SEN pupils. Some of the local headline effects can be summarised as:

	2012/13	2013/14
Number schools at the minimum funding level	13	65
Number schools with funding increase capped	0	8
Number schools losing compared to 2012/13	20	37
Number of schools gaining	68	53

11.3 For 2013/14 and 2014/15 schools funding will continue to be protected at “cash flat per pupil”, meaning that every local authority has received the same cash per pupil as it did in 2012/13 for pupils in mainstream schools whilst funding for our high needs pupils will be funded at the same cash sum. However in real terms, given current levels of inflation this represents a reduction in real terms for schools.

11.4 In addition to the schools budget, funding continues to be available to schools in England through the Pupil Premium. In 2013/14 this will fund schools at £900 per eligible child an increase of £277 per pupil compared to 2012/13. Across the city this will equate to £11.6 million an increase of £3.6 million on 2012/13.

11.5 Schools have the freedom to spend the Premium, which is in addition to the underlying schools budget; in a way that they think will best support raising attainment for the most vulnerable pupils.

11.6 Funding for 16-19 provision, is channelled through The Education Funding Agency (EFA). The EFA have outlined Government plans to allocate over £7.5 billion to fund an increased number of places in with the raising of the participation age from September 2013. There will also be some transitional protection to assist schools and colleges experiencing substantial losses in funding. Locally it is expected that there will be a overall reduction in funding for the 2013/14 financial year compared to 2012/13.

11.7 The maintained schools in the city started the 2013/14 financial year with balances of circa £17.5 million, with only five schools in a deficit position.

11.8 Although schools have, to date, been largely protected from the cuts other public services have and continue to face, they and their governing bodies are mindful of the following pressures that they will face whilst working within the constraints of the “cash flat per pupil” increase for the next two years:

- General inflation for supplies and services - the latest Consumer Price Index (CPI) indicates an underlying increase of circa 2.7%
- New energy contracts for schools are likely to see significant increases, with energy costs representing a material element of schools’ non staffing expenditure.

- Full effect of Single status costs to be borne by schools in 2014. For many schools this is likely to be material in the long term)
- The large reduction in capital grants has meant that schools will need to make greater contributions to repair and maintenance costs from revenue resources.
- Potential future pay increases following the current public sector pay freeze.
- Building Schools for the Future (BSF) Programme – affordability and sustainability of the annual Facilities Management (FM)/Life-cycle and ICT Managed Services and PFI Unitary Charge Payment to schools' budgets.

11.9 For 2013/14 the latest budget plans approved and submitted by governing bodies forecast the use of £5.6 million of reserves in the year, with balances of £11.8 million at the end of March 2014, as detailed in the table below:

Table 16 – Forecast Use of Schools Balances 2013/14

	Actual Balances at 1 April 2013 Surplus £000	Planned Use of Balances In 2013/14 £000	Forecast Balances at 31st March 2014 Surplus £000
Infant	734	(124)	610
Junior	485	(69)	416
Primary	9,990	(3,145)	6,845
Secondary	2,778	(851)	1,927
Special	2,680	(1,120)	1,560
Nursery	844	(331)	513
Total	17,511	(5,640)	11,871

11.10 On 12 June 2013, the Secretary of State announced the final arrangements for the school funding reform for 2014/15. These are small changes to resolve some of the unintended issues caused by funding reform in 2013/14.

11.11 A further update will be reported to Cabinet (Resources) Panel on schools plans and forecasts for 2012/13 to 2014/15 inclusive.

12 Financial Implications

12.1 The financial implications are discussed in the body of the report.
[MH/10122013/M]

13 Legal Implications

13.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. [JH/10122013/H]

14 Equality Implications

14.1 This report has no direct equalities implications. However, any consideration given to the use of reserves and/or balances could have direct or indirect equalities implications; these will need to be considered as and when sums are allocated from reserves and/or balances.

14.2 In addition any future changes to the approach to collection of income due to the Council could have direct or indirect equalities implications, these will be considered as and when such changes are considered.

14.3 It should also be noted that during 2013/14 job reductions have already been achieved as a result of redundancies due to the need to deliver significant savings during the year.

14.4 The Council has a statutory duty to consult upon the impact of the way it carries out 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 relevant protected characteristics in this regard are:

- Age
- Disability
- Pregnancy and maternity
- Religion or belief
- Marriage and Civil Partnership
- Gender reassignment
- Sexual orientation
- Race
- Sex

14.5 Any consideration given to the use of reserves and/or balances could have direct or indirect impacts on services and support provided to one or more of the above groups. Indeed, a number of the specific reserves held by the council support service delivery to a range of these groups directly.

14.6 In the context of a particularly challenging short and medium term financial environment it is prudent to review the level of reserves together with their current allocation and determine how far those reserves and balances can be released for other purposes.

14.7 It is important, however, that re-direction of resources as described in the above paragraph be preceded by an Equality Analysis in order to ensure that the council's statutory duties are complied with and any negative impact on specific groups is mitigated as far as practicable.

14.8 In determining the budget for 2013/14 considerable focus was placed on the development of a Transformation Programme. Key elements of this programme have

been the subject of individual Equality Analyses and/or forms of statutory consultation with service users.

- 14.9** The Council is facing a particularly challenging short and medium term financial environment in which savings must be generated and a tight control on spending maintained. This requires that a greater focus than ever is maintained to ensure that core equality commitments are met. In determining the 2013/14 budget particular attention was given to the need to mitigate the adverse impact of savings proposals on individuals and communities in most need and who are protected by the Equality Act 2010. This will continue as the Transformation Programme is further progressed during the year. The budget also sought to advance equalities and foster good relations between protected groups.
- 14.10** In addition, it is important that any future changes to the approach to collection of income due to the council be preceded by an Equality Analysis in order to ensure that the council's statutory duties are complied with and any negative impact on specific groups is mitigated as far as practicable.

15 Environmental Implications

- 15.1** A range of services focused upon the Council's environmental policies is supported through revenue budgets reviewed in this report. Changes in levels of funding will be considered as such changes are proposed.

16 Background Papers

Five Year Budget and Medium Term Financial Strategy 2014/15 to 2018/19, Report to Cabinet, 23 October 2013

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget £000	2013/14 Forecast Outturn £000	2013/14 Forecast Variance £000	Forecast Variance at Q1 £000	Reason for Variation
Older People & Personalisation					
Directorate	207	177	(30)	(30)	
Assistant Director	215	204	(11)	(21)	
Carers Support	1,418	1,424	6	21	
Older People Assessment & Care Management	17,732	18,679	947	1,047	Care purchasing reduction trend mainly in domiciliary care.
Older People Provider Management	10,321	10,155	(166)	(186)	Savings due to early closure of Warstones RC
Welfare Rights & Financial Assessment	1,958	1,802	(156)	(96)	Savings accruing due to restructure of financial assessments function this will contribute to 2014/15 savings target
Workforce Development	992	708	(284)	(309)	Planning underway to align budget with Workforce development service strategy. Underspend will contribute to savings programme
Housing	1,835	1,827	(8)	(8)	
Adaptions Team & PTEC	436	430	(6)	24	
Sub Total Older People & Personalisation	37,116	37,377	261	603	

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Health, Wellbeing & Disabilities					
Assistant Director	159	140	(19)	(19)	
Children's Disabilities Commissioning	117	136	19	15	
Disabilities In-House Provision	10,921	10,339	(582)	(372)	Review of budget requirement for new day service (Eutria Way). Reduction to Agency Staff Costs.
Emergency Duty Team	13	5	(8)	21	
Housing Support & Social Inclusion	7,028	6,940	(88)	(114)	
Mental Health Care Management	5,404	5,391	(13)	(50)	
Short Breaks	604	643	39	(15)	
Children With Disabilities	907	1,040	133	85	Additional staffing costs as a result of forthcoming Ofsted inspection and Premises related costs, 2 new staff recruited October
Learning Disabilities Assessment & Care Management	19,324	19,997	673	706	Overall reduction as a result of confirmation of additional CHC funding
Physical Disabilities Assessment & Care Management	4,970	5,802	832	886	Overall reductions to domiciliary and day care costs
Disabilities Commissioning	1,281	1,281	-	(14)	
Families In Focus	200	200	-	-	
SEN	33	33	-	-	
Sub Total Health, Wellbeing & Disabilities	50,961	51,947	986	1,129	

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Children, Young People and Families					
Assistant Director	1,695	1,809	114	357	£157,000 savings as a result of overstated single status budget uplift. Non achievement of savings targets - £189,000 2010/11 former savings targets from the disaggregation of the Children & Young People Directorate, £62,000 non-achievement of 2013/14 EIG savings target
Children Centres	9,644	9,587	(57)	(88)	
Children in Need	7,386	7,464	78	1,154	Improvement on last periods forecast outturn of £1.1 million which is due to a non - recurring contribution transferred from EIG balances accrued from previous financial years, £313,000 agency expenditure, £202,000 Contact Contract, £251,000 Section 17, £288,000 legal fees all associated with increased caseloads and demands for services.
Children Commissioning	828	783	(45)	(55)	

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Looked after Children	24,491	29,423	4,932	4,244	£192,000 underspend on staffing. Looked after Children continued increase in placements £5.5 million. £739,000 increased costs associated adoption and guardianship allowances partially offset by £534,000 underspend on fostering allowances. Additional external income from the CCG £424,000 and £274,000 from Special Education Needs budget to offset increased costs of Looked after Children.
Social Inclusion & Play	4,186	4,270	84	149	£173,000 staffing underspend. £70,000 premise related costs for MAST Centres. Non achievement of savings target £233,000.
Youth Offenders Team	1,432	1,232	(200)	(200)	Staffing underspend due to the vacant posts and a reduction in the number of agency and sessional staff used following the restructuring of the service.
Sub Total Children, Young People and Families	49,662	54,568	4,906	5,561	

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Safeguarding, Business Support & Community Services					
Assistant Director	143	135	(8)	(9)	
Sport & Leisure Trust	3,038	3,198	160	201	Non achievement of savings target relating to the Leisure Trust (£294,000), partly offset by one off additional income and reduction in expenditure.
Business Support	6,062	6,047	(15)	(36)	
Community Centres	1,367	1,272	(95)	(56)	Staffing underspend due to early transfer of Sports Development Team to Public Health (2014/15 savings proposal).
Community Initiatives	2,987	2,999	12	-	
Libraries	3,592	3,586	(6)	50	
Parks	582	584	2	27	
Safeguarding	2,212	2,154	(58)	(47)	
Youth	2,815	2,859	44	61	
Sub Total Safeguarding, Business Support & Community Services	22,798	22,834	36	191	
Savings to be Identified	(603)	223	826	539	
Total Community	159,934	166,949	7,015	8,023	

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget £000	2013/14 Forecast Outturn £000	2013/14 Forecast Variance £000	Forecast Variance at Q1 £000	Reason for Variation
Delivery Directorate	246	246	-	-	
Resources					
Assistant Director (Resources)	131	-	(131)	(130)	There is a forecast underspend in 2013/14 due to the Assistant Director working on the Shared Services Transformation Programme.
			-		
Financial Services			-		
Assistant Director (Finance)	142	142	-	-	
Corporate Programmes	161	136	(25)	1	
Corporate Procurement	134	469	335	(19)	An overspend is anticipated due to reduced levels of income from retrospective discounts.
Strategic Financial Services	(148)	(247)	(99)	(20)	
Operational Finance	(153)	(115)	38	16	
Payroll Services	76	114	38	10	
Risk Management & Insurance	(46)	(46)	-	(2)	
Revenues & Benefits	4,557	4,557	-	(50)	
Sub Total Financial Services	4,723	5,010	287	(64)	
Human Resources	-	(146)	(146)	-	An underspend is anticipated due to vacant posts
Audit Services	(8)	(74)	(66)	(15)	
ICTS	(2,640)	(2,650)	(10)	(70)	

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Customer Services	262	192	(70)	(11)	
Corporate					
Other Accounts	9,049	7,994	(1,055)	45	A significant element of the forecast underspend relates to Compensatory Added Years due to higher than anticipated turnover.
Sub Total Corporate	9,049	7,994	(1,055)	45	
Governance					
Chief Legal Officer				-	
Legal Services	(37)	(9)	28	113	
Local Land Charges	4	(29)	(33)	-	
Elections	697	443	(254)	(4)	There are no elections held in 2013/14 which results in a forecast underspend.
Democratic Services	460	513	53	-	
Members Expenses	3,614	3,573	(41)	(1)	
Mayoral	348	349	1	(2)	
Sub Total Governance	5,086	4,840	(246)	106	
City Services					
Assistant Director	145	148	3	(3)	
Health & Safety	299	291	(8)	2	
Emergency Planning	192	284	92	(14)	
Bereavement Services	(173)	(415)	(242)	(64)	Additional income is anticipated in 2013/14 in relation to cemeteries and crematoria.
Civic & Other Catering	11	2	(9)	(4)	

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Schools & Welfare Catering	(440)	(436)	4	(155)	
Civic Centre & Other Civic Buildings	(601)	(549)	52	42	
Facilities Management & Building Maintenance	236	297	61	(43)	
Cleaning of Buildings	52	52	-	(10)	
Property Design & Commissioning	(1,227)	(1,227)	-	38	
Multi Functional Devices	-	205	205	204	There is an agreement to centralise the budget provision for multi functional devices.
Fleet Services	(3,061)	(2,697)	364	75	An overspend is forecast due to increased costs of tyres and reduced external income.
Highways Maintenance	8,913	8,815	(98)	(410)	
Parking Services	(1,631)	(1,352)	279	145	An overspend is anticipated due to the forecast under achievement of income.
School Crossing Patrols	460	470	10	(26)	
Grounds Maintenance and Street Scene	6,484	6,400	(84)	43	
Landscape & Ecology	(32)	(19)	13	(6)	
Markets	(534)	(489)	45	(2)	
Public Conveniences	440	430	(10)	(13)	
Waste Services	14,273	14,268	(5)	(267)	
Unachievable Savings					
Wholly Owned Company	(500)	-	500	500	Work to develop a Wholly Owned Company/Joint Venture has now ceased. Therefore, additional income anticipated during 2013/14 as part of the Medium Term Financial Strategy will not be realised.

Revenue Budget Monitoring Quarter Two – Delivery

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Passenger Transport	(159)	-	159	1	The forecast overspend relates to efficiencies previously anticipated to be achieved through the development of the Wholly Owned Company.
Multifunctional Devices	(185)	-	185		
LACSEG	(184)	-	184		
Sub Total City Services	22,778	24,478	1,700	33	
Total Delivery Directorate	39,627	39,890	263	(106)	

Revenue Budget Monitoring Quarter Two – Education and Enterprise

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Partnerships, Economy and Culture					
Economic Partnerships and Investment	1365	1401	36	-	
Neighbourhood Services	1907	1892	(15)	-	
Partnerships Operations and Development	140	140	-	-	-
Community Safety	482	492	10	-	-
Entertainments and Events	1,762	1,679	(83)	-	
Culture, Arts and Heritage	2,326	2,171	(155)	-	The service has a number of vacant posts generating a saving; there is also a saving against the single status allocation for casual employees
Sub Total Partnerships, Economy & Culture	7,982	7,775	(207)	-	
Regeneration					
Assistant Director	(224)	59	283	-	Previously unallocated savings held at this level have now been regularised by allocating the targets to specific areas of service. This variance is therefore offset by favourable variations across other Regeneration service areas
Transportation	2,481	2,398	(83)	-	
Physical Regeneration	(639)	(643)	(4)	-	
Housing	987	923	(64)	-	
Performance and Service Support	53	(53)	(106)	-	Projected underspend is mainly generated by vacant posts within this service area and small projected underspend on supplies and services

Revenue Budget Monitoring Quarter Two – Education and Enterprise

Service	2013/14 Budget	2013/14 Forecast Outturn	2013/14 Forecast Variance	Forecast Variance at Q1	Reason for Variation
Planning	1970	1935	(35)	-	
Regulatory Services	4,035	3,867	(168)	-	Projected underspend is mainly generated by vacant posts within this service area
Sub Total Regeneration	8,663	8,486	(177)	-	
Schools Skills and Learning					
Assistant Director	1,693	1,712	19		
Equality and Enrichment	319	351	32	-	
Adult Education	160	121	(39)	-	
Skill Development	2,181	2,162	(19)	-	
School Organisation and Development	1,344	1,364	20	-	
School Intervention, Support and Challenge	1,379	1,350	(29)	-	
School and Pupil Services	7,703	7,795	92	-	
School Funding and Financial Planning	(399)	(366)	33	-	
Centrally Held Budgets	(164,245)	(164,245)	-	-	
Net Schools Budgets	156,918	156,918	-	-	
Sub Total Schools Skills and Learning	7,053	7,162	109	-	
Total Education and Enterprise	23,698	23,423	(275)	-	

Specific Reserves

Specific Reserve	Description of Reserve	Balance	Available to	Planned Use	Balance
		1st April 2013	General Reserve	2013/14	
		£000	£000	£000	£000
Community					
Adult Services Market Plaza Reserve	Fund for payments associated with the movement of Market services from the Plaza.	89	89	-	-
Adult Services Residential & Nursing Reserve	Available as a contingency to meet expected cost increases in residential and nursing care.	1,041		1,041	-
Building Resilience Reserve - Community	To continue activities under the Preventing Violent Extremism work stream.	34	34	-	-
Community Hubs	Available to support the development of Community Hubs.	242		220	22
HRA Homelessness	Available to support initiatives that work to prevent homelessness.	146		146	-
Leisure Centre Reserve	Set aside for the purchase of new equipment for the Leisure centres.	10	10	-	-
Mary Ellen Bequest - Oxley Training Centre Reserve	Bequest available for use at the Oxley Training Centre.	(4)		(4)	-
Social Inclusion IT Reserve	To procure and implement an electronic Common Assessment Framework (eCAF) IT system to enable practitioners to record and store assessments of children, young people and families.	50		50	-
Sport and Recreation Leisure Trust Reserve	This reserve was set up to support costs of establishing a Leisure Trust. The balance remaining in this reserve will be reviewed during 2013/14, following the cessation of negotiations on the Leisure Trust during 2012/13.	61	52	9	-
Third Sector Development	To fund activities that support the development of Voluntary and Community groups.	60	60	-	-
Troubled Families		100	100	-	(0)
Troubled Families Programme	To fund the Troubled Families Programme.	50		21	29
Voluntary Sector Employment Support	Support for local voluntary and community groups to deliver outcomes that help young people overcome barriers to their gaining employment.	64		64	-
Winter Pressures Reserve	PCT funding to support the seasonal winter pressures on social care costs.	80	80	-	-
Youth Café Reserve	For the development of the Youth Café.	264	14	80	170
Youth Offending IT Reserve	To fund the Youth Offending Team migration onto Childview - a new bespoke upgraded database.	50		50	-
Community Sub Total		2,337	439	1,677	221

Specific Reserves

Specific Reserve	Description of Reserve	Balance	Available to	Planned Use	Balance
		1st April 2013	General Reserve	2013/14	
		£000	£000	£000	£000
Education and Enterprise					
Apprenticeship Scheme Reserve	To support the apprenticeship scheme in 2013/14.	83		83	-
Art Gallery Touring Exhibitions Reserve	To support the costs of touring exhibitions.	9		5	4
Building Control Service Improvements	Prior to the Building Control Account reserve being established there was a legal requirement to have a Building Regulations Fees Reserve. The surplus is to be reinvested in the Building Control Service.	147		50	97
Building Schools for the Future Reserve (BSF)	Set aside for the BSF Programme.	580		580	-
Economic Development Reserve	Reserve to continue the momentum of business support in the city, with specific focus on assisting business relocations.	100		-	100
Leisure Funds and Bequests Reserve	Funds administered to support revenue expenditure against criteria defined by the bequest.	49		-	49
Mediation Service	The Mediation Service is self-funded through annual contributions which do not match the financial year in which expenditure is incurred. Earmarking the income already generated for the Mediation Service aids service planning.	28		28	-
Outdoor Events	Reserve was created to support outdoor events in Wolverhampton in summer 2012. This reserve will be reviewed in 2013/14 as no call upon funding was made during 2012/13.	11	11	-	-
Pupil Referral Units Reserve	Held in accordance with the Scheme of Delegation for Pupil Referral Units.	675		-	675
Regeneration Reserve	To fund projects in support of corporate regeneration priorities.	973	(1,502)	2,475	-
Southside Financing Reserve	To fund the estimated costs associated with the regeneration of the city centre.	3,982	2,502	1,480	-
School Service Level Agreements Reserve (SLA)	For schools' buy back of SLA services.	304		-	304
Schools Arts Service Reserve	Funds to support arts projects in schools.	61		-	61
Showell Road Travellers Site Reserve	For the refurbishment of an existing site and also the provision of a new site, an annual contribution is made from the revenue budget.	224		224	-
Showell Road Travellers Site - Residents Deposits Reserve	Deposits from new tenants of sites managed by the council. The deposits are refundable when tenants leave or they are used to offset arrears or to pay for any damage.	1		-	1
Surface Water Management Plan Reserve	To fund activities required to produce the management plan.	112	112	-	-
Voluntary Sector and Community Partnership Reserve	To support partnership activities approved by the Safer Wolverhampton Partnership and Wolverhampton Strategic Partnership.	150		150	-
Youth Zone	To fund the development of the Youth Zone.	285		-	285
Education and Enterprise Sub Total		7,774	1,123	5,075	1,576

Specific Reserves

Specific Reserve	Description of Reserve	Balance	Available to	Planned Use	
		1st April 2013	General Reserve	2013/14	Balance
		£000	£000	£000	£000
Office of the Chief Executive and Delivery					
Bulbs and Shrubs - Cemeteries and Crematorium Reserve	Donations received from members of the public for five additional planting schemes within the city.	4		-	4
Cemeteries and Crematorium Reserve	To fund the replacement and repair of memorials.	147		53	94
Cemeteries Surplus Reserve	To fund improvements to cemeteries and crematorium which would otherwise be funded via the capital programme.	57		22	35
Corporate Advertising Reserve	Funding for the promotion and advertising of the city.	82		82	-
Crematorium Environmental Reserve	Balance of environmental levy suggested by the Federation of Burial and Cremations Authority to part fund installation of mercury abatement equipment at Bushbury Crematorium.	2		-	2
Energy Efficiency Reserve	To fund major repairs and/or refurbishment to supplement capital budgets targeted at energy efficiency measures.	325		150	175
Feasibility Study Civic Centre Car Park Reserve	To fund a feasibility study into the condition of the Civic Centre car park.	50	50	-	-
Furniture Reserve	To fund projects identified by the accelerated asset review where spatial reorganisation of working areas can deliver efficiency savings.	105		-	105
Insurance Reserve	To fund the council's self insurance commitments for unknown insurance claims. The movement during the year reflects the in-year surplus of contributions in excess of insurance-related costs.	4,067		-	4,067
Markets Reserve	To meet the costs of wholesale market maintenance.	54		-	54
OCE and Delivery Sub Total		4,893	50	307	4,536

Specific Reserves

Specific Reserve	Description of Reserve	Balance	Available to	Planned Use	Balance
		1st April 2013	General Reserve	2013/14	
		£000	£000	£000	£000
Corporate					
Budget Contingency Reserve	Available to address in-year budget pressures that cannot be addressed from within existing service budgets.	3,000	1,948	-	1,052
Efficiency Reserve	Established to allow pump priming and investment in new developments, where the main aim is to generate efficiencies and savings in the future as supported by a fully costed business case. These business cases are considered by the Strategic Executive Board and decisions are reported to Councillors as part of the quarterly financial monitoring and reporting arrangements.	6,367	2,980	1,063	2,324
Fuel Tank Reserve	To update and future proof the existing fuel management system which will involve the replacement of out-dated and worn out hardware and software.	32		32	-
Funds and Bequests Reserve	Trust funds administered by the authority with specific criteria for allocation.	24		-	24
Jennie Lee Centre Disposal Reserve	Created to fund the disposal and relocation costs resulting from the disposal of the Jennie Lee Centre.	357		200	157
Job Evaluation Reserve	To assist with the funding of the implementation of new pay scales arising from job evaluation.	7,340		-	7,340
Local Strategic Partnership Reserve	The council's unspent share of LPSA reward grant received in 2010/11, the use of this funding is managed by the Wolverhampton Partnership.	325		-	325
Professional Support and Advice Reserve	For professional services and advice, e.g. financial, legal, technical etc. where there is insufficient funding available within existing service budgets.	490	365	125	-
Revenue Grants Unapplied (IFRS) Reserve	Established in accordance with the principles of IFRS in relation to the recognition of grants and contributions in the council's accounts. Approvals for the use of actual grants are made during the year according to the council's constitution.	4,285		-	4,285
FutureWorks Reserve	This amount has been set aside to part fund costs arising from the council's FutureWorks Programme.	6,591		4,200	2,391
Systems Thinking and Lean Interventions	Established to fund Systems Thinking interventions across the council	250	250	-	-
					-
Corporate Sub Total		29,061	5,543	5,620	17,898
TOTAL RESERVES		44,065	7,155	12,679	24,231

**General Fund Revenue Budget Monitoring: Corporate
Income Business Rates Write-offs Exceeding £5,000**

Account	Reason	Date written off	Amount of write off £
Business Rates			
5058130	Insolvency	03/06/2013	£41,209.39
5059229	Insolvency	03/06/2013	£60,870.17
5059606	Insolvency	03/06/2013	£45,692.32
5100197	Insolvency	03/06/2013	£43,423.58
5101243	Insolvency	03/06/2013	£31,895.70
5106475	Insolvency	03/06/2013	£6,868.75
5107023	Ceased To Trade - No Assets	03/06/2013	£24,407.21
5058757	Insolvency	07/06/2013	£9,471.48
5101372	Uncollectable	07/06/2013	£35,598.28
5103476	Uneconomic to collect	12/06/2013	£12,018.70
5102057	Insolvency	18/06/2013	£26,051.11
5106439	Insolvency	02/07/2013	£11,811.04
5054927	Uncollectable	19/07/2013	£6,512.88
5102604	No Trace	24/07/2013	£5,011.47
5105914	No Trace	24/07/2013	£6,120.57
5105824	Bankruptcy	26/07/2013	£26,036.55
5055973	Insolvency	01/08/2013	£7,920.43
5106403	No Trace	13/08/2013	£5,362.38
5105103	No Trace	14/08/2013	£10,278.25
5105257	No Trace	14/08/2013	£11,061.95
5105375	No Trace	14/08/2013	£6,485.36
5105603	No Trace	14/08/2013	£7,391.37
5103588	Insolvency	16/08/2013	£16,584.36
5105608	Insolvency	16/08/2013	£12,919.87
5107836	Insolvency	27/08/2013	£5,833.92
5100895	Insolvency	05/09/2013	£5,965.94
5101699	Insolvency	05/09/2013	£88,563.97
5102542	Insolvency	05/09/2013	£6,998.21
5103135	Insolvency	05/09/2013	£8,786.41
5103426	No Trace	05/09/2013	£9,113.45
5057419	Ceased To Trade - No Assets	23/09/2013	£6,418.24
5058509	Ceased To Trade - No Assets	23/09/2013	£7,121.60
5100715	Insolvency	23/09/2013	£5,782.99
5106008	Insolvency	23/09/2013	£14,914.54
5106064	Ceased To Trade - No Assets	23/09/2013	£9,074.68
5053713	Insolvency	26/09/2013	£9,256.56
5102828	Rate Payer deceased	26/09/2013	£9,254.81
5102839	Rate Payer deceased	26/09/2013	£9,477.62
5103416	Insolvency	26/09/2013	£9,890.38
5106082	Insolvency	26/09/2013	£6,336.94
			£683,793.43

From		To		£000	Reason for Virement
Directorate	Service	Directorate	Service		
Community	Assistant Director for CYP&F	Community	Children in Need	140	Re-allocation of budget to cover agency staff expenditure.
Community	Assistant Director for CYP&F	Community	Assistant Director for CYP&F	660	Transfer of Savings Target budget
Community	Childrens Commissioning	Community	Assistant Director for CYP&F	50	EIG Savings for Positive Activities
Community	Childrens Commissioning	Community	Assistant Director for CYP&F	315	EIG Savings for Positive Activities
Community	Looked after Children	Community	Looked after Children	53	Care Matters Controllable Savings
Community	Looked after Children	Community	Looked after Children	60	Use Adoption Reform Grant for purchase of spot assessments
Community	Looked after Children	Community	Looked after Children	60	Use Adoption Reform Grant for CareFirst consultant fees
Community	Looked after Children	Community	Looked after Children	75	Use Adoption Reform Grant towards savings/overspends
Community	Looked after Children	Community	Looked after Children	50	Use Adoption Reform Grant for Adoption Twinning Partnership
Community	Looked after Children	Community	Looked after Children	52	Use Adoption Reform Grant for agency Social Worker
Community	Looked after Children	Community	Looked after Children	459	Use Adoption Reform Grant to purchase interagency adoption placements
Community	Looked after Children	Community	Looked after Children	108	Use YJB Remand Grant to fund remand costs
Community	Assistant Director for Leisure	Community	Business Support	(318)	Re-alignment of savings target and staff turnover budget
Community	Business Support	Community	Adults Care Services	684	Transfer of Adult Assessment and Billing budgets to Adult Social Care
Community	Business Support	Community	Adult Care Service	703	Transfer of Meals Services to Adult Social Care
E&E	SSL - Recharges	Community	Looked after Children	238	Removal of Recharges
E&E	SSL - Recharges	Community	Social Inclusion and Play Service	2,767	Removal of Recharges and establishment of DSG Income
E&E	Early Years	Community	Early Years and Children's Centres	3,285	Transfer of Early Years Service
Community	Looked after Children	Community	Assistant Director for CYP&F	(132)	Transfer surplus single status budget.
Community	Children in Need	Community	Assistant Director for CYP&F	(168)	Transfer surplus single status budget.
Community	Children with Disability Commissioning	Community	Looked after Children	550	Transfer CAMHS Budget
Community	Children in Need	Community	Adult Social Care	(215)	Transfer EDT Recharge
Community	Assistant Director for Leisure	Community	Business Support	(318)	Re-alignment of savings target and staff turnover budget
Community	Parks Strategy	Delivery	Parks Street Cleansing	108	Transfer of R&M Budget to Parks Delivery
Community	Housing Support	Community	Community Initiatives	88	Contribution to savings target
Community	Older People In House Provision	Community	Older People In House Provision	400	Transfer of Savings Target budget

This report is PUBLIC [NOT PROTECTIVELY MARKED]
List Of Virements For Which Approval Is Sought

Appendix F

From		To		£000	Reason for Virement
Directorate	Service	Directorate	Service		
Community	Learning Disabilities In House Provision	Community	Learning Disabilities In House Provision	150	Transfer of Savings Target budget
E&E	SEN	Community	SEN	(1,595)	Transfer of DSG Funding
Community	Leisure Services	Community	Leisure Services	50	Transfer of Savings Target budget
E & E	School & Pupil Services	Delivery	Facilities	131	Transfer of Jenny Lee Centre net budget to off set costs of Parkfields
Delivery	Grounds Maintenance	Delivery	Grounds Maintenance	85	Reallocation of savings to relevant budgets



Cabinet (Resources) Panel

17 December 2013

Report title	Review and approval of fixed penalty notices	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor John Reynolds Cabinet Member for City Services	
Key decision	No	
In forward plan	No	
Wards affected	All	
Accountable director	Tim Johnson, Education and Enterprise	
Originating service	Regulatory Services	
Accountable officer(s)	Steve Barlow	Environmental Health (Public Protection) Manager
	Tel	01902 554350
	Email	steve.barlow@wolverhampton.gov.uk
Report to be/has been considered by	N/A	

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the introduction of revised fixed penalties as detailed in the table below:

Penalty	Current	Proposed
Nuisance parking	£75	No change
Vehicle abandonment	£120	£120 plus costs
Litter	£50	No change
(Street) litter control	£60	£100
Unauthorised literature distribution	£50	£75
Graffiti and flyposting	£50	£50 per poster up to five then one additional FPN for every ten posters there after

Failure to produce waste transfer notes	£180	£300
Failure to produce waste carrier registration documents	£180	£300
Offences in relation to waste receptacles	£60	£100
Offences under dog control orders	£50	£75
Failure to nominate key-holder (within an alarm notification area)	£50	£50
Noise from dwellings	£60	£60
Noise from licensed premises	£500	£500
Failure to display no smoking signs	£200 reduced to £150 if paid in 15 days	£200
Smoking in a smoke free environment	£50 reduced to £30 if paid in 15 days	£50
Supply of alcohol by a club to a person under 18	Not yet formalised in Wolverhampton	To discuss with West Midlands Police. If agreed will adhere to their level of FPN fines.
Sale of alcohol anywhere to a person under 18		
Buys alcohol on behalf of person under 18		
Buys alcohol for consumption on relevant premises for person under 18		
Delivery of alcohol to person under 18		

2. Approve the extension of fixed penalty provisions introduced by new legislation, namely in respect of the production of energy performance certificates and underage sales of alcohol.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. That various Acts under which fixed penalties are issued enable local authorities to use their fixed penalty receipts only to help meet the cost of certain specified functions

1.0 Purpose of the report.

1.1 The report is intended to:-

- Update Councillors on the current use of fixed penalty notices (FPNs) and seek approval for the introduction of revised penalty levels as detailed in Appendix 1.
- Seek approval for the extension of fixed penalty provisions as described in section 3 and detailed in Appendix 1; namely the production of energy performance certificates and underage sales of alcohol.
- Seek approval to engage with the Chief Officer of West Midlands Police to explore the introduction of FPNs currently utilised by Police Officers for certain offences also enforced by the Local Authority.
- Seek approval for the principle of annual increases to fixed penalty levels in line with the RPI.

2.0 Background

- 2.1 Regeneration of the City is aided by a robust approach to environmental crime. Tackling environmental crime is important if we are to improve the quality of life for local communities where it is shown to be a problem. Left unchecked, such crime can cause blight to local areas and lead to an environment where other crime, disorder and anti-social behaviour can take hold, creating a strong deterrent to possible inward investment to the area.
- 2.2 Further to this the issues of littering, dog fouling and other environmental crimes are highlighted as being a significant priority in the last resident's survey.
- 2.3 The option to deal with such crimes without having to resort to court processes has been encouraged by successive Governments and is also generally welcomed by residents and the wider public who wish to see a proportionate but robust approach taken to such matters.
- 2.4 The use of FPNs can provide enforcement agencies such as the Council with an effective, visible and expedient way of responding to low-level environmental crimes. Wolverhampton City Council has utilised FPNs for such purposes since the 2006 implementation of the Clean Neighbourhoods and Environment Act.
- 2.5 Although the penalty for FPNs is smaller than the potential fine should the matter be considered by the courts, their use serves as a potentially significant deterrent to the types of crime they are intended to address. In addition, the process involved in issuing an FPN is far less resource intensive than preparing a case for prosecution.
- 2.6 Payment of an FPN discharges the individual's liability for an offence without them attending court and potentially obtaining a criminal record. This could have a detrimental effect on their future employment opportunities. Court convictions may also be regarded as disproportionate for "low-level" crime.

2.7 The use of FPNs is referred to in the Regeneration Compliance and Regulatory Policy endorsed by Cabinet Member for City Services, Cabinet Member for Economic Regeneration and Prosperity, Chair of Licensing Committee and Assistant Director Regeneration in December 2012.

2.8 In 2010 the existing two tier approach to payments, allowing a lower penalty payment to be accepted if the payment was made early was replaced by a single tier system

3.0 Review of FPNs and level of fines

3.1 Since the introduction of FPNs following Cabinet approval in 2006, the authority has undergone significant change and faces new challenges with limited resources. This has prompted a review of how aspects of services can be delivered in a more efficient manner.

3.2 The current levels for penalties associated with FPNs was established in 2006 and reviewed in 2010. However in view of the changes described above, a further review of the FPN process and associated levels for penalties has been undertaken.

3.3 The visual impact of the environmental crime, the number of complaints received, the resources required to investigate such issues and, more importantly, the potential health impact of such offences have all been taken into consideration in this review.

3.4 The attached Appendix 1 provides a summary of the review and includes:-

- the legislation which permits the issuing of a FPN,
- details of current, maximum and proposed levels of penalty, and
- a brief explanation for the proposal.

3.5 New legislation, namely the Energy Performance of Buildings (England and Wales) Regulations 2012 has been identified as a further piece of legislation where the issuing of a FPN can be utilised by a Local Authority to deal with certain offences. Specifically, the failure of landlords and owners of buildings to hold and/or display and/or produce upon request, an energy performance certificate is considered to be an area where the appropriate use of FPNs could bring about improvements within the sector.

3.6 In addition, through joint exercises with West Midlands Police especially in regard to underage sales of alcohol, it became evident that there were provisions available, upon the authority of the Chief Officer of the Police, for Trading Standards Officers to issue FPNs for some types of offence associated with underage alcohol sales.

4.0 Issues for consideration/note.

4.1 Although FPNs expedite the investigatory process there is the risk that any increase in the level of penalties could lead to an increase in the number of non-payments requiring further resources to bring the case to court. However, this is a potential issue whenever a FPN is issued and one role of the FPNs is to act as an effective deterrent to enhance the

environment we live and work in. Furthermore, although the level of penalty is increasing, it will still be more cost effective and convenient for individuals to pay the penalty than to attend court.

- 4.2 The introduction of any new FPN provisions will be supported by a policy to ensure the process is fair and equitable to all. There is currently a mechanism where individuals in receipt of an FPN can request a review by a senior manager. This would be continued and extended to all FPNs issued.
- 4.3 Regeneration's Compliance and Regulatory Policy states that in the majority of cases of non-payment, the normal course of action would be to prosecute. The reasons for this approach are that a failure to follow up such non-payment would seriously undermine the Service's authority and potentially jeopardise future enforcement work. Further to this, as FPNs are not appropriate for persistent offending, the Council would, in accordance with the above Policy, also normally seek to prosecute repeat offenders.
- 4.4 The various Acts under which fixed penalties are issued enable local authorities to use their fixed penalty receipts only to help meet the cost of certain specified functions. For example receipts for the low-level environmental crime can only be used in functions to investigate, educate and enforce under that legislation.
- 4.5 The issue of any statutory notice, including an FPN is already tightly controlled within Regulatory Services and only those officers with sufficient experience and appropriate qualification are authorised to issue them.
- 4.6 Although the proposals within the report are to increase penalty levels and extend the provisions of the FPN process to new areas, it is not possible to accurately predict the impact on penalty receipts. It is anticipated however, that there may be a marginal increase and this could provide some limited support for existing compliance and regulatory activity.

5.0 Financial implications

- 5.1 Existing enforcement actions are delivered within agreed resource provisions.
- 5.2 The payment of fixed penalties provides an income stream which, where permissible, will continue to be utilised in further resourcing the delivery of the service. Statute states that the income may only be used for prescribed purposes.
- 5.3 The continued and wider use of FPNs may provide a more efficient and effective use of officer resources which in turn could help maintain capacity to address priority complaints and issues.
- 5.4 The FPN process is already in situ within Regulatory Services and therefore can easily be extended and knowledge shared with other services looking to implement the FPN process.

5.5 The recommendations contained in this report may result in a marginal change in FPN income. The primary purpose of the report, however, is to ensure that the Council continues to comply with existing legislation. [TK/12112013/R]

6.0 Legal implications

6.1 The legal implications are contained within the body of the report. [JH/081113/M]

7.0 Equalities implications

7.1 There are no direct equalities implications however measures to mitigate any indirect equalities implications are detailed below.

7.2 All enforcement activity undertaken by Regulatory Services is based on a consideration of the facts of the case and whether it passes the evidential and public interest tests as set out in the Code for Crown Prosecutors. It also considers Regeneration Compliance and Regulatory Policy.

7.3 The use of FPNs would be considered appropriate for low-level environmental crimes, first offences etc and permits the offender to discharge their liability without the need to attend court. This approach would be applied fairly in accordance with Council policies.

7.4 Where individuals or businesses feel aggrieved against the issue of the FPN there is a mechanism where they can request a review of the evidence by a person at appropriate management level.

7.5 A number of the penalty levels are statutorily set and there is no scope for adjustment.

8.0 Environmental implications

8.1 The main use of FPNs to date has been to tackle low-level environmental crime and is aimed at improving the local environmental quality of neighbourhoods and communities within Wolverhampton. Their use acts as a deterrent to such crimes.

8.2 As detailed in section 3 tackling environmental crime is an important issue for residents of the City and can also assist in regeneration of the City.

9.0 Schedule of background papers

DASO report – Enforcement options for dealing with littering and fly tipping – 27 April 2001

R&E GDN – Penalties and proceedings in relation to the issue of fixed penalty notices – 3 April 2006

Cabinet report – Modernising enforcement decisions in Environmental Services – 6 September 2006

Sustainable Communities Scrutiny Panel – Enforcement policy guidance note: issuing fixed penalty notices to young people – 4 December 2007

Appendix A

Current and Proposed FPN Levels / Provisions

Description of Offence	Legislation	Existing FPN penalty	Max FPN level/court fine	Proposed new FPN level	Comments
Nuisance Parking	CNEA 2005 s.6	£75	Max £100/ court £2,500	£75	No change. Comparative to other LA's. Working with Highways on this issue
Abandoning a vehicle	RD (Amenity) Act 1978 s.2A	£120	Max £200/ court £2,500	£120 + costs incurred	No increase just added costs incurred to make the service cost neutral
Litter	EPA 1990 s. 88	£50	Max £80/ court £2,500	£50	Often low level environmental crime, deemed sufficient deterrent in relation to type of litter.
Street Litter Control Notices & Litter Control Notices	EPA 1990 s.94A	£60	Max £110/ court £2,500	£100	Often larger scale litter from or involving businesses. Costly to investigate. Would be used if the business failed to act following engagement by officers. Level proposed is the default amount set by legislation.
Unauthorised distribution of literature	EPA 1990 Schedule 3A para.7(2)	£50	Max £80/ court £2,500	£75	Focus on City Centre. Drive to improve city centre therefore supports this objective. Level proposed is the default amount set by legislation.
Graffiti & fly-posting	ASBA 2003 s.43	£50	Max £80/ court £2,500	£50 per poster up to 5 then 1 additional FPN for every 10 posters there after	Tiered scheme to address wide scale, prolific problem which blight the city. This scale of fly-posting is costly to remove and very visual.

Description of Offence	Legislation	Existing FPN penalty	Max FPN level/court fine	Proposed new FPN level	Comments
Failure to produce waste transfer notes	COP (Amendment) Act 1989 s.5B	£180	Max £300/ court £5,000	£300	Applicable to those businesses who dispose of their waste by non-legitimate means. Often undertaken for financial gains. Problem with fly-tipping (especially of white goods) in the city. FPNs issued will be reported to Licensing Services to consider as part of the Scrap Metal Dealers Act 2012
Failure to produce waste carrier registration documents	EPA 1990 s.34	£180	Max £300/ court £5,000	£300	
Offences in relation to waste receptacles	EPA 1990 s.47ZA	£60	Max £110/ court £1,000	£100	Subject to a number of complaints, visual. Work with waste to educate public before any FPN issued. Level proposed is the default amount set by legislation
Offences under dog control orders	CNEA 2005 s.59	£50	Max £80/ court £1,000	£75	Dog fouling/stray dogs – big issue, resource intensive and health implications. Level proposed is the default amount set by legislation
Failure to nominate key-holder (within an alarm notification area)	CNEA 2005 s.73	£50	Max £80/ court £1,000	£50	Not frequently used. Use other legislation where significant problems exist.
Noise from dwellings	Noise Act 1996 s.8	£60	Max £110/ court £1,000	£60	Not frequently used. Use other legislation where significant problems exist.
Noise from licensed premises	Noise Act 1996 s.8	£500	Max £500/ court £5,000	£500	No change. Amount set by legislation.

Description of Offence	Legislation	Existing FPN penalty	Max FPN level/court fine	Proposed new FPN level	Comments
Failure to display no smoking signs	HA 2006 s.6 (5)	£200 reduced to £150 if paid in 15 days	Max £200/£1,000	£200	Two-tier system for payment removed for all other FPN's. Ample advice & education given to businesses over 7 years
Smoking in a smoke free environment	HA 2006 s 7 (2)	£50 reduced to £30 if paid in 15 days	Max £50/ court £200	£50	
Supply of alcohol by a club to a person under 18	LA 2003 s.146 (3)	Not yet formalised in Wolverhampton	To be discussed in conjunction with WMP	To discuss with West Midlands Police. If agreed will adhere to their level of FPN fines.	
Sale of alcohol anywhere to a person under 18	LA 2003 s. 146 (1)				
Buys alcohol on behalf of person under 18	LA 2003 s.149 (3)				
Buys alcohol for consumption on relevant premises for person under 18	LA 2003 s.149 (4)				
Delivery of alcohol to person under 18	LA 2003 s.151				

Description of Offence	Legislation	Existing FPN penalty	Max FPN level/court fine	Proposed new FPN level	Comments
Truancy	Education Act 1996 s.444A	£120 reduced to £60 if paid within 28 days	Currently FPN issued by PP on behalf of Education	As existing	To continue as per instructions from Education
Energy Performance Certificate	The Energy Performance of Buildings (England and Wales) Regulations 2012.	Not yet introduced	£200	£200	New legislation. The penalty charge is fixed and appeals via a county court

Key to statutes

CNEA 2005 – Clean Neighbourhoods and Environment Act 2005
RD (Amenity) Act 1978 – Refuse Disposal (Amenity) Act 1978
EPA 1990 – Environmental Protection Act 1990
ASBA 2003 – Anti-social Behaviour Act 2003
COP (Amendment) Act 1989 – Control of Pollution (Amendment) Act 1989
HA 2006 – Health Act 2006
LA 2003 – Licensing Act 2003



Cabinet (Resources) Panel

17 December 2013

Report title	Changes to employee establishment	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Paul Sweet Governance and Performance	
Key decision	No	
In forward plan	No	
Wards affected	n/a	
Accountable director	Keith Ireland, Delivery	
Originating service	Human Resources	
Accountable employee(s)	Sue Davies Tel Email	Chief Human resources Officer 01902 554056 sue.davies@wolverhampton.gov.uk
Report to be/has been considered by	n/a	

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note changes made to the employee establishment.

1. Purpose

- 1.1 To provide information about the employee establishment changes which have been approved since the last meeting of the Panel.

2. Background

- 2.1 The employee establishment changes as detailed in this report have been made in response to the service needs identified by each Director and have been subject to review by Finance and Human Resources to ensure that they are consistent with Council policies and procedures.
- 2.2 The grades and salary rates for posts in the schedules reflect Wolverhampton Council's local pay and grading structure unless posts are on terms and conditions currently outside of this e.g. teachers.
- 2.3 The payments of any supplements for acting up, secondments or 'market forces' have been approved in line with the Council's approved policies.
- 2.4 Consideration has been given to an appropriate exit strategy for any fixed term appointments.
- 2.5 At Appendix 1 is a summary of the establishment changes that are detailed in this report.

3. Equalities Implications

- 3.1 The changes proposed fall within the Council's equality in employment policy and will be reflected in the Council's annual equality monitoring reports.

4. Environmental Implications

- 4.1 None have been identified.

5. Financial Implications

- 5.1 The Assistant Director Finance has considered the financial implications and confirmed that there is budgetary provision for each report.

[NA/06122013/O]

6. Legal Implications

- 6.1 The redesignation/regrading proposals in this report will require a variation to employee terms and conditions of employment in accordance with the Employment Rights Act 1996.

[JH/04122013/C]

SCHEDULE OF ESTABLISHMENT ISSUES FOR CONSIDERATION/APPROVAL

1. COMMUNITY

A Establishment of Policy Officer Post (15440)

No of Posts	Current Post title	Grade	Annual Salary Rate fte	Job class	With effect from
1	Policy Officer – Troubled Families	6	£26,539 – £30,311	T9/71/B450	01.11.2013

Business Case

The Troubled Families programme is funded through the Department for Communities and Local Government until at least 31 March 2016. Its further continuation beyond that date will be dependent on the outcomes of a general election and the then government's attitude to the programme.

The Troubled Families project is a national programme being delivered by all 152 local authorities. Its ambitions are to 'turn around' the lives of families facing significant challenges whilst reducing the demand on specialist and more expensive services.

The post is currently on the establishment of the Head of Policy – Office of the Chief Executive and has been occupied by an agency worker for 12 months.

As the programme delivery team is a very small and specialist one, it is a post that is essential to the efficient identification, allocation and monitoring of families and is key to the effective delivery of the programme. The proposals will result in the reduction of costs to the programme for this support from agency to city council rates of pay.

It has been agreed with the Head of Policy (where the post was previously held) that the Troubled Families programme team will make the appointment.

Funding

The post has been costed using the minimum and maximum scale point of pay grades and including employers national insurance and pension contributions. On this basis the cost of the post is £38,000 which will be funded from the Troubled Families Administration Grant.

APPENDIX 1

Community Directorate					
	Post Grade	Net Change			
		New Posts	Deletions	Grade Changes	Extensions to fixed term contracts
	Grade 11 and Snr Management				
	Grade 9 – 10				
	Grade 8				
	Grade 6 – 7	1			
	Grade 1 -5				
	TOTAL	1			



Cabinet (Resources) Panel

17 December 2013

Report title	Schedule of Green Decisions	
Decision designation	AMBER	
Cabinet member with lead responsibility	All	
Key decision	No	
In forward plan	No	
Wards affected	All	
Accountable director	Keith Ireland, Delivery	
Originating service	Democratic Services	
Accountable employee(s)	Matthew Vins	Graduate Management Trainee
	Tel	01902 554070
	Email	Matthew.vins@wolverhampton.gov.uk
Report to be/has been considered by	N/A	

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

The summary of open and exempt green decisions approved by the Designated Officer following consultation with the appropriate Cabinet Member.

SCHEDULE OF GREEN DECISIONS

PART I - OPEN ITEMS

<u>Originating Service</u>	<u>Title and Summary of Decision</u>	<u>Designated Director/Officer</u>	<u>Cabinet Member Consulted</u>	<u>Date Approved</u>	<u>Contact Officer</u>
1. Office of the Chief Executive	-	-	-	-	-
2. Community					
3. Delivery					
4. Education and Enterprise	<p>(a) Thompson Avenue, Ettingshall – Agreement under Section 38 and 278 of the Highways Act 1980</p> <p>Agreed for the Cabinet Member for Economic Regeneration and Prosperity in consultation with the Strategic Director for Education and Enterprise to authorise the Interim Chief Legal Officer to enter into an agreement with the developer under Sections 38 and 278 of the Highways Act 1980, in respect of the new access road.</p> <p>(b) Former ADAS site, Wergs Road – Agreement under Section 38 of the Highways Act 1980</p>	<p>Strategic Director Education and Enterprise</p> <p>Strategic Director Education and Enterprise</p>	<p>Councillor Bilson</p> <p>Councillor Bilson</p>	<p>4.12.13</p> <p>4.12.13</p>	<p>L Barnstable Ext 5684</p> <p>L Barnstable Ext 5684</p>

<u>Originating Service</u>	<u>Title and Summary of Decision</u>	<u>Designated Director/Officer</u>	<u>Cabinet Member Consulted</u>	<u>Date Approved</u>	<u>Contact Officer</u>
	<p>Agreed for the Cabinet Member for Economic Regeneration and Prosperity in consultation with the Strategic Director for Education and Enterprise to authorise the Interim Chief Legal Officer to enter into an agreement with the developer under Sections 38 and 278 of the Highways Act 1980, in respect of the new access road.</p> <p>(c) Former Goodyear site, Stafford Road – Promise House Phase 2 – Agreement under Section 38 of the Highways Act 1980</p> <p>Agreed for the Cabinet Member for Economic Regeneration and Prosperity in consultation with the Strategic Director for Education and Enterprise to authorise the Interim Chief Legal Officer to enter into an agreement with the developer under Sections 38 and 278 of the Highways Act 1980, in respect of the new access and footpath.</p> <p>(d) Former Farndale Junior School Site, Gatis Street – Agreement under Section 38 and 278 of the Highways Act 1980</p> <p>Agreed for the Cabinet Member for Economic Regeneration and Prosperity in consultation with</p>	<p>Strategic Director Education and Enterprise</p> <p>Strategic Director Education and Enterprise</p>	<p>Councillor Bilson</p> <p>Councillor Bilson</p>	<p>4.12.13</p> <p>4.12.13</p>	<p>L Barnstable Ext 5684</p> <p>L Barnstable Ext 5684</p>

<u>Originating Service</u>	<u>Title and Summary of Decision</u>	<u>Designated Director/Officer</u>	<u>Cabinet Member Consulted</u>	<u>Date Approved</u>	<u>Contact Officer</u>
	<p>the Strategic Director for Education and Enterprise to authorise the Interim Chief Legal Officer to enter into an agreement with the developer under Sections 38 and 278 of the Highways Act 1980, in respect of the new access road.</p>				

PART II - EXEMPT ITEMS

<u>Originating Service</u>	<u>Title and Summary of Decision</u>	<u>Designated Director/Officer</u>	<u>Cabinet Member Consulted</u>	<u>Date Approved</u>	<u>Contact Officer</u>
1. Office of the Chief Executive					
2. Community					
3. Delivery	<p>(a) Leadership and Management Development Programme Agreed for the Cabinet Member for Governance and Performance in consultation with the Strategic Director for Delivery, to</p> <ul style="list-style-type: none"> (i) Approve the appointment of Capita as a direct call-off from the central government framework agreement and; (ii) Approve the proposal from Capita to deliver the leadership and management development programme via a company from their supply chain. 	Strategic Director for Delivery	Councillor Sweet	5.12.13	S Serventi 4047
4. Education and Enterprise					