

**Time** 5.00 pm      **Public Meeting?** YES      **Type of meeting** Executive  
**Venue** Online

## Membership

**Chair** Cllr Ian Brookfield (Lab)  
**Vice-Chair** Cllr Louise Miles (Lab)

### Labour

Cllr Paula Brookfield  
Cllr Steve Evans  
Cllr Dr Michael Hardacre  
Cllr Jasbir Jaspal  
Cllr Linda Leach  
Cllr John Reynolds  
Cllr Stephen Simkins  
Cllr Jacqueline Sweetman

Quorum for this meeting is five Councillors.

## Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

**Contact** Dereck Francis  
**Tel/Email** Tel: 01902 555835 or [dereck.francis@wolverhampton.gov.uk](mailto:dereck.francis@wolverhampton.gov.uk)  
**Address** Democratic Services, Civic Centre, 1st floor, St Peter's Square,  
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**Tel** 01902 550320

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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            **Declaration of interests**
- 3            **Minutes of the previous meeting - 3 June 2020** (Pages 3 - 8)  
[For approval]
- 4            **Matters arising**  
[To consider any matters arising from the minutes of the previous meeting]

### DECISION ITEMS (RED - FOR DECISION BY THE COUNCIL)

- 5            **Capital Budget Outturn 2019-2020 Including Quarter One Capital Monitoring 2020-2021** (Pages 9 - 40)  
[To approve the capital budget outturn 2019-2020 including quarter one capital monitoring 2020-2021]
- 6            **Treasury Management - Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021** (Pages 41 - 64)  
[To approve the treasury management annual report 2019-2020 and activity monitoring quarter one 2020-2021]

### DECISION ITEMS (AMBER - DELEGATED TO THE CABINET)

- 7            **Revenue Budget Outturn 2019-2020** (Pages 65 - 132)  
[To approve the Revenue Budget Outturn 2019-2020]
- 8            **Reserves, Provisions and Balances 2019-2020** (Pages 133 - 172)  
[To report on the reserves, provisions and balances as at 31 March 2020]
- 9            **Housing Managing Agents Performance Monitoring Report - Quarter Four January to March 2020** (Pages 173 - 218)  
[To review the Housing Managing Agents Performance Monitoring Report - Quarter Four January to March 2020]

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Meeting of the Cabinet</b> <b>Minutes - 3 June 2020</b>
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## Attendance

### Members of the Cabinet

Cllr Ian Brookfield (Chair)  
Cllr Louise Miles (Vice-Chair)  
Cllr Harman Banger  
Cllr Steve Evans  
Cllr Dr Michael Hardacre  
Cllr Jasbir Jaspal  
Cllr Linda Leach  
Cllr John Reynolds  
Cllr Stephen Simkins  
Cllr Jacqueline Sweetman

### Employees

Tim Johnson	Chief Executive
Mark Taylor	Deputy Chief Executive
Emma Bennett	Director of Children's Services
Ross Cook	Director of City Environment
John Denley	Director of Public Health
Charlotte Johns	Director of Strategy
Richard Lawrence	Director of Regeneration
Claire Nye	Director of Finance
David Pattison	Director of Governance
Laura Phillips	Head of Democratic and Support Services
David Watts	Director of Adult Services
Jaswinder Kaur	Democratic Services Manager
Dereck Francis	Democratic Services Officer

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## Part 1 – items open to the press and public

*Item No.*    *Title*

**1            Chairs Announcements**

Councillor Ian Brookfield said it had been a difficult time in the last two or three months and it would continue to be a difficult time. He wanted to thank the City's residents, the various key workers and the Council's employees for all the work they had done in response to the Coronavirus pandemic. He particularly wanted to thank the residents of the city, without them doing what they have been doing, the city could have been in a worse situation. He said that many people in the city

unfortunately had lost their lives and everyone was a tragedy to the City. There would be many people across the City who would know somebody who had lost their life too early. The scale of it had and would continue to have touched everybody. The Council's heartfelt condolences go out to people who have gone too early. He then led the meeting in a minute's silence to think of the people who had lost loved ones.

2 **Apologies for absence**

No apologies for absence were received for the meeting.

3 **Declaration of interests**

No declarations of interests were made.

4 **Minutes of the previous meeting - 18 March 2020**

Resolved:

That the minutes of the previous meeting held on 18 March 2019 be approved as a correct record and signed by the Chair.

5 **Matters arising**

There were no matters arising from the minutes of the previous meeting.

6 **Safer Wolverhampton Partnership - Community Safety and Harm Reduction Strategy 2020-2023**

Councillor Jasbir Jaspal presented the draft Safer Wolverhampton Partnership – Community Safety and Harm Reduction Strategy 2020-2023. She asked Cabinet to endorse the strategy for recommendation to Full Council, subject to amendments to emphasise a greater link between the strategy and anti-social behaviour teams and an additional comment to bolster the equalities implications section. In presenting the report she highlighted some of the successes and challenges from the previous strategy that would be built into the refreshed strategy going forward. She also referred to the priorities that had been included in the new document and the place based approach to deliver the strategy.

Resolved:

That subject to amendments to emphasise the links between the strategy and Anti-Social Behaviour Teams, and to bolster the equalities implications section, Full Council be recommended to endorse the Safer Wolverhampton Partnership Community Safety and Harm Reduction Strategy 2020-2023.

7 **Transportation Capital Programme 2020-2021 and Future Years**

Councillor Steve Evans presented the report on a programme of capital projects to develop and maintain the transportation network for the financial year 2020-2021 and future years, subject to available resources and annual review. The programme covered highways improvements projects, local safety schemes, cycling programme and a cycling strategy, safer routes to school, disabled access and street lighting. Councillor Evans also informed Cabinet that as a result of the Government's response to Covid-19, local authorities had been instructed to look at their town/city infrastructures and ensure that by no later than 15 June they had in place a safe infrastructure for people to walk or cycle. As a result, the Council had put in place plans to temporarily reduce the speed limit around the Ring Road from 40 mph to 30 mph. This was one of a package of temporary measures being put in place to make sure if the public want to cycle or walk into the city centre, that there is a safe environment for them. The package of measures would be reviewed and monitored.

Where they are found to have worked well and benefitted the city as a whole there would be an opportunity for the Council to bid for Government funding to make them permanent. Councillor Steve Evans also placed on record his thanks to the officers who do excellent work in attracting funding from Government and other funding streams to enable the Council to maintain its roads to a good standard and deliver road safety schemes that it had.

Cabinet members welcomed the decision to temporarily reduce the speed limit along the Ring Road, pointing to the significant difference it would have on road safety and on encouraging cycling around the City. Cabinet colleagues also placed on record their thanks to the Highways team for their work in maintaining the network during the lockdown.

Resolved:

1. That the list of projects for development and implementation as part of the Transportation Capital Programme 2020-2021 and future years, as set out in appendices 3, 4, 5 and 6 to the report be approved.
2. That the Head of City Transport be authorised to proceed with development work for each project on the list including surveying, site investigation, options appraisal, feasibility analysis, traffic modelling, detailed design, statutory advertising and public consultation, as appropriate.
3. That the projects marked 'Approve' in the 'Approval' column of appendices 3 and 4 to the report be approved for implementation, subject to the availability of funding.
4. That the Cabinet Member for City Environment, in consultation with the Director for City Environment be authorised to approve, through an Individual Executive Decision Notice (IEDN), implementation of the projects on the list marked 'IEDN' in the 'Approval' column of appendices 3 and 4 to the report, subject to the satisfactory outcome of public consultation, availability of funding and any other relevant considerations.
5. That the Cabinet Member for City Environment, in consultation with the Director for City Environment be authorised to approve, through an IEDN, the bringing forward of projects from appendix 5 to appendices 3 or 4 to the report and thereafter to approve them for implementation during 2020-2021 subject to the satisfactory outcome of public consultation, availability of funding and any other relevant considerations.
6. That the Cabinet Member for City Environment, in consultation with the Director for City Environment be authorised to approve, through an IEDN, appropriate virements between existing approved budgets within the transport capital programme maximising use of resources.
7. That further reports be submitted at the appropriate time in order to obtain the necessary authority to implement the projects marked 'Cabinet' in the 'Approval' column of appendices 3 and 4 to the report.

8. That the Chief Legal Officer be authorised to serve all necessary notices in respect of the projects listed in appendices 3 and 4 to the report and, subject to there being no unresolved objections, make traffic regulation orders as required.
9. That the Head of City Transport be authorised to make applications and bids for additional external funding noting that agreement ahead of submission would be obtained from the Director of Finance and appropriate governance would be followed to amend budgets on receipt of such funding.
10. That the Director of Finance be authorised to approve the Council entering into funding agreements with the various funding bodies to receive grant funding in respect of the projects included in the report.
11. That the expenditure and progress made in delivering £41 million worth of projects in the Transportation Capital Programme during 2016-2017, 2017-2018, 2018-2019, 2019-2020 as set out in appendix 2 to the report be approved.
12. That the Council's continuing success in bidding for additional funding and delivering new projects through the Local Growth Fund, Access to Growth, and the West Midlands Combined Authority be noted.

## 8 **Market to Affordable Housing Conversion Policy**

Councillor Jacqueline Sweetman presented the report on proposals to introduce targeted interventions to support the Council's strategic objectives and broader housing outcomes, by purchasing existing market stock in the city and converting it to affordable housing. This would also help ensure the Council maximise the use of the Right to Buy receipts (1-4-1 receipts) and receipts from Section 106 agreements to increase the supply of affordable housing.

Resolved:

1. That the acquisition of market housing to convert to affordable housing to increase the housing stock as part of the Additional Social Housing Programme be approved.
2. That the policy and criteria to identify and purchase suitable market housing units be approved.
3. That authority be delegated to the Cabinet Member for City Assets and Housing in consultation with the Director of City Environment to agree the expenditure on individual property/land purchases.
4. That authority be delegated to the Service Manager, Strategy and Policy and in their absence, the Housing Enabling Manager the decision to 'decline' a Right of First Refusal request.
5. That the completed acquisitions of market housing which have been converted to affordable housing in 2019-2020 be noted.

9 **Supporting Students with Special Educational Needs and Disabilities to Learn and Achieve**

Councillor Dr Michael Hardacre presented the report on the outcome of a wide ranging public consultation on the draft High Needs Provision Framework and requested that Cabinet adopts the strategic policy document. Approval of the Framework would enable the publication of a clear and transparent structure to guide the future development of special educational needs and disabilities education for those children in the city who need more specialist provision. The policy would help create where possible in good and outstanding schools, a special resource base so that children with special educational needs could be integrated into mainstream education. It also enabled the creation of specialist accommodation in special schools for those children for whom mainstream education would not be a realistic possibility.

Councillor John Reynolds, in his capacity as Cabinet Member for Children and Young People congratulated Councillor Dr Hardacre and the senior offices within the Education service for their work on the framework and policy. It would mean that the Council could continue to support the city's children and young people and make sure that as many of them as possible remain in mainstream education.

Resolved:

1. That the High Needs Provision Framework be approved.
2. That the outcome of consultation on the draft High Needs Provision Framework be noted.
3. That the amendments (in Section 5) made to the draft High Needs Provision Framework following consultation be noted.

10 **Housing Managing Agents Performance Monitoring Report - Quarter Four January to March 2020**

The item was withdrawn.

11 **Exclusion of press and public**

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business as it involves the likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

## **Part 2 – items closed to the press and public**

12 **School Expansion Programmes 2021 and 2022**

Councillor Dr Michael Hardacre presented the report on the schemes proposed for inclusion in the Primary School Expansion Programme 2021 and 2022 and the Secondary School Expansion Programme 2021 and 2022. He sought approval to implement the proposed programmes to ensure the Council's statutory duty regarding the provision of sufficient school places could continue to be fulfilled.

Resolved:

1. That the formal proposal for schools to be included within the Primary School Expansion Programme 2021 and 2022 and associated capital expenditure be approved.
2. That the formal proposal for schools to be included within the Secondary School Expansion Programme 2021 and 2022 and associated capital expenditure be approved.
3. That permission be granted to enter into formal negotiations with Secondary Academy Trusts.
4. That permission be granted to enter into formal negotiations with Primary Academy Trusts.
5. That permission be granted to enter into all necessary legal agreements/transactions to protect the local authority's interests.
6. That authority be delegated to the Cabinet Member for Education and Skills in consultation with Director of Children's Services and the Director of Finance, to approve the allocation of the Expansion Programme budgets to individual capital projects in order that they may be progressed in a timely manner.
7. That it be noted that the funding for the proposed expansions programmes would be subject to approval through the appropriate governance mechanisms.
8. That it be noted that in light of the scale of recent primary and secondary expansion programmes, practical opportunities to continue to expand the existing estate are constrained.
9. That the current status of the School Expansion Programmes 2021 and 2022 that involves both temporary and permanent solutions to meet short and medium-term demand be noted. This approach has been taken to ensure that an oversupply of school places is not created. Future demand may be influenced as a consequence of the United Kingdom leaving the European Union, and through the establishment of free schools within the City.
10. That it be noted that the Regional Schools Commissioner is responsible for determining if academies can expand and the Council is not fully appraised of all the information which decisions are based on. In addition, the Council is not in full control of all the factors relating to the effective and timely supply of school places.

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> <b>8 July 2020</b>
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<b>Report title</b>	Capital Budget Outturn 2019-2020 including Quarter One Capital Monitoring 2020-2021	
<b>Decision designation</b>	RED	
<b>Cabinet member with lead responsibility</b>	Councillor Louise Miles Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Tim Johnson, Chief Executive	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee</b>	Claire Nye	Director of Finance
	Tel	01902 550478
	Email	Claire.nye@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board	26 June 2020

**Recommendations for decision:**

That Cabinet recommend that Council:

1. Approves the revised medium term General Revenue Account capital programme of £380.8 million, an increase of £2.0 million from the previously approved programme, and the change in associated resources.
2. Approves the revised Housing Revenue Account (HRA) capital programme of £462.2 million, a reduction of £20,000 from the previously approved programme, and the change in associated resources.

The Cabinet is recommended to:

1. Approve the virements for the General Revenue Account capital programme detailed at Appendix 5 to the report for;
  - i. Existing projects totalling £12.0 million;

- ii. New projects totalling £1.6 million.
2. Approve the virements for the HRA capital programme detailed at Appendix 5 to the report for:
- i. Existing projects totalling £12.9 million.

**Recommendations for noting:**

The Cabinet is asked to note:

1. The General Revenue Account outturn position for 2019-2020 which stands at 87.6% of the approved capital budget.
2. The HRA outturn position for 2019-2020 which stands at 91.8% of the approved capital budget.
3. That the Covid-19 pandemic has had an impact on development projects internationally, nationally and regionally and also on projects within the City.

## **1.0 Purpose**

- 1.1 To provide Cabinet with an update on the outturn position for 2019-2020 and update on the 2020-2021 financial performance of the General Revenue Account and HRA capital programmes whilst also providing a revised forecast for 2020-2021 to 2024-2025 as at quarter one of 2020-2021.
- 1.2 To recommend revisions to the current approved capital programmes covering the period 2020-2021 to 2024-2025.

## **2.0 Executive summary**

- 2.1 The General Revenue Account and HRA capital programmes are underpinned by our Council Plan with significant focus on working together to be a city of opportunity; focused on the following strategic outcomes:
  - Children and young people get the best possible start in life
  - Well skilled people working in an inclusive economy
  - More good jobs and investment in our city
  - Better homes for all
  - Strong, resilient and healthy communities
  - A vibrant, green city we can all be proud of.
- 2.2 The capital programme includes significant investment programmes that endeavour to create an environment where new and existing business thrive, people can develop the skills they need to secure jobs and create neighbourhoods in which people are proud to live.
- 2.3 The capital programme reflects the priorities of the Strategic Asset Management Plan. Individual capital project delivery milestones and financial analysis is undertaken over the lifecycle of each project, by project managers in conjunction with Strategic Finance, and is updated in the Council's project management system. Regular project delivery updates are provided to Leadership teams and will also be provided to Project Assurance Group, enabling governance and challenge. In addition to this, a Capital Projects Member Reference Group provides enhanced project governance and challenge.
- 2.4 The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Covid-19 has had an impact on development projects internationally, nationally and regionally and also on projects within the City. Given the unprecedented circumstances, there has understandably been delays on some capital schemes due to Covid-19. The Council is assessing the potential implications of Covid-19 on its wider capital programme in terms of delivery timescales and increases in costs. The capital programme makes a significant contribution to the shaping of the City and on the economy of the City and therefore will contribute to the Council's plans for reset and recovery from Covid-19.

- 2.5 At its meeting on 4 March 2020, Council approved a General Revenue Account capital programme totalling £368.4 million for the period 2019-2020 to 2024-2025. Since then, further reports submitted to Councillors have been approved to increase this amount by £10.4 million to £378.8 million. Of the £10.4 million increase, £8.6 million relates to decisions approved at the joint Cabinet and Cabinet (Resources) Panel meeting on 23 June 2020; £1.3 million relates to the Schools Capital programme within Education whilst a net increase of £521,000 relates to City Environment projects. This additional budget of £10.4 million is funded through a mixture of internal and external resources.
- 2.6 In addition to this, reallocation of resources from the Corporate Contingency to the following new projects totalling £1.6 million have been approved through Individual Executive Decision Notices:
- £580,000 for purchase and installation of cremators at Bushbury Crematorium;
  - £1.0 million to new individual projects within the Corporate Asset Management capital programme to facilitate works required in order that corporate priorities are addressed and met in an agile and timely manner.
- 2.7 This report considers specific changes to budgets. A full list of the proposed capital programme can be found in Appendix 1 of the report.
- 2.8 Table 1 shows the approved General Revenue Account capital programme budget compared with that proposed, along with the resources identified to finance the proposed change.

**Table 1: Summary of the General Revenue Account capital programme**

General Revenue Account capital programme	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	Total
	£000	£000	£000	£000	£000	£000	£000
<b>Budget</b>							
<b>Approved</b>	111,998	176,953	61,549	15,474	12,800	-	<b>378,774</b>
<b>Variations</b>							
New projects	-	200	1,610	-	-	-	<b>1,810</b>
Existing projects	(13,915)	6,440	2,688	-	-	5,000	<b>213</b>
	<b>(13,915)</b>	<b>6,640</b>	<b>4,298</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>2,023</b>
<b>Projected</b>	<b>98,083</b>	<b>183,593</b>	<b>65,847</b>	<b>15,474</b>	<b>12,800</b>	<b>5,000</b>	<b>380,797</b>
<b>Financing</b>							
<b>Approved</b>							
Internal resources	75,261	126,257	48,176	15,474	12,800	-	<b>277,968</b>
External resources	36,737	50,696	13,373	-	-	-	<b>100,806</b>
	<b>111,998</b>	<b>176,953</b>	<b>61,549</b>	<b>15,474</b>	<b>12,800</b>	<b>-</b>	<b>378,774</b>
<b>Variations</b>							
Internal resources	(14,820)	7,824	3,433	-	-	5,000	<b>1,437</b>
External resources	905	(1,184)	865	-	-	-	<b>586</b>
	<b>(13,915)</b>	<b>6,640</b>	<b>4,298</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>2,023</b>
<b>Projected</b>							
Internal resources	60,441	134,081	51,609	15,474	12,800	5,000	<b>279,405</b>
External resources	37,642	49,512	14,238	-	-	-	<b>101,392</b>
<b>Variance</b>	<b>98,083</b>	<b>183,593</b>	<b>65,847</b>	<b>15,474</b>	<b>12,800</b>	<b>5,000</b>	<b>380,797</b>

- 2.9 This report recommends variations to the approved programme totalling an increase of £2.0 million, which brings the total revised programme to £380.8 million.

2.10 Details of all the projects that have contributed to the overall increase of £2.0 million in the General Revenue Account capital programmes can be found in Appendices 1 and 2 of the report, however, the key projects that have contributed to the increase in the programme are as follows;

- An increase totalling £1.4 million is proposed for the Disabled Facilities Grant capital programme to reflect additional grant allocation for 2020-2021;
- A net increase of £1.2 million relating to the Street Lighting within the Transportation capital programme to correct a budget removed in quarter 3 2019-2020 review;
- In addition to this, there is an increase totalling £330,000 relating to the Education capital programme which reflects Schools contributions towards the costs of ICT and equipment;
- The increase in expenditure detailed above is offset in part by £804,000 decrease in the provision for Equal Pay.

2.11 The outturn expenditure for 2019-2020 for existing projects totals £98.1 million. This represents 87.6% of the approved budget.

2.12 On 4 March 2020, Council approved a revised HRA capital programme totalling £462.3 million for the period 2019-2020 to 2024-2025.

2.13 Table 2 shows the approved HRA capital programme budget compared with that proposed, along with the resources identified to finance the proposed change.

**Table 2: Summary of the HRA capital programme**

Housing Revenue Account capital programme	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	Total
	£000	£000	£000	£000	£000	£000	£000
<b>Budget</b>							
<b>Approved</b>	63,596	79,708	82,828	83,790	83,640	68,690	<b>462,252</b>
<b>Variations</b>							
New projects	-	-	-	-	-	-	-
Existing projects	(5,241)	(7,514)	2,594	1,750	250	8,141	<b>(20)</b>
	<b>(5,241)</b>	<b>(7,514)</b>	<b>2,594</b>	<b>1,750</b>	<b>250</b>	<b>8,141</b>	<b>(20)</b>
<b>Projected</b>	<b>58,355</b>	<b>72,194</b>	<b>85,422</b>	<b>85,540</b>	<b>83,890</b>	<b>76,831</b>	<b>462,232</b>
<b>Financing</b>							
<b>Approved</b>							
Internal resources	62,887	79,708	82,828	83,790	83,640	68,690	<b>461,543</b>
External resources	709	-	-	-	-	-	<b>709</b>
	<b>63,596</b>	<b>79,708</b>	<b>82,828</b>	<b>83,790</b>	<b>83,640</b>	<b>68,690</b>	<b>462,252</b>
<b>Variations</b>							
Internal resources	(4,959)	(7,898)	2,594	1,750	250	8,141	<b>(122)</b>
External resources	(282)	384	-	-	-	-	<b>102</b>
	<b>(5,241)</b>	<b>(7,514)</b>	<b>2,594</b>	<b>1,750</b>	<b>250</b>	<b>8,141</b>	<b>(20)</b>
<b>Projected</b>							
Internal resources	57,928	71,810	85,422	85,540	83,890	76,831	<b>461,421</b>
External resources	427	384	-	-	-	-	<b>811</b>
<b>Projected</b>	<b>58,355</b>	<b>72,194</b>	<b>85,422</b>	<b>85,540</b>	<b>83,890</b>	<b>76,831</b>	<b>462,232</b>

2.14 This report recommends variations to the approved programme totalling a decrease of £20,000, bringing the total revised programme to £462.2 million.

- 2.15 The decrease of £20,000 relates to the Care and Support Specialised Housing Fund (CAASH Fund) capital programme which is due to release of the final account accrual.
- 2.16 The outturn expenditure for 2019-2020 for HRA existing projects totals £58.4 million. This represents 91.8% of the approved budget.

### **3.0 Existing projects**

- 3.1 The changes proposed for existing projects within the General Revenue Account capital programme total a net increase of £2.0 million. A more detailed listing of the individual projects can be found in Appendices 1 and 2 of the report.
- 3.2 Proposed budget virements between existing projects within the General Revenue Account capital programme total £12.0 million, further details are provided in Appendix 4 of the report.
- 3.3 The following paragraphs provide commentary on the significant changes to budgets and an update on key projects.
- 3.4 As reported to Cabinet and Cabinet (Resources) Panel on 23 June 2020, the site works have been currently suspended on the Civic Hall refurbishment project for a duration of 12 weeks which started from the 24 April 2020 due to the Health & Safety issues related to the Coronavirus.

The cost appraisal and agreement process, and design development have been continuing to progress as the project is currently working under the Pre-Construction Services Delivery Agreement which will complete on the 30 June 2020.

- 3.5 The Interchange scheme budget remains as per the approved budget across the partner organisations. The respective projects related to Station and Metro works are all on track to deliver the scheme within the approved budget. The Pipers Row public realm works were completed in November 2019. Phase 1 of the station was completed on 13 March 2020 and opened to the public on 25 May 2020. Phase 2 of the development is underway and due for completion in early 2021.
- 3.6 During the latter stages of 2019, planning consent was granted for the City Learning Quarter and the Council assumed responsibility for the new Technical Centre project at Wellington Road. Initial archaeological works have also been undertaken. Further detailed refinement of design proposals for the new College building and completion of the final acquisition has now been completed and a full tender package is now ready for issue to the market. In spring 2020, funding was made available for detailed site investigation and design at Wellington Road which is now underway. A funding application was submitted to the Black Country Local Economic Partnership (BCLEP) in June 2019, however a decision on funding is still awaited.
- 3.7 In relation to the Westside project, dialogue is continuing with the developer Urban & Civic and Odeon (as anchor tenant).
- 3.8 In relation to i54 Western Extension, construction of the first phase including the Access Road was completed in March 2020 ahead of programme. The next phase of work comprising platform preparation, services infrastructure and landscaping commenced in

April 2020 and the fully serviced development plots is programmed to be completed during Summer 2021.

- 3.9 In relation to i9, construction activities were initially delayed at the office development in the city. Through joint working with the contractor Grahams alongside ION, the establishment of a shared Covid-19 contingency sum addressed and covered any initial increases in material cost. Construction works are now on site. These works are programmed to complete in Summer 2021.
- 3.10 The Secondary School Expansion Programme is progressing well. The scheme at Aldersley High School is in the snagging phase but is fully operational. The Our Lady and St Chad Academy scheme will complete in time to allow for increased pupil numbers in September 2020. Work on both schemes was impacted by the coronavirus lockdown but easing measures since 1 June have led to contractors being back on site (with appropriate measures in place).
- 3.11 The HRA capital programme delivered £58.4 million of expenditure in 2019-2020 which included £15.0 million of new build projects and delivered 158 new homes. £43.4 million was spent on improvements to the existing stock including £16.1 million on the Heath Town refurbishment programme, £4.8 million upgrading the infrastructure of High Rise blocks and £5.3 million on roof replacement. The budget of £72.2 million for 2020-2021 includes £26.0 million on new build projects and £46.2 million of improvements to existing homes which relates to continuing projects and rolling replacement programmes.
- 3.12 Covid 19 has had an impact on the HRA capital programme for 2020-2021 due to work stopping on site in late March. Work underway on new build schemes had restarted by May along with work in empty properties. Work on refurbishment programmes is planned to remobilise in three phases, starting with external works in late June with preparations being made to start work in communal areas and then finally inside occupied properties when it is safe enough to do so. Due to this, £7.5 million of budget has been rephased into future financial years. This includes a £3.5 million proposed virement from the roofing refurbishment programme to the budget for High Rise Mechanical and Electrical Works. Other rephasing includes £1.2 million void refurbishment, £1.4 million high rise external works and £1.1 million fire safety improvements.

#### **4.0 New projects and virements**

- 4.1 Table 3 provides a summary of new projects requiring approval, covering the period 2019-2020 to 2024-2025, and identifying where additional funding is required and where the new expenditure can be met from existing resources. A detailed analysis of the individual projects included in this table can be found in Appendix 3 of the report.

**Table 3: Summary of new projects requiring approval**

Directorate	2019-2020 to 2024-2025		
	Forecast outturn	Additional external resources required	Virements from existing projects
	£000	£000	£000
General Revenue Account capital programme	1,810	200	1,610
<b>Total</b>	<b>1,810</b>	<b>200</b>	<b>1,610</b>

- 4.2 The new projects requiring approval are funded from external resources (£200,000) and virements totalling £1.6 million. A list of the virements can be found in Appendix 4 of the report.
- 4.3 The increase of £200,000 relates to the Disabled Facilities Grant capital programme. Approval is sought for the Rehabilitation Equipment 2020-2021 project to reflect an additional grant allocation.
- 4.4 New projects created through virements from existing projects can be found in Appendix 4 of the report with the main items discussed below;
- 4.5 Approximately £1.6 million of virements are requested to allocate ICT capital programme provision to specific projects. Approval is sought to allocate resources in 2021-2022 to individual ICT Main Programme projects (£1.2 million) and to Future Developments (£419,000).

## 5.0 Medium term capital programme financing

- 5.1 Table 4 details the approved financing for the capital programme for 2019-2020 to 2024-2025 and incorporates the requested approvals for projects included in this report.

**Table 4: Approved and forecast capital financing 2019-2020 to 2024-2025**

General Revenue Account capital programme	2019-2020 to 2024-2025			
	Approved budget	Recommended budget	Variance	Resource as % of expenditure
	£000	£000	£000	
<b>Expenditure</b>	<b>378,774</b>	<b>380,797</b>	<b>2,023</b>	
<b>Financing</b>				
Internal resources				
Capital receipts	114,765	109,875	(4,890)	28.9%
Prudential borrowing	161,279	167,426	6,147	44.0%
Revenue contributions	1,924	2,104	180	0.6%
Reserves	-	-	-	0.0%
<b>Subtotal</b>	<b>277,968</b>	<b>279,405</b>	<b>1,437</b>	<b>73.5%</b>
External resources				
Grants & contributions	100,806	101,392	586	26.5%
<b>Subtotal</b>	<b>100,806</b>	<b>101,392</b>	<b>586</b>	<b>26.5%</b>
<b>Total</b>	<b>378,774</b>	<b>380,797</b>	<b>2,023</b>	<b>100.0%</b>

Housing Revenue Account capital programme	2019-2020 to 2024-2025			
	Approved budget £000	Recommended budget £000	Variance £000	Resource as % of expenditure
<b>Expenditure</b>	<b>462,252</b>	<b>462,232</b>	<b>(20)</b>	
<b>Financing</b>				
Internal resources				
Capital receipts	43,378	40,877	(2,501)	8.8%
Prudential borrowing	288,267	290,414	2,147	62.8%
Revenue contributions	18,865	18,865	-	4.1%
Reserves	111,033	111,265	232	24.1%
<b>Subtotal</b>	<b>461,543</b>	<b>461,421</b>	<b>(122)</b>	<b>99.8%</b>
External resources				
Grants & contributions	709	811	102	0.2%
<b>Subtotal</b>	<b>709</b>	<b>811</b>	<b>102</b>	<b>0.2%</b>
<b>Total</b>	<b>462,252</b>	<b>462,232</b>	<b>(20)</b>	<b>100.0%</b>

5.2 Capital receipts totalling £108.3 million have been assumed within the General Revenue Account capital programme over the medium term period 2019-2020 to 2024-2025 and can be seen in Table 5. This is a reduction of £4.9 million when compared to the approved budget. The variance has arisen due to the WV Living loan repayment being reprofiled out of scope of the Medium Term capital programme which was offset in part by increased forecast in sale of assets.

5.3 In order to be prudent, a detailed review of the schedule of asset disposals is undertaken to identify only those that are likely to be completed. The planned utilisation of capital receipts will reflect the need to balance the benefit for both the capital programme and the revenue budget and will form part of the ongoing Medium Term Financial Strategy.

Whilst the forecast of capital receipts is deemed prudent at this stage, it will continue to be monitored closely throughout the financial year in light of the impact of the Covid-19 pandemic. In the event that capital receipts assumptions change, updates will be provided in future reports to Councillors.

**Table 5: Receipts assumed in the revised General Revenue Account programme**

General Revenue Account	Projected						Total £000
	2019 - 2020 £000	2020 - 2021 £000	2021 - 2022 £000	2022 - 2023 £000	2023 - 2024 £000	2024 - 2025 £000	
Capital programme receipts	13,500	41,000	22,900	10,900	10,000	10,000	108,300

5.4 It is the Council's strategy to use capital receipts to reduce the Council's need to borrow to fund the approved capital programme. Capital expenditure has a direct impact upon the Council's revenue budgets and therefore needs to be restricted to projects essential to the Council's priorities. Any proposals to increase the level of the capital programme are considered in accordance with the Capital Strategy.

## 6.0 Key budget risks

6.1 An analysis of the risks associated with the capital programme, along with the details of the risk control measures that are in place in order to manage and mitigate these risks as far as possible can be viewed online on the Council's website by following the link below:

## [Capital Programme | City Of Wolverhampton Council](#)

6.2 The overall risk associated with the programme continuous to be quantified as amber.

### **7.0 Evaluation of alternative options**

7.1 This report provides an update on progress of capital projects during 2019-2020 and 2020-2021 and anticipated budget requirement for future years. The evaluation of alternative project options is detailed in individual investment proposals.

### **8.0 Reasons for decisions**

8.1 To seek Cabinet's recommendation to Council to approve the revised capital budgets. This will ensure that the capital programme budget reflects the latest forecasts and requirements.

### **9.0 Financial implications**

9.1 The financial implications are discussed in the body of this report. The revenue implications of the new and existing projects seeking approval for additional or changes in resources for the General Revenue Account can be seen in the table below. These are fully reflected in the treasury management budget forecasts included in the report 'Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021' also on the agenda for approval at this meeting.

General Revenue Account capital programme	2019-2020 £000	2020-2021 £000	2021-2022 £000	2022-2023 £000	2023-2024 £000	2024-2025 £000
Forecast cumulative impact:						
interest	(74)	(28)	163	140	140	140
minimum revenue provision	-	(531)	32	292	148	154
Net revenue cumulative impact	(74)	(559)	195	432	288	294

[RJ/24062020/Y]

### **10.0 Legal implications**

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

10.2 The Local Government Act 2003 brought in the current regime for capital finance for local authorities. It reduced the level of central control over local authority borrowing and capital expenditure.

10.3 Each project mentioned in this report will have its own specific legal implications, raised and tailored in their respective reports.

[TS/26062020]

### **11.0 Equalities implications**

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

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

## **12.0 Climate change and environmental implications**

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

## **13.0 Human resources implications**

13.1 There are no human resources implications arising from this report.

## **14.0 Corporate landlord implications**

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

## **15.0 Health and Wellbeing Implications**

15.1 There is a range of individual projects delivered through the Council's capital programme which could have health and wellbeing implications, these should be considered when individual capital projects are being developed.

## **16.0 Covid Implications**

16.1 The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Covid-19 has had an impact on development projects internationally, nationally and regionally and also on projects within the City.

Specific references are made where appropriate throughout the report.

## **17.0 Schedule of background papers**

17.1 Council, 4 March 2020 – [Capital programme 2019-2020 to 2023-2024 Quarter Three Review and 2020-2021 to 2024-2025 Budget Strategy](#)

17.2 Cabinet (Resources) Panel, 31 March 2020 - [Parks and Open Spaces Strategy – Capital Programme](#)

17.3 Individual Executive Decision Notice, 2 April 2020 - Bushbury Crematorium: Capacity Increase

17.4 Individual Executive Decision Notice, 20 May 2020, exempt - [Corporate Asset Management Fund - Approval of Schemes for 2020/21](#)

17.5 Cabinet, 3 June 2020 - [Transportation Capital Programme 2020-2021](#)

- 17.6 Cabinet (Resources) Panel, 23 June 2020, exempt - [Schools Capital Programme 2020-21](#)
- 17.7 Cabinet (Resources) Panel, 23 June 2020, exempt - Covid 19 – [Impact on the capital programme](#)
- 17.8 Cabinet (Resources) Panel, 23 June 2020, exempt - [Loan to Wolverhampton Homes for purchase of properties](#)

## **18.0 Appendices**

- 18.1 Appendix 1 – Detailed projected budget
- 18.2 Appendix 2 – Detailed forecast change
- 18.3 Appendix 3 – Projects requiring approval
- 18.4 Appendix 4 – Virements for approval

Detailed projected budget

Appendix 1

Division	Project	Projected budget							Total	Internal resources	External resources
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	£000			
		£000	£000	£000	£000	£000	£000	£000			
<b>General Revenue Account capital programme</b>											
City Assets and Housing	Disabled Facilities Grants	-	2,215	-	-	-	-	2,215	-	(2,215)	
	Mandatory Disabled Facilities Grants	1,108	1,280	-	-	-	-	2,388	-	(2,388)	
	Small Adaptations Grants	814	850	-	-	-	-	1,664	-	(1,664)	
	Stair Lift Maintenance	10	15	-	-	-	-	25	-	(25)	
	Care & Repair Fees re: DFG's	41	50	-	-	-	-	91	-	(91)	
	Social Care Minor Adaptations	134	150	-	-	-	-	284	-	(284)	
	Discretionary Bathrooms Adaptations Grant	18	450	-	-	-	-	468	-	(468)	
	Rehabilitation Equipment 2019-2020	182	-	-	-	-	-	182	-	(182)	
	Rehabilitation Equipment 2020-2021	-	200	-	-	-	-	200	-	(200)	
	Housing General Fund General Schemes - Small Works Assistance (SWA)	-	215	-	-	-	-	215	(215)	-	
	Small Works Assistance	104	260	-	-	-	-	364	(342)	(22)	
	Housing General Fund General Schemes - Capitalised Salaries	-	-	-	-	-	-	-	-	-	
	Capitalised Salaries	95	101	-	-	-	-	196	(196)	-	
	Housing General Fund General Schemes - Empty Properties Strategy	-	141	-	-	-	-	141	(141)	-	
	19 Chester Street	91	9	-	-	-	-	100	(100)	-	
	14 Selwyn Road, Bilston	60	-	-	-	-	-	60	(60)	-	
	29 Lime Street, Penfields	-	13	-	-	-	-	13	(13)	-	
	99 Milfields Road Bilston	18	-	-	-	-	-	18	(18)	-	
	473 Birmingham New Road	3	-	-	-	-	-	3	(3)	-	
	14 Lane Road	69	-	-	-	-	-	69	(69)	-	
	Land between 44 and 48 Showell Road	4	-	-	-	-	-	4	(4)	-	
	Two and a half Clifford Street	12	80	-	-	-	-	92	(92)	-	
	30 Victoria Road	4	-	-	-	-	-	4	(4)	-	
	182 Castlecroft Road	5	-	-	-	-	-	5	(5)	-	
	Housing General Fund Renewal Areas - All Saints Other Schemes incl. ABCD	-	-	-	-	-	-	-	-	-	
	All S Ph 1 Devt Fees	35	-	-	-	-	-	35	(35)	-	
	Corporate Asset Management	-	-	-	-	-	-	-	-	-	
	Graiseley Learning Technology Centre - step / ramp entrance improvements	6	-	-	-	-	-	6	(6)	-	
	Rooker Avenue Changing Rooms - demolition	78	33	-	-	-	-	111	(111)	-	
	Blakenhall Family resource centre - automatic entrance doors	13	-	-	-	-	-	13	(13)	-	
	Central Library – Replace skylight to main stairwell	11	-	-	-	-	-	11	(11)	-	
	Wolverhampton Art Gallery - external renovation	18	32	-	-	-	-	50	(50)	-	
	Bilston Town Hall – internal/external renovation	103	10	-	-	-	-	113	(113)	-	
	Graiseley SFH - structural maintenance of paths/car parks	51	-	-	-	-	-	51	(51)	-	
	Lower Bradley Community Centre - toilets refurbishment	(2)	-	-	-	-	-	(2)	2	-	
	Dovecotes - replacement of brickwork and repointing	8	52	-	-	-	-	60	(60)	-	
	West Park Conservatory - Intruder Alarm and CCTV System	7	-	-	-	-	-	7	(7)	-	
	Civic Centre (Mayoral Suite) - toilets refurbishment	43	-	-	-	-	-	43	(43)	-	
	The Towers – water tank and booster pumps replacement	6	-	-	-	-	-	6	(6)	-	
	Aldersley Leisure Village - new heating & hot water	84	-	-	-	-	-	84	(84)	-	
	Blakenhall Community Healthy Living Centre – roof works	5	50	-	-	-	-	55	(55)	-	
	Civic Centre – loading bay shutters	11	-	-	-	-	-	11	(11)	-	
	Grand Theatre – lift control system	10	20	-	-	-	-	30	(30)	-	
	Grand Theatre – plate heat exchanger unit in plant room	15	-	-	-	-	-	15	(15)	-	
	Neil Docherty Centre – passenger lift works	6	-	-	-	-	-	6	(6)	-	
	Newhampton Arts Centre – roof, wall and door replacement works	12	-	-	-	-	-	12	(12)	-	
	Park Village Media Centre – roof works	6	-	-	-	-	-	6	(6)	-	
	Queens Building – roof covering replacement	18	-	-	-	-	-	18	(18)	-	
	West Park (South Lodge) – flooring replacement	6	-	-	-	-	-	6	(6)	-	
	Wednesfield Park (Ground Workers Hub) – electrical works	1	22	-	-	-	-	23	(23)	-	
	Windsor Avenue Playing Fields – replace and insulate roof	26	-	-	-	-	-	26	(26)	-	
	Wolverhampton Art Gallery – replace humidifier	4	-	-	-	-	-	4	(4)	-	
	Fordhouses Industrial Estate – security hut refurbishment	-	10	-	-	-	-	10	(10)	-	
	East Park Lodge – external redecoration	3	4	-	-	-	-	7	(7)	-	
	1 Worcester St Shop - roof works	13	-	-	-	-	-	13	(13)	-	
	4 & 4a Salop St - roof works	6	-	-	-	-	-	6	(6)	-	
	18/19 Queen Square - FRA priority works	16	-	-	-	-	-	16	(16)	-	
	Bilston Community Centre - heating system installation	53	-	-	-	-	-	53	(53)	-	
	Bilston Town Hall - FRA priority works	-	10	-	-	-	-	10	(10)	-	
	Bradley Resource Centre – lighting upgrade	1	-	-	-	-	-	1	(1)	-	
	Bradley Resource Centre – internal and external works	2	-	-	-	-	-	2	(2)	-	
	Bradley Resource Centre - FRA priority works	7	30	-	-	-	-	37	(37)	-	
	Central Baths - FRA priority works	-	15	-	-	-	-	15	(15)	-	
	Civic Centre - FRA priority works	-	9	-	-	-	-	9	(9)	-	
	Civic Centre (Basement) – refurbish print room and kitchen	38	-	-	-	-	-	38	(38)	-	
	Civic Centre (Ceremonial Carpark) – electrical works	4	-	-	-	-	-	4	(4)	-	
	Civic Centre (Registrars) – Unisons relocation	37	-	-	-	-	-	37	(37)	-	
	Claregate Youth Centre – FRA / electrical compliance works	1	24	-	-	-	-	25	(25)	-	
	Culwell St Depot – asbestos removal works	2	-	-	-	-	-	2	(2)	-	
	Duke St Bungalows – bathing & showering facilities upgrade	3	-	-	-	-	-	3	(3)	-	
	Duke St Bungalows - FRA priority works	-	22	-	-	-	-	22	(22)	-	
	Dunstall Community Centre - FRA priority works	-	4	-	-	-	-	4	(4)	-	
	East Park (Boathouse) – roof replacement	20	-	-	-	-	-	20	(20)	-	
	East Park (Changing Rooms) – Legionella works	1	6	-	-	-	-	7	(7)	-	
	East Park Library – FRA priority works	1	-	-	-	-	-	1	(1)	-	
	Fordhouses Industrial Estate – electrical installation works	4	-	-	-	-	-	4	(4)	-	
	Fordhouses Industrial Estate – replace roller shutters	5	-	-	-	-	-	5	(5)	-	
	Gatts St Playground – internal compliance works	4	21	-	-	-	-	25	(25)	-	
	Graiseley Strengthening Family Hub - FRA priority works	-	1	-	-	-	-	1	(1)	-	
	Grand Theatre - FRA priority works	1	-	-	-	-	-	1	(1)	-	
	Haymarkets – internal / external renovation works	11	54	-	-	-	-	65	(65)	-	
	Hickman Avenue Depot – electrical installation works	8	-	-	-	-	-	8	(8)	-	
	i10 - FRA priority works	10	-	-	-	-	-	10	(10)	-	
	Lime Kiln Wharf – clearance of site & demolitions	57	13	-	-	-	-	70	(70)	-	
	Loxdale Industrial Estate (1-5) – roof works	1	10	-	-	-	-	11	(11)	-	
	Low Hill Community Centre - FRA priority works	-	8	-	-	-	-	8	(8)	-	
	Maltings - FRA priority works	-	5	-	-	-	-	5	(5)	-	
	Makers Dozen – roofing works	11	1	-	-	-	-	12	(12)	-	
	Merridale House - FRA priority works	6	28	-	-	-	-	34	(34)	-	
	Molieux Hotel ( City Archives) – Fire Suppression Cylinder	9	-	-	-	-	-	9	(9)	-	

# Detailed projected budget

# Appendix 1

Division	Project	Projected budget							Total	Internal resources	External resources
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	£000			
		£000	£000	£000	£000	£000	£000	£000			
<b>General Revenue Account capital programme</b>											
City Assets and Housing	Parkfields Centre – electrical distribution works	7	-	-	-	-	-	7	(7)	-	
	Rocket Pool Youth Centre – roof insulation	10	-	-	-	-	-	10	(10)	-	
	Springvale Library - FRA priority works	2	-	-	-	-	-	2	(2)	-	
	The Gorge - demolition of building	6	9	-	-	-	-	15	(15)	-	
	Towers – compliance works	24	-	-	-	-	-	24	(24)	-	
	Upper Pendeford Farm - FRA priority works	38	-	-	-	-	-	38	(38)	-	
	West Park (Kingsland Lodge) - FRA priority works	-	9	-	-	-	-	9	(9)	-	
	Whitmore Reans - FRA priority works	1	-	-	-	-	-	1	(1)	-	
	Whitmore Reans Library - FRA priority works	1	-	-	-	-	-	1	(1)	-	
	Wholesale Markets – building refurbishment works	17	-	-	-	-	-	17	(17)	-	
	Wholesale Markets – fire alarm installation	4	-	-	-	-	-	4	(4)	-	
	Wolverhampton Art Gallery - FRA priority works	-	14	-	-	-	-	14	(14)	-	
	Wolverhampton Contact Centre - FRA priority works	-	2	-	-	-	-	2	(2)	-	
	Merridale Fire Station - YOT relocation	186	189	-	-	-	-	375	(375)	-	
	Bantock House - hot water boiler	6	2	-	-	-	-	8	(8)	-	
	76 Worcester Street - building fabric works	-	3	-	-	-	-	3	(3)	-	
	Upper Pendeford Farm - driveway works	2	-	-	-	-	-	2	(2)	-	
	Molineux Hotel - Archives - FRA priority works	-	8	-	-	-	-	8	(8)	-	
	Finchfield Library - FRA priority works	1	-	-	-	-	-	1	(1)	-	
	Bantock House - FRA priority works	-	3	-	-	-	-	3	(3)	-	
	Bert Williams - FRA priority works	-	2	-	-	-	-	2	(2)	-	
	Penn Library - FRA priority works	1	-	-	-	-	-	1	(1)	-	
	Ernest Bold Resource Centre - FRA priority works	-	1	-	-	-	-	1	(1)	-	
	Whitmore Reans SFH - FRA priority works	-	3	-	-	-	-	3	(3)	-	
	Whitmore Reans Library - FRA priority works	-	3	-	-	-	-	3	(3)	-	
	Bilston Health Centre - Social Care Team	15	22	-	-	-	-	37	(37)	-	
	King George 5th PF Pavillion - heating system	15	-	-	-	-	-	15	(15)	-	
	Old Heath Housing Office - kitchen refurb/house project	21	2	-	-	-	-	23	(23)	-	
	Shaw Road Household Waste and Recycling Centre - concrete substrate works	-	75	-	-	-	-	75	(75)	-	
	Grand Theatre – FRA works to Orchestra Pit	-	5	-	-	-	-	5	(5)	-	
	East Park Lodge - roof replacement	16	14	-	-	-	-	30	(30)	-	
	Grand Theatre - FRA priority works	-	115	-	-	-	-	115	(115)	-	
	Fowlers Park - new hot water and heating system	-	80	-	-	-	-	80	(80)	-	
	Lunt Community Centre - new hot water and heating system	18	12	-	-	-	-	30	(30)	-	
	Bob Jones Community Centre - domestic hot water cylinder	4	-	-	-	-	-	4	(4)	-	
	Civic Centre - recommission of the heating ventilation controls	9	36	-	-	-	-	45	(45)	-	
	Northcote Farm - handwash and legionella control works	1	19	-	-	-	-	20	(20)	-	
	Wolverhampton Contacts Centre – new emergency lights	-	30	-	-	-	-	30	(30)	-	
	Mortuary at Alfred Squire Road - roof replacement	-	70	-	-	-	-	70	(70)	-	
	Bushbury Crematorium - refurbishment of welfare facilities	8	12	-	-	-	-	20	(20)	-	
	St Chads Community Centre - installation of new cabling and of circuit protection	2	9	-	-	-	-	11	(11)	-	
	Slade Rooms - installation of new cabling and of circuit protection	2	6	-	-	-	-	8	(8)	-	
	The Maltings - installation of new cabling and of circuit protection	-	7	-	-	-	-	7	(7)	-	
	West Park (Feeder Pillars) - installation of new cabling and of circuit protection	-	5	-	-	-	-	5	(5)	-	
	Bilston Health Centre - refurbishment	7	93	-	-	-	-	100	(100)	-	
	Ashmore Park Community Hub – floor replacement	-	40	-	-	-	-	40	(40)	-	
	Bantock House – CCTV installation	-	24	-	-	-	-	24	(24)	-	
	Bingley Enterprise Centre - replace roof and insulate and replace 11 windows	-	65	-	-	-	-	65	(65)	-	
	Hartshorn Street / Smith Street - relaying of damaged freestanding wall	-	10	-	-	-	-	10	(10)	-	
	Central Baths – FRA priority works	-	23	-	-	-	-	23	(23)	-	
	Culwell Street – electrical / Legionella works (Phase 1)	-	100	-	-	-	-	100	(100)	-	
	East Park Library – roof replacement	-	20	-	-	-	-	20	(20)	-	
	Grand Theatre – FRA / mechanical and engineering / building fabric / electrical / Legionella works	-	100	-	-	-	-	100	(100)	-	
	Hickman Avenue Depot – electrical works / emergency lighting	-	150	-	-	-	-	150	(150)	-	
	Land to rear of the Lodge (Dunstable Lane) - clearance of site and erection of security fence	-	18	-	-	-	-	18	(18)	-	
	Newhampton Centre For Arts - FRA / mechanical and engineering / building fabric / electrical / Legionella	-	50	-	-	-	-	50	(50)	-	
	Old Heath Housing Office – internal lighting works	-	15	-	-	-	-	15	(15)	-	
	Portobello Community Centre - boiler replacement	-	16	-	-	-	-	16	(16)	-	
	Shops at the Haymarket - refurbishment scheme - Phase 2	-	50	-	-	-	-	50	(50)	-	
	Tettenhall Library – roof works	-	13	-	-	-	-	13	(13)	-	
	The Gorge - demolition of remaining asset	-	150	-	-	-	-	150	(150)	-	
	West Park - electrical / Legionella / building Fabric	-	240	-	-	-	-	240	(240)	-	
	Whitmore Reans Children's Centre (SFH) - main entrance door replacement, intercom system, remove and replace rotten fencing posts	-	15	-	-	-	-	15	(15)	-	
	Wolverhampton Art Gallery (Lichfield Rd) – cracked steps to be made safe	-	6	-	-	-	-	6	(6)	-	
	Wolverhampton Art Gallery – electrical works	-	5	-	-	-	-	5	(5)	-	
	Energy Efficiency Measures	-	569	-	-	-	-	569	(569)	-	
	Housing General Schemes - Affordable Warmth	-	-	-	-	-	-	-	-	-	
	Affordable Warmth	276	324	-	-	-	-	600	(500)	(100)	
	Disposals Programme (Non-Strategic)	-	37	-	-	-	-	37	(37)	-	
	Wolverhampton Environment Centre (WEC)	3	-	-	-	-	-	3	(3)	-	
	Parkfields Centre - demolition of Caretakers House and Sports Hall	78	-	-	-	-	-	78	(78)	-	
	Demolition of Faulkland Street Shelter	89	-	-	-	-	-	89	(89)	-	
	Bilston Community Centre - demolition	16	69	-	-	-	-	85	(85)	-	
	The Wergs - installation of new gas supply	23	-	-	-	-	-	23	(23)	-	
	Merridale Cemetery Lodge - water main installation	5	-	-	-	-	-	5	(5)	-	
	Remedial Works	-	-	-	-	-	-	-	-	-	
	The King's Church of England School remedial works	19	17	-	-	-	-	36	(36)	-	
Finance	Corporate Contingency	-	12,503	14,024	5,474	2,800	-	34,801	(34,801)	-	
	Capitalisation Directives	-	-	-	-	-	-	-	-	-	
	Transformation Development Efficiency Strategy - Transformational projects capitalisation 2019-2020	3,000	-	-	-	-	-	3,000	(3,000)	-	
	Transformation Development Efficiency Strategy - Transformational projects capitalisation 2020-2021	-	5,000	-	-	-	-	5,000	(5,000)	-	
	Transformation Development Efficiency Strategy - Transformational projects capitalisation 2021-2022	-	-	5,000	-	-	-	5,000	(5,000)	-	
	Equal Pay Compensation 2019-2020	(804)	-	-	-	-	-	(804)	804	-	
	WV Living - Loans	26,550	8,300	10,000	10,000	10,000	5,000	69,850	(69,850)	-	
	Document Management System	52	-	-	-	-	-	52	(52)	-	

Detailed projected budget

Appendix 1

Division	Project	Projected budget							Total	Internal resources	External resources
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	£000			
		£000	£000	£000	£000	£000	£000	£000			
<b>General Revenue Account capital programme</b>											
Land and Property Investment Fund	Land and Property Investment Fund	-	-	-	-	-	-	-	-	-	
	Dudley Music Institute	3,297	-	-	-	-	-	-	3,297	(3,297)	
	Dudley Brownfield	2,586	125	-	-	-	-	-	2,711	(2,711)	
	Goscote Lane	832	-	-	-	-	-	-	832	(832)	
	Tibbington Open Space (The Cracker)	22	-	-	-	-	-	-	22	(22)	
Regeneration	Targeted Disposals Programme	-	-	-	-	-	-	-	-	-	
	Disposal of Heath Town Baths	-	58	-	-	-	-	-	58	(58)	
	Targeted Disposals - Hoardings	3	36	-	-	-	-	-	39	(39)	
	Wednesfield Library	(4)	-	-	-	-	-	-	(4)	4	
	BUV - Bilston High Street Link	1	-	-	-	-	-	-	1	(1)	
	South Side	-	-	-	-	-	-	-	-	-	
	Demolition of 50-51 Snow Hill	(13)	-	-	-	-	-	-	(13)	13	
	Markets Relocation to Southside	(13)	-	-	-	-	-	-	(13)	13	
	Burdett House Demolition	(3)	315	-	-	-	-	-	312	(312)	
	Wolverhampton Interchange Office/Retail Accommodation	-	-	-	-	-	-	-	-	-	
	i9 Office Development	-	13,000	-	-	-	-	-	13,000	(13,000)	
	Wolverhampton Interchange Block 11 - Acquisition	-	57	-	-	-	-	-	57	(57)	
	Bilston Urban Village	-	-	-	-	-	-	-	-	-	
	Bilston Urban Village - Remediation of site in readiness for development	7	1	-	-	-	-	-	8	(8)	
	Share of Capital Receipts to HCA	1,608	1,607	1,070	-	-	-	-	4,285	(4,285)	
	Bilston Urban Village - Public Open Space	454	-	-	-	-	-	-	454	(386)	
	Black Country Growth Deal – Cultural Programme	-	-	-	-	-	-	-	-	-	
	Civic Halls Improvements	2,200	14,691	10,967	-	-	-	-	27,858	(27,858)	
	Interchange - Ph2 Train Station/MSCP/Metro Extension	-	4,169	-	-	-	-	-	4,169	(4,169)	
	Interchange - Ph2 Train Station/MSCP - Neptune Payments	10,618	2,383	1,527	-	-	-	-	14,528	(3,587)	
	Interchange - Ph2 Train Station/MSCP - WCC Costs	550	775	-	-	-	-	-	1,325	(675)	
	Queen Street Gateway Townscape Heritage Project	-	316	-	-	-	-	-	316	(77)	
	Queen Street Gateway Townscape Heritage Project - 25 Queen Street	-	87	-	-	-	-	-	87	(11)	
	Queen Street Gateway Townscape Heritage Project - SHOP 28 Queen Street	-	81	-	-	-	-	-	81	(10)	
	Queen Street Gateway Townscape Heritage Project - 44 Queen Street	-	87	-	-	-	-	-	87	(11)	
	Queen Street Gateway Townscape Heritage Project - 45 Queen Street	-	7	-	-	-	-	-	7	(1)	
	Queen Street Gateway Townscape Heritage Project - 47 Queen Street	37	-	-	-	-	-	-	37	(3)	
	Queen Street Gateway Townscape Heritage Project - 48 Queen Street	2	1	-	-	-	-	-	3	(1)	
	Queen Street Gateway Townscape Heritage Project - 49 Queen Street	56	8	-	-	-	-	-	64	(11)	
	Queen Street Gateway Townscape Heritage Project - Project costs	52	18	-	-	-	-	-	70	(26)	
	i54 Western Extension	4,659	21,742	2,900	-	-	-	-	29,301	(19,539)	
	City Learning Quarter	2,669	31,337	12,000	-	-	-	-	46,006	(13,982)	
	War Memorial Restoration	-	-	-	-	-	-	-	-	-	
	Bilston War Memorial Restoration	-	9	-	-	-	-	-	9	(3)	
	Tettenhall War Memorial Restoration	21	-	-	-	-	-	-	21	(21)	
	Pennfields War Memorial Restoration	10	10	-	-	-	-	-	20	(20)	
	Development of Cultural Estate	-	-	-	-	-	-	-	-	-	
	Development of Bantock House Complex	47	25	-	-	-	-	-	72	(72)	
	Art Gallery Improvement Scheme	138	790	-	-	-	-	-	928	(604)	
	Strategic Land Acquisitions	-	291	-	-	-	-	-	291	(291)	
	Acquisition of British Steelworks	415	3,672	-	-	-	-	-	4,087	(4,087)	
	Blue Network	-	-	-	-	-	-	-	-	-	
	Smestow Valley LNR	1	-	-	-	-	-	-	1	(1)	
	Reedwood Park/Anson Branch improvement via Walsall MBC	(1)	-	-	-	-	-	-	(1)	1	
	Bradley Canal via Canals & River Trust	5	-	-	-	-	-	-	5	(5)	
	Wyrley & Essington Canal Proposed LNR - Improvements to POS at Wednesfield Park	5	-	-	-	-	-	-	5	(2)	
	Wyrley & Essington Canal Proposed LNR - Improvements to POS at Neachells Lane/Lichfield Road	2	-	-	-	-	-	-	2	(2)	
	AIM for GOLD - ERDF	325	723	573	-	-	-	-	1,621	(1,621)	
Strategy	ICT General Programme	-	25	100	-	-	-	-	125	(125)	
	Security Enhancement (ICT Main Prog) 2019-2020	11	-	-	-	-	-	-	11	(11)	
	Software Upgrades (ICT Main Prog) 2019-2020	71	-	-	-	-	-	-	71	(71)	
	Infrastructure Upgrades (ICT Main Prog) 2019-2020	358	-	-	-	-	-	-	358	(358)	
	Data Centres (ICT Main Prog) 2019-2020	24	-	-	-	-	-	-	24	(24)	
	Future Developments 2019-2020	171	-	-	-	-	-	-	171	(171)	
	Print and Mail 2019-2020	69	-	-	-	-	-	-	69	(69)	
	Security Enhancement (ICT Main Prog) 2020-2021	-	70	-	-	-	-	-	70	(70)	
	Storage Refresh (ICT Main Prog) 2020-2021	-	112	-	-	-	-	-	112	(112)	
	Software Upgrades (ICT Main Prog) 2020-2021	-	140	-	-	-	-	-	140	(140)	
	Infrastructure Upgrades (ICT Main Prog) 2020-2021	-	813	-	-	-	-	-	813	(813)	
	Data Centres (ICT Main Prog) 2020-2021	-	50	-	-	-	-	-	50	(50)	
	Future Developments 2020-2021	-	400	-	-	-	-	-	400	(400)	
	IT Service Management 2020-2021	-	200	-	-	-	-	-	200	(200)	
	Security Enhancement (ICT Main Prog) 2021-2022	-	-	67	-	-	-	-	67	(67)	
	Software Upgrades (ICT Main Prog) 2021-2022	-	-	171	-	-	-	-	171	(171)	
	Infrastructure Upgrades (ICT Main Prog) 2021-2022	-	-	922	-	-	-	-	922	(922)	
	Data Centres (ICT Main Prog) 2021-2022	-	-	31	-	-	-	-	31	(31)	
	Future Developments 2021-2022	-	-	419	-	-	-	-	419	(419)	
	Disaster Recovery 2020-2021	-	200	-	-	-	-	-	200	(200)	
	ICT Desktop Refresh	488	201	-	-	-	-	-	689	(689)	
	Digital Transformation Programme Software	-	-	-	-	-	-	-	-	-	
	DTP Phase 2 - Customer Platform	1,200	230	-	-	-	-	-	1,430	(1,430)	
	DTP Phase 2 - Content Management System	3	-	-	-	-	-	-	3	(3)	
	Service Led ICT Projects	-	216	-	-	-	-	-	216	(216)	
	Migrate Care First to Eclipse	225	267	-	-	-	-	-	492	(492)	
	IDOX/GIS Cloud Migration	5	97	-	-	-	-	-	102	(102)	
	Potentially Violent Persons Register	37	13	-	-	-	-	-	50	(50)	
	Fleet management system	-	75	-	-	-	-	-	75	(75)	
	Trade waste CRM	-	60	-	-	-	-	-	60	(60)	
	Full Fibre Network	-	-	-	-	-	-	-	-	-	
	Full Fibre Network - Technical Project Management	-	172	-	-	-	-	-	172	(172)	
	Full Fibre Network - Grant payment to City Fibre	-	4,900	-	-	-	-	-	4,900	(4,900)	

Detailed projected budget

Appendix 1

Division	Project	Projected budget							Total	Internal resources	External resources
		2019-	2020-	2021-	2022-	2023-	2024-				
		2020	2021	2022	2023	2024	2025	£000			
		£000	£000	£000	£000	£000	£000	£000	£000		
<b>General Revenue Account capital programme</b>											
Adult Services	Aiming High for Disabled Children	-	26	-	-	-	-	26	-	(26)	
	Mander Centre Changing Places Toilet Facilities	-	26	-	-	-	-	26	-	(26)	
Children's Services	Co-Location Programme	-	-	-	-	-	-	-	-	-	
	Children's Transformation - Bingley	3	8	-	-	-	-	11	(11)	-	
	Children's Transformation - Eastfields	5	-	-	-	-	-	5	(5)	-	
	Looked after Children - Extensions/Vehicles	-	5	-	-	-	-	5	(5)	-	
	Extension Mr & Mrs G	104	-	-	-	-	-	104	(104)	-	
City Environment	Maintenance of classified roads	-	171	1,000	-	-	-	1,171	(1,144)	(27)	
	Transport Structural Maintenance - Street Lighting	308	350	-	-	-	-	658	-	(658)	
	Highway Structures - Pinfold Bridge Wednesfield - New Footbridge and deck	(7)	-	-	-	-	-	(7)	-	7	
	Response patching	368	201	-	-	-	-	569	(69)	(500)	
	Specialist Surface Treatments	2	30	-	-	-	-	32	(32)	-	
	Cannock Road - Phase II	292	250	-	-	-	-	542	-	(542)	
	Broad Street	111	-	-	-	-	-	111	-	(111)	
	Moseley Road	386	-	-	-	-	-	386	-	(386)	
	Trysull Road	69	-	-	-	-	-	69	-	(69)	
	Replacement of non-compliant safety fencing	-	30	-	-	-	-	30	-	(30)	
	Stafford Street/Cannock Road	10	-	-	-	-	-	10	-	(10)	
	Neachells Lane	114	-	-	-	-	-	114	-	(114)	
	Northcote Lane	10	100	-	-	-	-	110	-	(110)	
	Hamble Road - resurface carriageways	-	42	-	-	-	-	42	-	(42)	
	Development of the Highway Asset Management Plan and Strategy	-	75	-	-	-	-	75	-	(75)	
	Bridgnorth Road - resurface carriageways	-	200	-	-	-	-	200	(200)	-	
	Griffiths Drive - resurface carriageways	-	100	-	-	-	-	100	(100)	-	
	Marston Road - resurface carriageways	-	169	-	-	-	-	169	(169)	-	
	Bushbury Lane (Stafford Road to Shaw Lane) - resurface carriageways	-	125	-	-	-	-	125	-	(125)	
	Fareham Crescent - resurface carriageways	-	87	-	-	-	-	87	(51)	(36)	
	Cross Street North - resurface carriageways	-	100	-	-	-	-	100	(100)	-	
	Raglan Street - Sainsburys S278 works	(1)	28	-	-	-	-	27	-	(27)	
	Highway Improvement Programme	-	-	-	-	-	-	-	-	-	
	Integrated Transport - Advance Design	88	200	-	-	-	-	288	-	(288)	
	Integrated Transport - Cannock Road / Cross St North	31	-	-	-	-	-	31	(31)	-	
	Integrated Transport - Junction Upgrades – Bham New Rd / Shaw Rd (LPPF)	23	100	-	-	-	-	123	-	(123)	
	UTC - Wireless Communications	67	65	-	-	-	-	132	-	(132)	
	Traffic Signs replacement	6	30	-	-	-	-	36	(30)	(6)	
	Ring Road & City Centre Signage	322	286	-	-	-	-	608	-	(608)	
	Bus infrastructure improvements	2	30	-	-	-	-	32	-	(32)	
	UTC Expansion ITS/CCTV/Driver Information/ANPR	165	165	-	-	-	-	330	-	(330)	
	City East Gateway A454 - Japanese Knotweed	32	45	-	-	-	-	77	-	(77)	
	Craddock Street Subway	304	-	-	-	-	-	304	(95)	(209)	
	A4150 Signal optimisation measures	207	-	-	-	-	-	207	-	(207)	
	Lyndale Drive Culvert - Highways Improvement	-	40	-	-	-	-	40	(40)	-	
	Willenhall Road Culvert - Highways Improvement	-	40	-	-	-	-	40	(40)	-	
	UTC Expansion CCTV	-	150	-	-	-	-	150	-	(150)	
	i54 Access and Infrastructure	60	465	-	-	-	-	525	(236)	(289)	
	Vehicles (Procurement)	-	2,132	-	-	-	-	2,132	(2,132)	-	
	Purchase of Equipment	-	175	75	-	-	-	250	-	(250)	
	Purchase of Vehicles	1,169	3,566	-	-	-	-	4,735	(4,735)	-	
	Bowman's Harbour Repository - Tech Investigation	-	101	-	-	-	-	101	(101)	-	
	Wolverhampton Market drainage solution	-	10	-	-	-	-	10	(10)	-	
	Bilston Market - roof replacement	-	15	-	-	-	-	15	(15)	-	
	Site Remediation Farndale	-	-	-	-	-	-	-	-	-	
	Site Remediation Farndale - Courtaulds - Investigation (non Defra)	7	-	-	-	-	-	7	(1)	(6)	
	Parks Strategy and Open Space	-	-	-	-	-	-	-	-	-	
	Heath Town Park	-	59	-	-	-	-	59	-	(59)	
	Spring Road - (Taylor Road / Hilton PF)	-	34	-	-	-	-	34	(34)	-	
	Fowlers Park	108	86	-	-	-	-	194	-	(194)	
	Rakegate - play area (S106)	-	20	-	-	-	-	20	-	(20)	
	Land North East of 72 Church Street, Bilston	-	3	-	-	-	-	3	-	(3)	
	Tettenhall Paddling Pool	321	1	-	-	-	-	322	(242)	(80)	
	Ward Street Neighbourhood Park	42	778	-	-	-	-	820	-	(820)	
	Windsor Avenue - refurbishment of Play Area	64	25	-	-	-	-	89	-	(89)	
	Penk Rise - refurbishment of Open Space	58	42	-	-	-	-	100	-	(100)	
	Bantock Park Taxi Pick Up Point	-	175	-	-	-	-	175	(175)	-	
	Bushbury Recreation Ground - open space improvements	-	109	-	-	-	-	109	-	(109)	
	Kingsclere Walk - refurbishment of existing play area	-	55	-	-	-	-	55	-	(55)	
	Merridale Street - refurbishment of existing play area	-	80	-	-	-	-	80	-	(80)	
	Northwood Park - refurbishment of existing play area	-	116	-	-	-	-	116	-	(116)	
	Ashmore Park, Wednesfield - open space improvements	-	100	-	-	-	-	100	-	(100)	
	Ward Street railway cutting – gas main diversion works for new open space	-	150	-	-	-	-	150	-	(150)	
	Bereavement Services	-	-	-	-	-	-	-	-	-	
	Bereavement Services Improvement Programme at Bushbury Crematorium site (drainage, pavements)	-	54	-	-	-	-	54	(54)	-	
	Bushbury Crematorium	-	580	-	-	-	-	580	(580)	-	
	Safety Programme	-	-	-	-	-	-	-	-	-	
	Local Safety Schemes - TROs/ Signs&Guardrails / Road Markings	-	100	-	-	-	-	100	-	(100)	
	Local Safety Schemes - Urgent Safety Works / Feasibility	315	-	-	-	-	-	315	(127)	(188)	
	Vehicle actuated speed warning signs	44	40	-	-	-	-	84	(6)	(78)	
	Average Speed Cameras	8	2	-	-	-	-	10	(10)	-	
	Average Speed Cameras - Walsall, Sandwell and Dudley	137	466	-	-	-	-	603	-	(603)	
	High Street, Tettenhall (s106 funding) traffic calming and zebra crossing	51	-	-	-	-	-	51	-	(51)	
	Hare Street/Oxford Street - highway modifications	3	61	-	-	-	-	64	(64)	-	
	Kitchen Lane - traffic calming and zebra crossing	3	-	-	-	-	-	3	(3)	-	
	Greenfield Lane - traffic calming and zebra crossing	-	70	-	-	-	-	70	(70)	-	
	Lunt Road - traffic calming and zebra crossing	-	80	-	-	-	-	80	(80)	-	
	Finchfield Lane	6	44	-	-	-	-	50	(6)	(44)	
	Dunstall Road/Evans Street	4	115	-	-	-	-	119	(4)	(115)	
	Waddensbrook Lane – crossing facility	59	-	-	-	-	-	59	(59)	-	
	Castlecroft area local safety improvement	1	59	-	-	-	-	60	(60)	-	
	Bushbury Lane - crossing	2	75	-	-	-	-	77	-	(77)	
	Wergs Road/Yew Tree Lane	8	-	-	-	-	-	8	-	(8)	
	Arterial route – Stafford Road – areas at risk of accidents	-	120	-	-	-	-	120	(120)	-	

# Detailed projected budget

# Appendix 1

Division	Project	Projected budget							Total	Internal resources	External resources
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	£000			
		£000	£000	£000	£000	£000	£000	£000			
<b>General Revenue Account capital programme</b>											
City Environment	Stafford Road/Oxley Moor Road - new signs and signal upgrade	-	30	-	-	-	-	30	(30)	-	
	Newhampton Road East & West - local safety improvement	-	50	-	-	-	-	50	(50)	-	
	Bradley Lane - traffic calming	-	100	-	-	-	-	100	(100)	-	
	Stafford Street - guardrail review	-	50	-	-	-	-	50	-	(50)	
	Active Travel Programme	-	-	-	-	-	-	-	-	-	
	Cycling - Cycle Route Improvements	-	30	-	-	-	-	30	-	(30)	
	Walking, Cycling and SRTS - Cycle Parking	12	-	-	-	-	-	12	-	(12)	
	Wednesfield Road - footway widening and introducing shared cycle route	1	39	-	-	-	-	40	-	(40)	
	Tunnel Lighting Scheme - towpath near interchange	-	30	-	-	-	-	30	-	(30)	
	Network Development - Safer Routes to School	-	-	-	-	-	-	-	-	-	
	School Gate Parking	9	10	-	-	-	-	19	-	(19)	
	Warstones Road/Warstones Primary - installation of new crossing	-	40	-	-	-	-	40	(40)	-	
	Accessing Growth Fund	-	-	-	-	-	-	-	-	-	
	A4123 - Birmingham New Road	32	3	-	-	-	-	35	-	(35)	
	City North Gateway Phase 1 - Stafford Road A449	928	-	-	-	-	-	928	(428)	(500)	
	Springfield Campus Connectivity Phase 2	461	-	-	-	-	-	461	-	(461)	
	City North (A449) and City East Gateway (A454) - Major Scheme Development	334	250	-	-	-	-	584	(250)	(334)	
	Black Country Ultra Low Emission Vehicle Programme - Wolverhampton 2019-2020	6	5	-	-	-	-	11	-	(11)	
	Black Country Ultra Low Emission Vehicle Programme - Dudley, Sandwell and Walsall share	19	78	-	-	-	-	97	-	(97)	
	Black Country Ultra Low Emission Vehicle Programme - Wolverhampton 2020-2021	-	22	-	-	-	-	22	-	(22)	
	Street Lighting	-	-	-	-	-	-	-	-	-	
	Street Lighting replacement programme (Invest to Save)	10	494	1,482	-	-	-	1,986	(1,986)	-	
	Smart Intelligent Infrastructure Investment (ERDF)	-	2,974	2,059	-	-	-	5,033	(2,940)	(2,093)	
	Disabled Access (rolling programme)	11	20	-	-	-	-	31	-	(31)	
	Highway Structures (bridges, subways, retaining walls)	-	-	-	-	-	-	-	-	-	
	Highway Structures - Council Assets - Strengthening	-	120	-	-	-	-	120	-	(120)	
	Arthur Street Bridge	55	1,200	-	-	-	-	1,255	(1,202)	(53)	
	Vaughan Subway	10	140	-	-	-	-	150	-	(150)	
	Moathouse Lane Bridge	-	30	-	-	-	-	30	-	(30)	
	Maintenance of unclassified roads	-	-	-	-	-	-	-	-	-	
	Carriageway Surfacing Treatment	641	660	660	-	-	-	1,961	(1,961)	-	
	Dudley street Footways	-	350	100	-	-	-	450	(350)	(100)	
	Bushbury Lane Footways	19	-	-	-	-	-	19	-	(19)	
	Waterhead Drive flood defence works	-	176	-	-	-	-	176	(20)	(156)	
	Hunter Street	27	-	-	-	-	-	27	(26)	(1)	
	Ruskin Road	70	-	-	-	-	-	70	-	(70)	
	Pinfold Lane Footways	114	-	-	-	-	-	114	-	(114)	
	Hordern Road	296	-	-	-	-	-	296	(296)	-	
	Waterloo Road	83	-	-	-	-	-	83	(83)	-	
	Lichfield Street (Princes Square - Railway Drive)	50	-	-	-	-	-	50	(50)	-	
	Lea Manor Drive/Trimpey Gardens	338	-	-	-	-	-	338	(100)	(238)	
	Vicarage Road	66	-	-	-	-	-	66	-	(66)	
	Wright Avenue/Hylstone Crescent/Pritchard Avenue and roads off	-	200	-	-	-	-	200	-	(200)	
	Northwood Park Road	-	150	-	-	-	-	150	-	(150)	
	Kingsland Road	1	-	-	-	-	-	1	-	(1)	
	Public Rights of way improvements	-	25	-	-	-	-	25	-	(25)	
	Westside Link Phase 1	416	-	-	-	-	-	416	(100)	(316)	
	Church Hill - resurface footways	-	150	-	-	-	-	150	-	(150)	
	Maintenance of Non Highway Structures	-	-	-	-	-	-	-	-	-	
	Demolition of 60-60A Willenhall Road	97	3	-	-	-	-	100	(100)	-	
	LGF Black Country Transport feasibility	100	-	-	-	-	-	100	-	(100)	
	Security Enhancement works	-	-	-	-	-	-	-	-	-	
	Improving Pedestrian Safety	271	-	-	-	-	-	271	(196)	(75)	
	Waste & Recycling Strategy	-	-	-	-	-	-	-	-	-	
	Garden waste bins	364	102	-	-	-	-	466	(466)	-	
	Hickman Avenue Waste Site 2020-2021 - building the bin stall	-	3	-	-	-	-	3	(3)	-	
	Skips for temporary waste collection site 2020-2021	-	39	-	-	-	-	39	(39)	-	
	Lighting up the City	-	1	-	-	-	-	1	(1)	-	
	Bollards	-	5	-	-	-	-	5	(5)	-	
	Civic Halls	-	20	-	-	-	-	20	(20)	-	
	Project Management/Technical Support	-	67	-	-	-	-	67	(67)	-	
	Smart and Accessible City	-	-	-	-	-	-	-	-	-	
	Grant Payment to private partner	295	183	-	-	-	-	478	-	(478)	
	Waste collection vehicles - Key Out System 2020-2021	-	25	-	-	-	-	25	(25)	-	
	SupaTrak system and in-cab Garmin devices 2020-2021	-	19	-	-	-	-	19	(19)	-	
Education and Skills	Wilkinson Primary School - New Build	-	8	-	-	-	-	8	(8)	-	
	Primary Expansion Programme	-	5,433	-	-	-	-	5,433	(5,433)	-	
	PEP Phase 3 - St Marys Catholic Primary School	1	-	-	-	-	-	1	(1)	-	
	Loxdale Primary Phase 4	5,290	60	-	-	-	-	5,350	(2,428)	(2,922)	
	Spring Vale Primary Phase 4	1,782	48	-	-	-	-	1,830	(1,830)	-	
	Stowlawn Primary Phase 4	2,575	63	-	-	-	-	2,638	(2,638)	-	
	Spring Vale Primary Phase 4 - equipment	71	-	-	-	-	-	71	(71)	-	
	Loxdale Primary phase 4 - ICT	167	-	-	-	-	-	167	(167)	-	
	Stowlawn Primary phase 4 - ICT	82	-	-	-	-	-	82	(82)	-	
	Stowlawn Primary phase 4 - furniture & equipment	54	-	-	-	-	-	54	(54)	-	
	Springvale Primary phase 4 - ICT	40	-	-	-	-	-	40	(40)	-	
	Schools Devolved Formula Capital	-	473	700	-	-	-	1,173	-	(1,173)	
	Devolved - Fallings Park Primary	51	-	-	-	-	-	51	-	(51)	
	Devolved - Rakegate Primary (was Junior)	21	-	-	-	-	-	21	-	(21)	
	Devolved - Whitgreave Junior	27	-	-	-	-	-	27	-	(27)	
	Devolved - Christ Church Junior	2	-	-	-	-	-	2	-	(2)	
	Devolved - St Andrews Primary	7	-	-	-	-	-	7	-	(7)	
	Devolved - Bantock Primary (Formally Bingley)	24	-	-	-	-	-	24	-	(24)	
	Devolved - Castlecroft Primary	15	-	-	-	-	-	15	-	(15)	
	Devolved - Dovecotes Primary	6	-	-	-	-	-	6	-	(6)	
	Devolved - Eastfield Primary	21	-	-	-	-	-	21	-	(21)	
	Devolved - Graisle Primary	4	-	-	-	-	-	4	-	(4)	

Division	Project	Projected budget							Total	Internal resources	External resources
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	£000			
		£000	£000	£000	£000	£000	£000	£000			
<b>General Revenue Account capital programme</b>											
Education and Skills	Devolved - Lanesfield Primary	22	-	-	-	-	-	22	-	(22)	
	Devolved - Oak Meadow Primary	79	-	-	-	-	-	79	-	(79)	
	Devolved - Warstones Primary	31	-	-	-	-	-	31	-	(31)	
	Devolved - West Park Primary	10	-	-	-	-	-	10	-	(10)	
	Devolved - Wilkinson Primary	17	-	-	-	-	-	17	-	(17)	
	Devolved - Wodensfield Primary	4	-	-	-	-	-	4	-	(4)	
	Devolved - Wood End Primary	11	-	-	-	-	-	11	-	(11)	
	Devolved - Westacre Infants	55	-	-	-	-	-	55	-	(55)	
	Devolved - Bushbury Hill Primary	14	-	-	-	-	-	14	-	(14)	
	Devolved - Ashmore Park Nursery	24	-	-	-	-	-	24	-	(24)	
	Devolved - Bilston Nursery	35	-	-	-	-	-	35	-	(35)	
	Devolved - Bushbury Nursery	15	-	-	-	-	-	15	-	(15)	
	Devolved - Low Hill Nursery	(1)	-	-	-	-	-	(1)	-	1	
	Devolved - Windsor Nursery	13	-	-	-	-	-	13	-	(13)	
	Devolved - Green Park Special School	3	-	-	-	-	-	3	-	(3)	
	Devolved - Claregate Primary	3	-	-	-	-	-	3	-	(3)	
	Devolved - Springvale Primary	7	-	-	-	-	-	7	-	(7)	
	Devolved - Christ Church, Church of England Infant and Nursery	7	-	-	-	-	-	7	-	(7)	
	Devolved - Penn Hall Special	3	-	-	-	-	-	3	-	(3)	
	Devolved - Tettenhall Wood Special	11	-	-	-	-	-	11	-	(11)	
	Devolved - Stowlawn Primary	3	-	-	-	-	-	3	-	(3)	
	Devolved - Eastfield Nursery	8	-	-	-	-	-	8	-	(8)	
	Primary schools ICT & equipment 1920	177	-	-	-	-	-	177	-	(177)	
	Special schools ICT & equipment 1920	30	-	-	-	-	-	30	-	(30)	
	Kings Church of England school - ICT & equipment 1920	35	-	-	-	-	-	35	-	(35)	
	Nursery schools ICT & equipment 1920	2	-	-	-	-	-	2	-	(2)	
	Prudential Loans	-	150	-	-	-	-	150	(150)	-	
	Asbestos Removal	-	-	-	-	-	-	-	-	-	
	Asbestos Removal - Claregate Primary	11	-	-	-	-	-	11	-	(11)	
	Asbestos Removal - Westacre Infant School	10	10	-	-	-	-	20	-	(20)	
	Asbestos Removal - Christ Church, Church of England Infant School	20	4	-	-	-	-	24	-	(24)	
	Electrical Works	-	-	-	-	-	-	-	-	-	
	Christ Church Infants - electrical remedial works following periodic inspection	23	43	-	-	-	-	66	-	(66)	
	Eastfield Primary - electrical remedial works following periodic inspection	52	-	-	-	-	-	52	-	(52)	
	Claregate Primary - electrical remedial works	43	-	-	-	-	-	43	-	(43)	
	Colton Hills Community School - electrical remedial work	64	-	-	-	-	-	64	-	(64)	
	Penn Hall Special School - electrical remedial work	58	39	-	-	-	-	97	-	(97)	
	Whitgreave Primary - electrical remedial work	22	8	-	-	-	-	30	-	(30)	
	Westacre Infant School - fire alarm system	30	-	-	-	-	-	30	-	(30)	
	Bushbury Nursery - remedial electrical work	-	20	-	-	-	-	20	-	(20)	
	Castlecroft Primary remedial electrical work	-	60	-	-	-	-	60	-	(60)	
	Dovecotes Primary remedial electrical work	-	55	-	-	-	-	55	-	(55)	
	Graiseley Primary remedial electrical work	-	35	-	-	-	-	35	-	(35)	
	Westacre Infants remedial electrical work	-	55	-	-	-	-	55	-	(55)	
	Contingency for Emergency Works	-	550	-	-	-	-	550	(270)	(280)	
	Building Schools for Future ICT Infrastructure	-	-	-	-	-	-	-	-	-	
	Infrastructure Abnormals/SLG/ELS	-	340	-	-	-	-	340	(340)	-	
	Capital Maintenance - Fire Safety	-	-	-	-	-	-	-	-	-	
	The King's Church of England School - fire protection work	-	308	-	-	-	-	308	(308)	-	
	Colton Hills Community School - fire protection work	27	623	-	-	-	-	650	(650)	-	
	Tettenhall Wood Special - fire protection work	-	362	-	-	-	-	362	(362)	-	
	The Orchard Centre - fire protection work	3	11	-	-	-	-	14	(14)	-	
	Capital Maintenance - Heating Pipework Upgrades	-	-	-	-	-	-	-	-	-	
	Claregate Primary - replacement heating to main school	6	-	-	-	-	-	6	-	(6)	
	Springdale Junior - replacement heating pipework	92	164	-	-	-	-	256	-	(256)	
	Eastfield Primary - upgrade boiler plant and controls	95	-	-	-	-	-	95	(45)	(50)	
	Lanesfield Primary - replace hot and cold water pipework	151	148	-	-	-	-	299	-	(299)	
	Penn Hall Special - upgrade boiler, heat emitters and fan convectors	6	-	-	-	-	-	6	-	(6)	
	Tettenhall Wood School - Replace Hot Water Cylinder, Generator and Control	6	-	-	-	-	-	6	-	(6)	
	Fallings Park Primary - replacement boilers	67	-	-	-	-	-	67	-	(67)	
	Windsor Nursery - replacement hot water cylinder	6	-	-	-	-	-	6	-	(6)	
	Wodensfield Primary - replacement boilers	107	-	-	-	-	-	107	-	(107)	
	Bilston Nursery - gas supply	7	-	-	-	-	-	7	-	(7)	
	Stow Heath Primary - ventilation improvements	16	-	-	-	-	-	16	-	(16)	
	Asmore Park Nursery underfloor heating	-	20	-	-	-	-	20	-	(20)	
	Braybrook PRU boiler replacement	-	60	-	-	-	-	60	-	(60)	
	Rakegate Primary hot water system	-	30	-	-	-	-	30	-	(30)	
	St Andrews CE Primary HORSAs building heating	-	30	-	-	-	-	30	-	(30)	
	Stow Heath Primary hot water system	-	30	-	-	-	-	30	-	(30)	
	Whitgreave Primary replacement boiler	-	40	-	-	-	-	40	-	(40)	
	Windsor Nursery replacement boiler	-	30	-	-	-	-	30	-	(30)	
	Capital Maintenance - Roof / Ceilings Replacements	-	-	-	-	-	-	-	-	-	
	Bilston Nursery - replacement roof tiles (Phase 2) 2016-17	-	120	-	-	-	-	120	-	(120)	
	Christ Church, Church of England Infants (TW) - roof covering to link	8	10	-	-	-	-	18	-	(18)	
	West Park Primary - replacement roof covering	51	-	-	-	-	-	51	-	(51)	
	Wodensfield Primary - replacement roof covering	24	-	-	-	-	-	24	-	(24)	
	Windsor Nursery - balcony roof replacement	13	-	-	-	-	-	13	-	(13)	
	Graiseley Primary - replace roof	40	-	-	-	-	-	40	-	(40)	
	Long Knowle Primary - replacement roof to music rooms	18	-	-	-	-	-	18	-	(18)	
	Kings Church of England School - replacement roof	25	-	-	-	-	-	25	(25)	-	
	Colton Hills Community School - new roofing	33	2	-	-	-	-	35	(8)	(27)	
	Bilston CE Primary flat roof	-	10	-	-	-	-	10	-	(10)	
	Green Park flat roof	-	10	-	-	-	-	10	-	(10)	
	Spring Vale Primary flat roof	-	40	-	-	-	-	40	-	(40)	
	St Andrews CE Primary flat roof	-	55	-	-	-	-	55	-	(55)	
	Capital Maintenance - Structural Works	-	-	-	-	-	-	-	-	-	
	D'Eyncourt Primary - resurface car park	-	30	-	-	-	-	30	-	(30)	
	Bilston Church of England Primary - perimeter fencing	4	-	-	-	-	-	4	-	(4)	
	Bantock Primary - new staircase	96	-	-	-	-	-	96	(61)	(35)	
	Bushbury Nursery - replacement flooring	1	-	-	-	-	-	1	-	(1)	
	Wood End Primary - boundary fence replacement	34	1	-	-	-	-	35	-	(35)	
	Dovecotes Primary - refurbish Early Years outdoor areas	27	-	-	-	-	-	27	-	(27)	
	Merridale Primary - resurface playground	36	-	-	-	-	-	36	-	(36)	

Detailed projected budget

Appendix 1

Division	Project	Projected budget						Total	Internal resources	External resources
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025			
		£000	£000	£000	£000	£000	£000			
<b>General Revenue Account capital programme</b>										
Education and Skills	Stow Heath Primary - toilets refurbishment	4	46	-	-	-	-	50	-	(50)
	Warstones Primary - cloakroom alterations	50	-	-	-	-	-	50	-	(50)
	Penn Hall Special - traffic control measures	-	55	-	-	-	-	55	(55)	-
	Penn Fields Special - void space protection measures	-	111	-	-	-	-	111	(111)	-
	Stow Heath Primary - flooring and damp proofing	-	30	-	-	-	-	30	-	(30)
	Christchurch Infants drainage to modular classroom	-	5	-	-	-	-	5	-	(5)
	Christchurch Infants timber works to modular classroom	-	7	-	-	-	-	7	-	(7)
	Tettenhall Wood hydrotherapy pool	-	15	-	-	-	-	15	-	(15)
	Westacre Infants replacement floor covering	-	10	-	-	-	-	10	-	(10)
	Wood End Primary playground resurfacing	-	31	-	-	-	-	31	-	(31)
	Capital Maintenance - Window Upgrade	-	-	-	-	-	-	-	-	-
	Christ Church Infants - replacement hall windows	51	-	-	-	-	-	51	-	(51)
	Dovecotes Primary - replacement aluminium windows	5	-	-	-	-	-	5	-	(5)
	The Parkfields Centre - Orchard PRU - replacement windows	-	40	-	-	-	-	40	-	(40)
	rook PRU replacement windows	-	50	-	-	-	-	50	-	(50)
	gate Primary replacement hall windows	-	70	-	-	-	-	70	-	(70)
	BSF - Sample Schemes - The Kings School	-	5	-	-	-	-	5	(5)	-
	Secondary School Expansion Programme	-	5,656	-	-	-	-	5,656	(4,831)	(825)
	Secondary Expansion Programme - Aldersley High	1,573	202	-	-	-	-	1,775	(1,775)	-
	Secondary Expansion Programme - Our Lady & St Chad's Catholic Academy	4,416	441	-	-	-	-	4,857	(4,857)	-
	Secondary Expansion Programme - Highfields School	348	46	-	-	-	-	394	(394)	-
	Secondary Expansion Programme - Ormiston SWB Academy	1	642	-	-	-	-	643	(643)	-
	Secondary Expansion Programme - St Edmund's Catholic Academy	1	1,091	-	-	-	-	1,092	(1,092)	-
	Secondary Expansion Programme - West Midlands University Technical College (UTC)	-	2,000	-	-	-	-	2,000	(2,000)	-
	Primary schools ICT & equipment 1920	100	-	-	-	-	-	100	(100)	-
	Secondary schools ICT & equipment 1920	130	-	-	-	-	-	130	(130)	-
	Special schools ICT & equipment 1920	15	-	-	-	-	-	15	(15)	-
	Nursery schools ICT & equipment 1920	13	-	-	-	-	-	13	(13)	-
	Midpoint PRU minibus	28	-	-	-	-	-	28	(28)	-
	Primary Schools fittings and equipment 1920	12	-	-	-	-	-	12	(12)	-
	Schools improvements RCCO funded	-	-	-	-	-	-	-	-	-
	Bilston Church of England Primary Improvements 1819	57	-	-	-	-	-	57	(57)	-
	Orchard PRU improvements 1819 - Sports Barn	498	202	-	-	-	-	700	(544)	(156)
	Whitgreave Primary - additional classroom space	457	-	-	-	-	-	457	(457)	-
	Bilston Nursery improvements 1920	3	-	-	-	-	-	3	(3)	-
	SPCF Special Provision Capital Fund	-	462	-	-	-	-	462	-	(462)
	SPCF Tettenhall Wood Additional SEN Provision	11	-	-	-	-	-	11	-	(11)
	SPCF Warstones Primary Additional SEN Provision	172	-	-	-	-	-	172	-	(172)
	SPCF Penn Hall Special School SEN sensory gym	29	31	-	-	-	-	60	-	(60)
	SPCF Green Park Special School SEN expansion	312	-	-	-	-	-	312	-	(312)
	SPCF Resource base St Michaels Church of England Primary	-	560	-	-	-	-	560	-	(560)
	SPCF Resource base St Martins Church of England Primary	-	50	-	-	-	-	50	-	(50)
	Healthy Pupil Capital Fund	-	-	-	-	-	-	-	-	-
	HPCF Primary school - sports & fitness	93	51	-	-	-	-	144	(49)	(95)
	HPCF Secondary schools - sports & fitness	7	-	-	-	-	-	7	-	(7)
	HPCF Special schools - sports & fitness	4	9	-	-	-	-	13	(6)	(7)
	HPCF PRUs - sports & fitness	25	3	-	-	-	-	28	(7)	(21)
Public Health	Bert Williams Leisure Centre	(30)	-	-	-	-	-	(30)	30	-
	Sports Investment Strategy	-	172	-	-	-	-	172	(172)	-
	Barnhurst Land Pitches	27	3	-	-	-	-	30	(30)	-
	Synthetic Pitch at Our Lady & St Chad's School	4	66	-	-	-	-	70	(70)	-
	Peace Green sport facilities	3	53	-	-	-	-	56	(56)	-
	Fordhouses Cricket Club	-	32	-	-	-	-	32	-	(32)
	Leisure Centres Enhancement	-	-	-	-	-	-	-	-	-
	Bert Williams Enhancements	-	1	-	-	-	-	1	(1)	-
	Central Baths Enhancement	-	1	-	-	-	-	1	(1)	-
	WV Active - Aldersley Leisure Village Enhancement 2018-2019	3	35	-	-	-	-	38	(38)	-
	WV Active Leisure Centres - Lockers	-	125	-	-	-	-	125	(125)	-
	Aldersley Village - Outdoor Light System	-	100	-	-	-	-	100	(100)	-
	Central Baths - Plant Room Filters/Air Handling	-	50	-	-	-	-	50	(50)	-
	Central Baths - Steam Room	-	30	-	-	-	-	30	(30)	-
	Bowling provision	-	102	-	-	-	-	102	-	(102)
	Cricket provision	-	-	-	-	-	-	-	-	-
	Newbridge Playing Fields	67	2	-	-	-	-	69	-	(69)
	NACRO Premises Refurbishment	108	8	-	-	-	-	116	-	(116)
<b>Total General Revenue Account capital programme - existing and new projects</b>		<b>98,083</b>	<b>183,593</b>	<b>65,847</b>	<b>15,474</b>	<b>12,800</b>	<b>5,000</b>	<b>380,797</b>	<b>(279,405)</b>	<b>(101,392)</b>

Detailed projected budget

Appendix 1

Division	Project	Projected budget						Total	Internal resources	External resources
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025			
		£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Housing Revenue Account capital programme</b>										
Housing Revenue Account	Decent Homes - Stock Improvements	-	-	-	-	-	-	-	-	-
	Heath Town Follow on Decent Homes Works	49	-	-	-	-	-	49	(49)	-
	High Rise M&E Infrastructure Refurbishment	4,743	6,857	4,600	6,600	6,600	7,072	36,472	(36,472)	-
	Heath Town Refurbishment of Retained Properties	16,060	11,991	11,500	10,500	2,500	-	52,551	(52,551)	-
	Internal Decency Works	1,016	1,399	5,000	4,250	4,500	4,750	20,915	(20,915)	-
	Bushbury Improvement Programme	-	1,000	-	-	-	-	1,000	(1,000)	-
	Door Entry	293	370	370	370	370	370	2,143	(2,143)	-
	Repairs - Pathways/Unadopted Roads	364	200	200	200	200	200	1,364	(1,364)	-
	External Improvement Works (Pre Decent Homes)	1,039	1,100	600	-	-	-	2,739	(2,739)	-
	Adaptations for People with Disabilities	-	1,048	1,000	1,000	1,000	1,000	5,048	(5,048)	-
	Disabled Adaptations - Minor Only	178	-	-	-	-	-	178	(178)	-
	Disabled Adaptations - Level Access Showers	494	-	-	-	-	-	494	(494)	-
	Disabled Adaptations - Stairlifts	162	-	-	-	-	-	162	(162)	-
	Disabled Adaptations - Vertical Lifts / Ceiling Track Hoists	30	-	-	-	-	-	30	(30)	-
	Disabled Adaptations - Extensions	201	-	-	-	-	-	201	(201)	-
	Disabled Adaptations - Other	185	-	-	-	-	-	185	(185)	-
	Disabled Adaptations - Incentive Scheme	2	-	-	-	-	-	2	(2)	-
	Sale of Council Houses Admin	60	60	60	60	60	60	360	(360)	-
	Wolverhampton Homes - Capitalised Sals	1,437	1,700	1,700	1,700	1,700	1,700	9,937	(9,937)	-
	HCA - Mortgage Rescue Scheme	(13)	-	-	-	-	-	(13)	13	-
	CAASH Fund 10 Council Units	(20)	-	-	-	-	-	(20)	20	-
	Housing Services Capitalised Salaries	298	502	400	400	400	400	2,400	(2,400)	-
	Refurbishment of Voids to Decent Homes Standard	4,332	3,250	3,000	3,000	3,000	3,000	19,582	(19,582)	-
	Boiler Replacement	746	670	680	680	680	680	4,136	(4,136)	-
	Low Hill PODS scheme	13	-	-	-	-	-	13	(13)	-
	Heath Town	317	1,262	-	-	-	-	1,579	(1,579)	-
	Tap works – Showell Road	1,462	443	-	-	-	-	1,905	(1,905)	-
	Structural works	1,284	990	990	1,000	1,000	1,000	6,264	(6,264)	-
	Remedial Works to non-traditional properties	-	-	-	-	2,200	2,200	4,400	(4,400)	-
	Lift Improvements	436	670	680	680	680	680	3,826	(3,826)	-
	High Rise Fire Safety Issues	2,354	2,476	3,700	3,600	3,600	2,269	17,999	(17,999)	-
	Fire Safety Improvements - Medium and Low Rise	-	700	2,500	3,500	3,500	3,500	13,700	(13,700)	-
	Roofing Refurbishment Programme - City wide	5,268	3,900	4,800	4,800	4,800	4,800	28,368	(28,368)	-
	Tower and Fort Works Project	1,518	153	-	-	-	-	1,671	(1,671)	-
	New Build Programme	-	-	2,262	10,000	15,000	15,450	42,712	(42,712)	-
	Old Fallings Crescent	-	-	-	5,000	-	-	5,000	(5,000)	-
	Sustainable Estates Programme	102	1,500	2,850	2,850	2,850	2,850	13,002	(13,002)	-
	Non Traditional Surveys	110	532	50	50	50	450	1,242	(1,242)	-
	Small Sites Phase 3	3	-	-	-	-	-	3	(3)	-
	Small Sites 4	3,948	846	-	-	-	-	4,794	(4,794)	-
	Burton Crescent	3,781	1,027	-	-	-	-	4,808	(4,424)	(384)
	Heath Town Phase 1	-	2,000	1,000	-	-	-	3,000	(3,000)	-
	Heath Town Phase 3	-	2,000	5,000	4,600	-	-	11,600	(11,600)	-
	WVL Units	-	-	-	2,500	10,000	10,000	22,500	(22,500)	-
	WVL Units - Danesmore	965	-	-	-	-	-	965	(965)	-
	WVL Units - Ettingshall and Sweetbriar Road	1,230	-	-	-	-	-	1,230	(1,140)	(90)
	WVL Units - Prouds Lane	-	1,640	-	-	-	-	1,640	(1,640)	-
	WVL Units - Wednesfield	-	4,500	4,050	-	-	-	8,550	(8,550)	-
	WVL Units - Former Residential care Home Sites	-	1,400	300	-	-	-	1,700	(1,700)	-
	Northcote	-	-	2,500	-	-	-	2,500	(2,500)	-
	Medium Sites	129	2,371	3,000	2,900	-	-	8,400	(8,400)	-
	High Rise Sprinkler Programme	1,818	3,400	6,932	4,800	4,800	-	21,750	(21,750)	-
	High Rise External Works	-	-	-	-	3,900	3,900	7,800	(7,800)	-
	Reedham Gardens	63	1,137	2,792	-	-	-	3,992	(3,992)	-
	Additional Social Housing	1,829	2,500	2,000	2,000	2,000	2,000	12,329	(11,992)	(337)
	Bushbury Hill Community Housing	-	1,500	-	-	-	-	1,500	(1,500)	-
	Inkerman Street Community Housing	-	1,500	-	-	-	-	1,500	(1,500)	-
	Small Sites 5	69	3,000	2,000	-	-	-	5,069	(5,069)	-
	Estate Remodelling	-	600	8,906	8,500	8,500	8,500	35,006	(35,006)	-
<b>Total Housing Revenue Account - existing and new projects</b>		<b>58,355</b>	<b>72,194</b>	<b>85,422</b>	<b>85,540</b>	<b>83,890</b>	<b>76,831</b>	<b>462,232</b>	<b>(461,421)</b>	<b>(811)</b>

## Detailed forecast change

## Appendix 2

Division	Project	Approved budget £000	Proposed budget £000	Total change £000	Comments
<b>General Revenue Account capital programme</b>					
City Assets and Housing	Disabled Facilities Grants	6,105	7,517	1,412	The change in this budget reflects new grant allocation and new proposed project for which approval is now sought within Appendix 3.
	Housing General Fund General Schemes - Small Works Assistance (SWA)	557	579	22	The change in this budget reflects new grant allocation.
	Housing General Fund General Schemes - Capitalised Salaries	118	196	78	The change in this budget reflects virement as detailed in Appendix 4.
	Housing General Fund General Schemes - Empty Properties Strategy	587	509	(78)	The change in this budget reflects virement as detailed in Appendix 4.
	Housing General Fund Renewal Areas - All Saints Other Schemes incl. ABCD	35	35	-	
	Corporate Asset Management	3,769	3,769	-	
	Energy Efficiency Measures	569	569	-	
	Housing General Schemes - Affordable Warmth	500	600	100	The change in this budget reflects new grant
	Disposals Programme (Non-Strategic)	284	320	36	The change in this budget reflects revised budget requirement.
	Remedial Works	36	36	-	
Finance	Corporate Contingency	34,854	34,801	(53)	The change in this budget reflects virements as detailed in Appendix 4.
	Capitalisation Directives	13,000	12,196	(804)	The change in this budget reflects reduction related to Equal Pay provision.
	WV Living	69,850	69,850	-	
	Document Management System	52	52	-	
Land and Property Investment Fund	Land and Property Investment Fund	6,862	6,862	-	
Regeneration	Targeted Disposals Programme	171	97	(74)	The change in this budget reflects virement as detailed in Appendix 4.
	Wednesfield Library	-	(4)	(4)	The change in this budget reflects virement as detailed in Appendix 4.
	Bilston Urban Village	1	1	-	
	South Side	312	286	(26)	The change in this budget reflects virement as detailed in Appendix 4.
	Wolverhampton Interchange Office/Retail Accommodation	13,000	13,000	-	
	Wolverhampton Interchange Block 11	57	57	-	
	Bilston Urban Village	4,635	4,747	112	The change in this budget reflects virement as detailed in Appendix 4.
	Black Country Growth Deal – Cultural Programme	27,858	27,858	-	
	Interchange - Ph2 Train Station/MSCP/Metro Extension	20,022	20,022	-	
	Queen Street Gateway Townscape Heritage Project	752	752	-	
	i54 Western Extension	29,301	29,301	-	
	City Learning Quarter	46,005	46,006	1	The change in this budget reflects minor adjustment due to roundings.
	War Memorial Restoration	49	50	1	The change in this budget reflects additional works funded by Community Group.
	Development of Cultural Estate	1,000	1,000	-	
	Strategic Land Acquisitions	4,378	4,378	-	
	Blue Network	10	12	2	The change in this budget reflects revised budget requirement.
		AIM for GOLD - ERDF	1,621	1,621	-
Strategy	ICT General Programme	4,366	4,224	(142)	The change in this budget reflects virement as detailed in Appendix 4.
	ICT Disaster Recovery	350	200	(150)	The change in this budget reflects virement as detailed in Appendix 4.
	ICT Desktop Refresh	547	689	142	The change in this budget reflects virement as detailed in Appendix 4.
	Digital Transformation Programme Software	1,433	1,433	-	
	Service Led ICT Projects	995	995	-	
	Full Fibre Network	5,046	5,072	26	The change in this budget reflects new grant
Adult Services	Aiming High for Disabled Children	52	52	-	
Children's Services	Co-Location Programme	16	16	-	
	Looked after Children - Extensions/Vehicles	108	109	1	The change in this budget reflects minor adjustment due to roundings.
City Environment	Maintenance of classified roads	4,461	4,693	232	The change in this budget reflects virement as detailed in Appendix 4 and new grant allocation.
	Raglan Street - Sainsburys S278 works	27	27	-	
	Highway Improvement Programme	2,225	2,398	173	The change in this budget reflects virement as detailed in Appendix 4.
	i54 Access and Infrastructure	525	525	-	
	Vehicles (Procurement)	7,117	7,117	-	
	Bowman's Harbour - Former Landfill Sites	102	101	(1)	The change in this budget reflects minor adjustment due to roundings.
	Markets Wton Wholesale Market	10	10	-	
	Markets Bilston Retail Market	15	15	-	
	Site Remediation Farndale	6	7	1	The change in this budget reflects minor adjustment due to roundings.
	Parks Strategy and Open Space	2,498	2,426	(72)	The change in this budget reflects virement as detailed in Appendix 4.
	Bereavement Services	634	634	-	
	Safety Programme	2,180	2,103	(77)	The change in this budget reflects virements as detailed in Appendix 4 offset by new grant allocation.
	Active Travel Programme	160	112	(48)	The change in this budget reflects virement as detailed in Appendix 4.

## Detailed forecast change

## Appendix 2

Division	Project	Approved budget £000	Proposed budget £000	Total change £000	Comments
<b>General Revenue Account capital programme</b>					
City Environment	Network Development - Safer Routes to School	60	59	(1)	The change in this budget reflects minor adjustment due to roundings.
	Managing Short Trips	20	-	(20)	The change in this budget reflects virement as detailed in Appendix 4.
	Accessing Growth Fund	2,118	2,138	20	The change in this budget reflects virements as detailed in Appendix 4 and new grant allocation.
	Street Lighting	5,861	7,019	1,158	A net increase reflects a correction of budget removal in quarter 3 2019-2020.
	Disabled Access (rolling programme)	40	31	(9)	The change in this budget reflects virement as detailed in Appendix 4.
	Highway Structures (bridges, subways, retaining walls)	1,850	1,555	(295)	The change in this budget reflects virement as detailed in Appendix 4.
	Maintenance of unclassified roads	4,733	4,592	(141)	The change in this budget reflects virements as detailed in Appendix 4 offset by new grant allocation.
	Maintenance of Non Highway Structures	100	100	-	
	LGF Transports project management	-	100	100	The change in this budget reflects new grant allocation.
	Security Enhancement works	168	271	103	The change in this budget reflects revised budget requirement which is mainly funded externally.
	Waste & Recycling Strategy	508	508	-	
	Lighting up the City	93	93	-	
	Smart and Accessible City	478	478	-	
	General Waste Service Improvement	44	44	-	
Education and Skills	Wilkinson Primary School - New Build	8	8	-	
	Primary Expansion Programme	15,666	15,666	-	
	Schools Devolved Formula Capital	1,969	1,969	-	
	Prudential Loans	150	150	-	
	Asbestos Removal	91	55	(36)	The change in this budget reflects virement as detailed in Appendix 4.
	Electrical Works	624	607	(17)	The change in this budget reflects virement as detailed in Appendix 4.
	Contingency for Emergency Works	520	550	30	The change in this budget reflects virement as detailed in Appendix 4.
	Building Schools for Future ICT Infrastructure	340	340	-	
	Capital Maintenance - Fire Safety	1,334	1,334	-	
	Capital Maintenance - Heating Pipework Upgrades	1,102	1,111	9	The change in this budget reflects virement as detailed in Appendix 4.
	Capital Maintenance - Roof / Ceilings Replacements	430	459	29	The change in this budget reflects virement as detailed in Appendix 4.
	Capital Maintenance - Structural Works	614	593	(21)	The change in this budget reflects virement as detailed in Appendix 4.
	Capital Maintenance - Window Upgrade	210	216	6	The change in this budget reflects virement as detailed in Appendix 4.
	Education - BSF - Design & Build - Sample Schemes	5	5	-	
	Secondary School Expansion Programme	16,417	16,417	-	
	Schools ICT & equipment RCCO funded	-	298	298	The change in this budget reflects revised budget requirement which is fully funded by School contributions.
	Schools improvements RCCO funded	1,185	1,217	32	The change in this budget reflects revised budget requirement which is fully funded by School contributions.
	Public Health	SPCF Special Provision Capital Fund	1,627	1,627	-
Healthy Pupil Capital Fund		192	192	-	
Bert Williams Leisure Centre		-	(30)	(30)	The change in this budget reflects release of final account accrual.
Sports Investment Strategy		360	360	-	
Leisure Centres Enhancement		345	345	-	
Bowling provision		102	102	-	
Cricket provision		71	69	(2)	The change in this budget reflects budget reduction due to funding withdrawal.
Grants to other organisations	116	116	-		
<b>Total General Revenue Account capital programme - existing and new projects</b>		<b>378,774</b>	<b>380,797</b>	<b>2,023</b>	

Division	Project	Approved budget £000	Proposed budget £000	Total change £000	Comments
<b>Housing Revenue Account</b>					
Housing Revenue Account	Decent Homes - Stock Improvements	107,830	110,987	3,157	The change in this budget reflects virement as detailed in Appendix 4.
	Minor Works/Door Entry Rolling Programme	2,220	2,143	(77)	The change in this budget reflects virement as detailed in Appendix 4.
	Pathway Improvement and Safety Programme	1,271	1,364	93	The change in this budget reflects virement as detailed in Appendix 4.
	External Improvement Programme	2,800	2,739	(61)	The change in this budget reflects virement as detailed in Appendix 4.
	Adaptations for People with Disabilities	6,300	6,300	-	
	WH Service Sales Admin & Capitalised Salaries	10,560	10,297	(263)	The change in this budget reflects virement as detailed in Appendix 4.
	HCA - Mortgage Rescue Scheme	-	(13)	(13)	The change in this budget reflects release of final account accrual.
	CAASH Fund	-	(20)	(20)	The change in this budget reflects release of final account accrual.
	Housing services capitalised salaries	2,400	2,400	-	
	Refurbishment of Voids	19,190	19,582	392	The change in this budget reflects virement as detailed in Appendix 4.
	Boiler Replacement Programme	4,136	4,136	-	
	Low Hill PODS scheme	-	13	13	The change in this budget reflects final account
	Heath Town	1,579	1,579	-	
	Tap Works site	1,905	1,905	-	
	Structural works	10,620	10,664	44	The change in this budget reflects virement as detailed in Appendix 4.
	Lift and DDA Improvements	4,060	3,826	(234)	The change in this budget reflects virement as detailed in Appendix 4.
	Fire Safety Improvements	30,680	31,699	1,019	The change in this budget reflects virement as detailed in Appendix 4.
	Roof Refurbishment Programme	32,040	28,368	(3,672)	The change in this budget reflects virement as detailed in Appendix 4.
	Tower and Fort Works	1,671	1,671	-	
	New Build Programme	45,450	47,712	2,262	The change in this budget reflects virement as detailed in Appendix 4.
	Sustainable Estates Programme	13,400	13,002	(398)	The change in this budget reflects virement as detailed in Appendix 4.
	Non Trad Surveys	1,242	1,242	-	
	Small Sites 3	271	3	(268)	The change in this budget reflects virement as detailed in Appendix 4.
	Small Sites 4	4,794	4,794	-	
	Burton Crescent	4,808	4,808	-	
	Heath Town Phase 1	3,000	3,000	-	
	Heath Town Phase 3	11,600	11,600	-	
	WVL Units	36,648	36,585	(63)	The change in this budget reflects virement as detailed in Appendix 4.
	Northcote	2,500	2,500	-	
	Medium Sites	7,400	8,400	1,000	The change in this budget reflects virement as detailed in Appendix 4.
	High Rise Sprinkler Programme	21,750	21,750	-	
	High Rise External Works	7,800	7,800	-	
Reedham Gardens	3,992	3,992	-		
Additional Social Housing	12,329	12,329	-		
Small Sites Programme	11,000	8,069	(2,931)	The change in this budget reflects virement as detailed in Appendix 4.	
Estate Remodelling	35,006	35,006	-		
<b>Total Housing Revenue Account - existing projects</b>		<b>462,252</b>	<b>462,232</b>	<b>(20)</b>	

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Projects requiring approval

Appendix 3

New projects created from virements	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	Total	Virement	Additional resources	
A full set of virements can be found in Appendix 4	£000	£000	£000	£000	£000	£000	£000	Internal	External
General Revenue Account capital programme								£000	£000
<b>ICT Capital Programme</b>									
Approval is sought to allocate resources for the following rolling ICT capital projects:									
Security Enhancement (ICT Main Prog) 2021-2022	-	67	-	-	-	67	67	-	-
Software Upgrades (ICT Main Prog) 2021-2022	-	171	-	-	-	171	171	-	-
Infrastructure Upgrades (ICT Main Prog) 2021-2022	-	922	-	-	-	922	922	-	-
Data Centres (ICT Main Prog) 2021-2022	-	31	-	-	-	31	31	-	-
Future Developments 2021-2022	-	419	-	-	-	419	419	-	-
<b>Rehabilitation Equipment 2020-2021</b>									
Approval is sought to allocate Disabled Facilities Grant for 2020-2021.	200	-	-	-	-	200	-	-	200
<b>Total General Revenue Account capital programme new projects</b>	<b>200</b>	<b>1,610</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,810</b>	<b>1,610</b>	<b>-</b>	<b>200</b>
<b>Financing</b>									
Internal resources	-	1,610	-	-	-	1,610	1,610	-	-
External resources	200	-	-	-	-	200	-	-	200
<b>Grand total financing</b>	<b>200</b>	<b>1,610</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,810</b>	<b>1,610</b>	<b>-</b>	<b>200</b>

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Capital project	Virement		Comments	
	Existing project £000	New project £000		
<b>General Revenue Account</b>				
<b>Re-allocation virements to new projects</b>				
ICT General Programme				
Infrastructure Upgrades (ICT Main Prog)	(872)	-		
Future Developments	(419)	-		
Upgrades (ICT Main Prog)	(171)	-		
Security Enhancement (ICT Main Prog)	(117)	-		
Data Centres (ICT Main Prog)	(31)	-		
Infrastructure Upgrades (ICT Main Prog) 2021-2022	-	872	Virements are proposed to reallocate resources for new annual projects required for the ICT rolling programmes.	
Future Developments 2021-2022	-	419		
Software Upgrades (ICT Main Prog) 2021-2022	-	171		
Security Enhancement (ICT Main Prog) 2021-2022	-	67		
Infrastructure Upgrades (ICT Main Prog) 2021-2022	-	50		
Data Centres (ICT Main Prog) 2021-2022	-	31		
<b>Re-allocation virements to existing projects</b>				
Housing General Fund General Schemes - Empty Properties Strategy				
Provision for future programmes	(106)	-		
99 Milfields Road Bilston	13	-		
Two and a half Clifford Street	12	-	A virement is proposed to reallocate resources to individual projects within the Empty Properties capital programme.	
30 Victoria Road	2	-		
182 Castlecroft Road	1	-		
Housing General Fund General Schemes - Other Private Sector Grants				
Capitalised Salaries	78	-		
Queen Street Gateway Townscape Heritage Project				
Provision for future programmes	(162)	-		
44 Queen Street	63	-	A virement is proposed to reallocate resources to individual projects within the Queen Street Gateway Heritage capital programme.	
28 Queen Street shop	49	-		
25 Queen Street	48	-		
47 Queen Street	2	-		
Full Fibre Network				
Provision for future programmes	(120)	-	A virement is proposed to reallocate resources to individual project within the Full Fibre Network capital programme.	
Full Fibre Network - Technical Project Management	120	-		
Disposals Programme (Non-Strategic)				
Provision for future programmes	(23)	-	A virement is proposed to reallocate resources to individual project within the Disposals Programme (Non-Strategic) capital programme.	
The Wergs - installation of new gas supply	23	-		
Corporate Asset Management				
Provision for future programmes	(82)	-		
Towers – compliance works	(46)	-		
Bradley Resource Centre - FRA priority works	(33)	-		
Beckminster House - electrical switches	(5)	-		
i10 - FRA priority works	(2)	-	Virements are proposed to reflect reallocation of resources across the projects within the Corporate Asset Management Capital programme. Regular rescheduling of works is required to ensure that current corporate priorities are met and reflected.	
Bob Jones Community Centre - domestic hot water cylinder	(1)	-		
Bingley Enterprise Centre - replace and insulate roof, replace windows	65	-		
Shops at the Haymarket - refurbishment scheme - Phase 2	50	-		
Ashmore Park Community Hub – floor replacement	36	-		
Land to rear of the Lodge (Dunstall Lane) - clearance of site and	16	-		
Bantock House - hot water boiler	1	-		
Old Heath Housing Office - kitchen refurb/house project	1	-		
Vehicles (Procurement)				
Provision for future programmes	(1,169)	-	A virement is proposed to reallocate resources to individual project within the Vehicles (Procurement) capital programme.	
Purchase of Vehicles	1,169	-		
i54 Access and Infrastructure				
Provision for future programmes	(1)	-	A virement is proposed to reallocate resources to individual project within the i54 capital programme.	
Contingency / General Costs - STAFFS	1	-		
<b>Project to project virements</b>				
Disabled Facilities Grants				
Mandatory Disabled Facilities Grants	(103)	-	Virements are proposed to reallocate resources within the Disabled Facilities Grant Programme.	
Discretionary Bathrooms Adaptations Grant	(32)	-		
Social Care Minor Adaptations	104	-		
Rehabilitation Equipment 2019-2020	17	-		
Small Adaptations Grants	14	-		

Capital project General Revenue Account	Virement		Comments
	Existing project £000	New project £000	
South Side			
Demolition of 50-51 Snow Hill	(13)	-	
Markets Relocation to Southside	(13)	-	Virements from completed schemes are proposed to facilitate works required for Public Open Space ERDF project.
Wednesfield Library			
Wednesfield Library	(4)	-	
Bilston Urban Village			
Bilston Urban Village - Public Open Space	30	-	
Targeted Disposals Programme			
Disposal of Heath Town Baths	(74)	-	A virement is proposed to facilitate works required for Public Open Space ERDF project.
Bilston Urban Village			
Bilston Urban Village - Public Open Space	74	-	
Blue Network			
Wyrley & Essington Canal Local Nature Reserve Signage	(4)	-	
Reedwood Park/Anson Branch improvement via Walsall MBC	(1)	-	Virements are proposed to reallocate resources within the Blue Network capital programme.
Wyrley & Essington Canal Proposed LNR - Improvements to Public Open Space at Wednesfield Park	3	-	
Wyrley & Essington Canal Proposed LNR - Improvements to Public	2	-	
Digital Transformation Programme Software			
DTP Phase 2 - Content Management System	(2)	-	A virement is proposed to reallocate resources within the Digital Transformation capital programme.
DTP Phase 2 - Customer Platform	2	-	
ICT General Programme			
Infrastructure Upgrades (ICT Main Prog)	(1,448)	-	
Future Developments	(571)	-	
Upgrades (ICT Main Prog)	(171)	-	
IT Service Management	(153)	-	
Storage Refresh (ICT Main Prog)	(112)	-	
Security Enhancement (ICT Main Prog)	(101)	-	
Data Centres (ICT Main Prog)	(74)	-	
Print and Mail	(1)	-	
Infrastructure Upgrades (ICT Main Prog) 2020-2021	813	-	
Future Developments 2020-2021	400	-	Virements are proposed to reflect reallocation of resources across the projects within the ICT capital programme. Regular rescheduling of works is required to ensure that current corporate priorities are met and reflected.
Infrastructure Upgrades (ICT Main Prog) 2019-2020	358	-	
IT Service Management 2020-2021	200	-	
Future Developments 2019-2020	171	-	
Software Upgrades (ICT Main Prog) 2020-2021	140	-	
Storage Refresh (ICT Main Prog) 2020-2021	112	-	
Software Upgrades (ICT Main Prog) 2019-2020	71	-	
Security Enhancement (ICT Main Prog) 2020-2021	70	-	
Print and Mail 2019-2020	69	-	
Data Centres (ICT Main Prog) 2020-2021	50	-	
Data Centres (ICT Main Prog) 2019-2020	24	-	
Security Enhancement (ICT Main Prog) 2019-2020	11	-	
ICT Desktop Refresh			
Desk top refresh 2020-2021	142	-	
ICT Disaster Recovery			
Disaster Recovery	(350)	-	Virements are proposed to reflect reallocation of resources across the projects within the ICT capital programme. Regular rescheduling of works is required to ensure that current corporate priorities are met and reflected.
Disaster Recovery 2020-2021	200	-	
Corporate Contingeny			
Provision for future programmes	150	-	
Disposals Programme (Non-Strategic)			
Wolverhampton Environment Centre (WEC)	(10)	-	A virement is proposed to reallocate resources within the Disposals Programme (Non-Strategic).
Parkfields Centre - demolition of Caretakers House and Sports Hall	5	-	
Merridale Cemetery Lodge - water main installation	5	-	
Parks Strategy and Open Space			
Craddock Street public open space	(100)	-	A virement is proposed to reallocate resources to Craddock Street Subway project which is now includes overall works related to the scheme and it is overseen by the Transportation Service.
Integrated Transport			
Craddock Street Subway	100	-	
Bowman's Harbour - Former Landfill Sites			
Bowman's Harbour Repository - Tech Investigation	(1)	-	A virement is proposed to facilitate costs related to Site Remediation Farndale project.
Site Remediation Farndale			
Site Remediation Farndale - Courtaulds - Investigation (non Defra)	1	-	
Waste and Recycling Strategy			
Service Transformation 2018-2019	(408)	-	A virement is proposed to reallocate resources within the Waste and Recycling capital programme.
Garden waste bins	408	-	

Capital project	Virement		Comments
	Existing project £000	New project £000	
<b>General Revenue Account</b>			
Corporate Asset Management			
Duke St Bungalows – bathing & showering facilities upgrade	(7)	-	
Bilston Community Centre - heating system installation	(7)	-	
Aldersley Leisure Village - new heating & hot water	(4)	-	
Civic Centre (Ceremonial Carpark) – electrical works	(4)	-	
Graiseley Strengthening Family Hub - FRA priority works	(4)	-	
Lower Bradley Community Centre - toilets refurbishment	(2)	-	
1 Worcester St Shop - roof works	(2)	-	
Park Village Media Centre – roof works	(1)	-	
Music School (Graiseley) - FRA priority works	(1)	-	
Low Hill Library - FRA priority works	(1)	-	
Molineux Hotel ( City Archives) – Fire Suppression Cylinder	(1)	-	
Wholesale Markets – fire alarm installation	(1)	-	
Wolverhampton Art Gallery – replace humidifier	(1)	-	
Civic Centre (Registrars) – Unisons relocation	(1)	-	
Bantock House - hot water boiler	(1)	-	
Old Heath Housing Office - kitchen refurb/house project	(1)	-	
Upper Pendeford Farm - FRA priority works	8	-	
Civic Centre (Mayoral Suite) - toilets refurbishment	7	-	
Central Library – Replace skylight to main stairwell	4	-	
18/19 Queen Square - FRA priority works	4	-	
West Park Conservatory - Intruder Alarm and CCTV System	3	-	
Newhampton Arts Centre – roof, wall and door replacement works	2	-	
Queens Building – roof covering replacement	2	-	
Civic Centre (Basement) – refurbish print room and kitchen	2	-	
Land to rear of the Lodge (Dunstall Lane) - clearance of site and erection of security fence	2	-	
Graiseley SFH - structural maintenance of paths/car parks	1	-	
Wholesale Markets – building refurbishment works	1	-	
Fordhouses Industrial Estate – electrical installation works	1	-	
Fordhouses Industrial Estate – replace roller shutters	1	-	
Hickman Avenue Depot – electrical installation works	1	-	
Accessing Growth Fund			
City North (A449) and City East Gateway (A454) - Major Scheme Development	(8)	-	A virement is proposed to reallocate resources within the Accessing Growth Fund capital programme.
Springfield Campus Connectivity Phase 2	8	-	
Street Lighting			
Street Lighting replacement programme (Invest to Save)	(5,033)	-	
Smart Intelligent Infrastructure Investment (ERDF)	5,033	-	A virement is proposed to reallocate resources within the Street Lighting capital programme.
Maintenance of unclassified roads			
Pinfold Lane Footways	(1)	-	
Safety Programme			
High Street, Tettenhall - traffic calming and zebra crossing	1	-	A virement is proposed to facilitate costs related to traffic calming and zebra crossing on High Street.
Network Development - Safer Routes to School			
School Gate Parking	(1)	-	
Integrated Transport	-	-	
Ring Road & City Centre Signage	(1)	-	
UTC - Wireless Communications	2	-	Virements are proposed to cover costs related to UTC - Wireless Communications project.
Maintenance of unclassified roads			
Waterloo Road	(111)	-	
Hunter Street	(3)	-	
Integrated Transport			
Craddock Street Subway	(3)	-	
Safety Programme			
Hare Street/Oxford Street - highway modifications	(36)	-	
Kitchen Lane - traffic calming and zebra crossing	(1)	-	
Transport Structural Maintenance			
Specialist Surface Treatments	(6)	-	
Maintenance of unclassified roads			
Westside Link Phase 1	100	-	
Carriageway Surfacing Treatment	50	-	
Hordern Road	6	-	
Integrated Transport			
Cannock Road / Cross St North	4	-	

Capital project	Virement		Comments
	Existing project £000	New project £000	
<b>General Revenue Account</b>			
Transport Structural Maintenance			
Transport Structural Maintenance - Street Lighting	(42)	-	
Specialist Surface Treatments	(12)	-	
Replacement of non-compliant safety fencing	(50)	-	
Integrated Transport			
Bus infrastructure improvements	(28)	-	
City East Gateway A454 - Japanese Knotweed	(13)	-	
Craddock Street Subway	(21)	-	
Safety Programme			
Vehicle actuated speed warning signs	(24)	-	
Kitchen Lane - traffic calming and zebra crossing	(66)	-	
Finchfield Lane	(50)	-	
Dunstall Road/Evans Street	(46)	-	
Waddensbrook Lane – crossing facility	(21)	-	
Managing Short Trips			
City Centre Cycling and Public Realm improvements	(20)	-	Virements are proposed to reallocate resources across the projects within the Transportation capital programme to ensure that priorities are met and reflected.
Highway Structures (bridges, subways, retaining walls)			
Highway Structures - Council Assets - Strengthening	(80)	-	
Vaughan Subway	(150)	-	
Maintenance of unclassified roads			
Lichfield Street (Princes Square – Railway Drive)	(100)	-	
Wright Avenue/Hylstone Crescent/Pritchard Avenue and roads off	(150)	-	
Public Rights of way improvements	(25)	-	
Transport Structural Maintenance			
Maintenance of classified roads	619	-	
Response patching	59	-	
Northycote Lane	10	-	
Integrated Transport			
Integrated Transport - Advance Design	188	-	
Traffic Signs replacement	6	-	
Maintenance of unclassified roads			
Westside Link Phase 1	16	-	
Transport Structural Maintenance			
Cannock Road - Phase II	(5)	-	
Broad Street	(9)	-	
Trysull Road	(36)	-	
Integrated Transport			
Junction Upgrades – Bham New Rd / Shaw Rd (LPPF)	(40)	-	
Safety Programme			
Wergs Road/Yew Tree Lane	(12)	-	
Active Travel Programme			
Bike Share Infrastructure	(50)	-	
Disabled Access			
Disabled Access (rolling programme)	(9)	-	
Highway Structures (bridges, subways, retaining walls)			
Arthur Street Bridge	(66)	-	Virements are proposed to reallocate resources across the projects within the Transportation capital programme to ensure that priorities are met and reflected.
Maintenance of unclassified roads			
Vicarage Road	(10)	-	
Northwood Park Road	(124)	-	
Kingsland Road	(40)	-	
Transport Structural Maintenance			
Response patching	102	-	
Moseley Road	86	-	
Neachells Lane	24	-	
Safety Programme			
Local Safety Schemes - Urgent Safety Works / Feasibility	84	-	
Active Travel Programme			
Walking, Cycling and SRTS - Cycle Parking	2	-	
Accessing Growth Fund			
City North Gateway Phase 1 - Stafford Road A449	15	-	
Maintenance of unclassified roads			
Lea Manor Drive / Trimpey Gardens	88	-	
<b>Total General Revenue Account capital programme</b>	<b>(1,610)</b>	<b>1,610</b>	

Capital project	Virement		Comments
	Existing project £000	New project £000	
<b>Housing Revenue Account</b>			
<b>Re-allocation virements to existing projects</b>			
Adaptations for People with Disabilities			
Provision for future programmes	(1,252)	-	
Disabled Adaptations - Level Access Showers	494	-	
Disabled Adaptations - Extensions	201	-	
Disabled Adaptations - Other	185	-	A virement is proposed to reallocate resources to individual projects within the Disabled Adaptations capital programme.
Disabled Adaptations - Minor Only 08/09 Onwards	178	-	
Disabled Adaptations - Stairlifts	162	-	
Disabled Adaptations - Vertical Lifts / Ceiling Track Hoists	30	-	
Disabled Adaptations - Incentive Scheme	2	-	
WV Living Units			
Provision for future programmes	(2,500)	-	
Wednesfield	1,800	-	A virement is proposed to reallocate resources to individual projects within the WV Living capital programme.
Former Residential care Home Sites	500	-	
Prouds Lane	200	-	
<b>Project to project virements</b>			
Roof Refurbishment Programme			
Roofing Refurbishment Programme - City wide	(3,672)	-	A virement is proposed to reallocate resources to High Rise M&E Infrastructure Refurbishment project.
Decent Homes - Stock Improvements			
High Rise M&E Infrastructure Refurbishment	3,672	-	
Decent Homes - Stock Improvements			
Heath Town Refurbishment of Retained Properties	(49)	-	A virement is proposed to reallocate resources to accommodate costs related to the Heath Town Follow on DH Works project.
Heath Town Follow on DH Works	49	-	
Sustainable Estates Programme			
Wolverhampton Homes - Capitalised Salaries	(263)	-	
Lift Improvements	(234)	-	Virements are proposed to reallocate resources to mitigate pressures on the High Rise Fire Safety Issues project.
Door Entry (2005/06 Spend Onwards)	(63)	-	
External Improvement Works (Pre Decent Homes)	(61)	-	
High Rise Fire Safety Issues	1,019	-	
Small Sites Programme			
Bushbury Hill Community Housing	(3,500)	-	
Small Sites Phase 3	(268)	-	
WV Living Units			
WVL Units - Ettingshall and Sweetbriar Road	(63)	-	Virements are proposed to reallocate resources to other new build schemes and future provision.
New Build Programme	2,262	-	
Medium Sites	1,000	-	
Small Sites Programme			
Small Sites 5	569	-	
WV Living Units			
Ettingshall and Sweetbriar Road	(7)	-	A virement is proposed to reallocate resources within the WV Living Units capital programme.
Danesmore	7	-	
Decent Homes - Stock Improvements			
Internal Decency Works	(515)	-	
Minor Works/Door Entry Rolling Programme			
Door Entry (2005/06 Spend Onwards)	(14)	-	
Refurbishment of Voids			
Refurbishment of Voids to Decent Homes Standard	392	-	Virements are proposed to reallocate resources to facilitate various works related to refurbishment of voids, pathways and road repairs and structural works.
Pathway Improvement and Safety Programme			
Repairs - Pathways/Unadopted Roads	93	-	
Structural Works Programme			
Structural works	44	-	
<b>Total Housing Revenue Account capital programme</b>			
<b>Grand total</b>	<b>(1,610)</b>	<b>1,610</b>	

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<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> <b>8 July 2020</b>
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<b>Report title</b>	Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021	
<b>Decision designation</b>	RED	
<b>Cabinet member with lead responsibility</b>	Councillor Louise Miles Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Tim Johnson, Chief Executive	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee</b>	Claire Nye	Director of Finance
	Tel	01902 550478
	Email	Claire.nye@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board Council Our Council Scrutiny Panel	26 June 2020

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**Recommendations for decision:**

That Cabinet recommend that Council:

1. Delegates authority to the Director of Finance to lower the minimum sovereign rating in the Annual Investment Strategy, in the event of the UK's credit rating being downgraded by the two credit rating agencies, due to the unprecedented impact of Covid-19 on the economy.

That Cabinet recommend that Council is asked to note:

1. The Council operated within the approved Prudential and Treasury Management Indicators, and also within the requirements set out in the Council's approved Treasury Management Policy Statement during 2019-2020.

2. That revenue underspends of £440,000 for the General Revenue Account and £273,000 for the Housing Revenue Account (HRA) were generated from treasury management activities in 2019-2020.
3. That revenue underspends of £1.5 million for the General Revenue Account and £434,000 for the HRA are forecast from treasury management activities in 2020-2021.
4. That due to receipt of grants from Central Government in response to Covid-19 the Council temporarily exceeded the limit of £10.0 million to be held in the Council's bank account. The temporary increase of the limit to £32.7 million was approved by the Director of Finance under the authority delegated by Council and was in place for the period 1 April 2020 to 9 April 2020.

## **1.0 Purpose**

- 1.1 This report sets out the results of treasury management activities carried out in 2019-2020, together with performance against the Prudential Indicators previously approved by Council. It also provides a monitoring and progress report on treasury management activity for the first quarter of 2020-2021, in line with the Prudential Indicators approved by Council in March 2020.

## **2.0 Background**

- 2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management. For further information on the requirements of the Code please refer to the Treasury Management Strategy 2020-2021 report which can be accessed online on the Council's website by following the link:

<https://wolverhampton.moderngov.co.uk/ieListDocuments.aspx?CId=130&MId=11872&Ver=4>

- 2.2 Treasury management is defined as:

“The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 2.3 The system of controls on local authority capital investment is based largely on self-regulation by local authorities themselves. At its heart is CIPFA's Prudential Code for Capital Finance.
- 2.4 Cabinet / Cabinet (Resources) Panel received quarterly reports during 2019-2020 to monitor performance against the strategy and Prudential Indicators previously approved by Council.
- 2.5 The Council continued to use Link Asset Services as treasury management advisors throughout 2019-2020 and 2020-2021 to date. Link provides market data and intelligence on which the Council can make decisions regarding all aspects of treasury management activities and, in particular, managing the risks associated with investing surplus cash.

## **3.0 The strategy and outturn for 2019-2020**

- 3.1 The strategy for 2019-2020 was to maintain cash balances at a reduced level, therefore, keeping to a minimum the credit risk incurred by holding investments and to avoid the higher costs of external borrowing compared to interest foregone on cash balances, thereby generating revenue savings.

- 3.2 During 2019-2020, the Council followed the recommendations as set out in the Treasury Management Strategy 2019-2020.
- 3.3 The Treasury Management outturn for 2019-2020 compared to budget is shown in Table 1.

**Table 1 – Treasury management budget and outturn 2019-2020**

	<b>Approved Budget</b>	<b>Outturn</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
General Revenue Account	33,683	33,243	(440)
Housing Revenue Account	9,868	9,595	(273)
<b>Total</b>	<b>43,551</b>	<b>42,838</b>	<b>(713)</b>

- 3.4 Overall, there were revenue underspends of £440,000 for the General Revenue Account and £273,000 for the HRA for 2019-2020. For the General Revenue Account, the main reasons are as previously reported; a reduced borrowing need in year arising as a result of re-phasing of the capital programme offset against an increase in Minimum Revenue Provision (MRP) charges and loss of income for interest charged on loans to others. The MRP has increased due to the amount of borrowing applied in 2018-2019 against short life assets compared to the forecast. The loss of interest income is due to the revised timing of loan requests from WV Living.
- 3.5 In order to ensure that the revenue implications of the capital programme do not impact adversely on the revenue budget the Council utilises a Treasury Management Equalisation Reserve (TMER). This specific reserve can be called on as and when required to support the revenue costs associated with re-phasing in the capital programme. In 2019-2020, it is proposed to contribute £183,000 from the Highway Management Reserve to accommodate revenue costs of Highways Maintenance capital expenditure on Craddock Street Subway and Demolition of Faulkland Street Shelter into the TMER. In addition, following a review of all reserve balances, it is proposed to make a contribution from the TMER of £1.0 million to the Recovery Reserve. The current balance remaining on the TMER after these proposals is £2.2 million. The proposed adjustments are contained in the 'Reserves, Provisions and Balances 2019-2020' report also on the agenda for approval at this meeting.
- 3.6 No institutions in which investments were made had any difficulty in repaying investments or interest in full during the year and no arrangements had to be made to prematurely withdraw funds from any investments as a result of a downgrade in their respective credit rating. There was also no debt rescheduled in 2019-2020.
- 3.7 Table 2 shows the average rate of interest payable and receivable in 2018-2019 and 2019-2020.

**Table 2 – Average interest rate payable and receivable in 2018-2019 and 2019-2020**

	<b>2018-2019 Actual</b>	<b>2019-2020 Actual</b>
Average Interest Rate Payable	3.75%	3.74%
Average Interest Rate Receivable	0.65%	0.70%

**Borrowing outturn for 2019-2020**

- 3.8 The average debt interest rate decreased marginally from 3.75% in 2018-2019 to 3.74% in 2019-2020. The Council undertakes borrowing only when necessary to maintain sufficient cash flow balances and after monitoring the market to take advantage of the best available rates. A summary of the borrowing and repayment activities is shown below with the average interest rates; this activity has resulted in a slightly lower overall average rate for the year.

**Table 3 – Summary of borrowing and repayment activities**

	<b>PWLB Loans £000</b>	<b>Average Rate %</b>	<b>Temporary Loans £000</b>	<b>Average Rate %</b>	<b>Total Loans £000</b>
New Loans Raised	-	-	-	-	-
Repayment of Loans	-	-	(8,000)	0.80%	(8,000)
<b>Net movement</b>	<b>-</b>		<b>(8,000)</b>		<b>(8,000)</b>

- 3.9 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.
- 3.10 The Council's Capital Financing Requirement (CFR) increased from £893.4 million to £926.2 million throughout 2019-2020. This reflects a net increase in the Council's underlying need to borrow for capital purposes. This was split between the General Revenue Account and Housing Revenue Account at a rate of 72.0% and 28.0% respectively (2018-2019: 71.8% and 28.2%).
- 3.11 Table 4 shows how the decrease in actual external borrowing arose during the year.

**Table 4 – Decrease in actual external borrowing 2019-2020**

	<b>£000</b>
<b>Opening balance at 1 April 2019</b>	<b>740,947</b>
Less: Repayments	
- Temporary loans	(8,000)
Total repayments	(8,000)
<b>Net borrowing 2019-2020</b>	<b>(8,000)</b>
<b>Closing balance at 31 March 2020</b>	<b>732,947</b>

3.12 Appendix 1 shows a summary of this position along with a detailed breakdown of repayments made throughout the year. No new loans were taken out during 2019-2020.

#### **Investment outturn for 2019-2020**

3.13 The actual interest rate earned from investments increased from 0.65% in 2018-2019 to 0.70% in 2019-2020. This is due to improved interest rates available on the Council's Money Market Funds.

3.14 The approach during the year was to continue to use cash balances to finance capital expenditure to keep cash balances low. This minimised counterparty risk on investments and also mitigated treasury management costs as investment rates were much lower than most new borrowing rates.

3.15 The Council manages its investments in-house and invests only in the institutions listed in the Council's approved lending list, which is reviewed each time a counterparty is subject to a credit rating amendment. The Council's strategy allows for investments for a range of periods from overnight to five years, depending on the Council's cash flows, its interest rate view and the interest rates on offer. However, in order to maintain sufficient liquidity whilst total investment levels are relatively low, most investments have been placed for shorter durations.

#### **4.0 2020-2021 forecast**

4.1 The Treasury Management budget for 2020-2021 of £37.0 million was approved by Council on 4 March 2020. On 30 April 2020 a virement of £210,000 from this budget to Fleet Services was approved, under special urgency provisions, to cover the leasing costs for the hire and maintenance of winter service vehicles rather than purchasing them from the capital budget. The budget for Treasury Management therefore stands at £36.8 million.

4.2 It should be noted that in order to provide a timely report, only investment activities up to and including 31 May 2020 have been included. Borrowing activities include the month of June. The forecast outturn for treasury management activities in 2020-2021 compared to budget is shown in Table 5.

**Table 5 – Treasury management budget and forecast outturn 2020-2021**

	<b>Approved Budget £000</b>	<b>Forecast Outturn £000</b>	<b>Variance at Quarter one £000</b>
General Revenue Account	36,835	35,349	(1,486)
Housing Revenue Account	10,923	10,489	(434)
<b>Total</b>	<b>47,758</b>	<b>45,838</b>	<b>(1,920)</b>

- 4.3 Overall, underspends of £1.5 million for the General Revenue Account and £434,000 for the HRA are projected for the year 2020-2021.
- 4.4 The main reasons for the underspend for the General Revenue Account are a reduced borrowing need in year arising as a result of re-phasing of the capital programme and lower interest rates forecast on borrowing due to the impact on the economy of Covid-19. This is offset by a reduction in treasury income receivable. Due to the uncertain economic climate due to Covid-19, it is likely that the outturn forecast will be subject to change during the financial year.
- 4.5 The forecast underspend will be considered more fully and in context of the whole general fund budget in the 2020-2021 Quarter One Budget Monitoring Report to Cabinet on 29 July.
- 4.6 Appendix 2 shows a comparison of the latest estimates of Prudential and Treasury Management Indicators over the medium term period with the equivalent figures which were approved by Council in March 2020.

**Borrowing forecast for 2020-2021**

- 4.7 Table 6 shows the average rate of interest payable in 2019-2020 and forecast for 2020-2021.

**Table 6 – Average interest rate payable in 2019-2020 and 2020-2021**

	<b>2019-2020 Actual</b>	<b>2020-2021 Forecast</b>
Average Interest Rate Payable	3.74%	3.69%

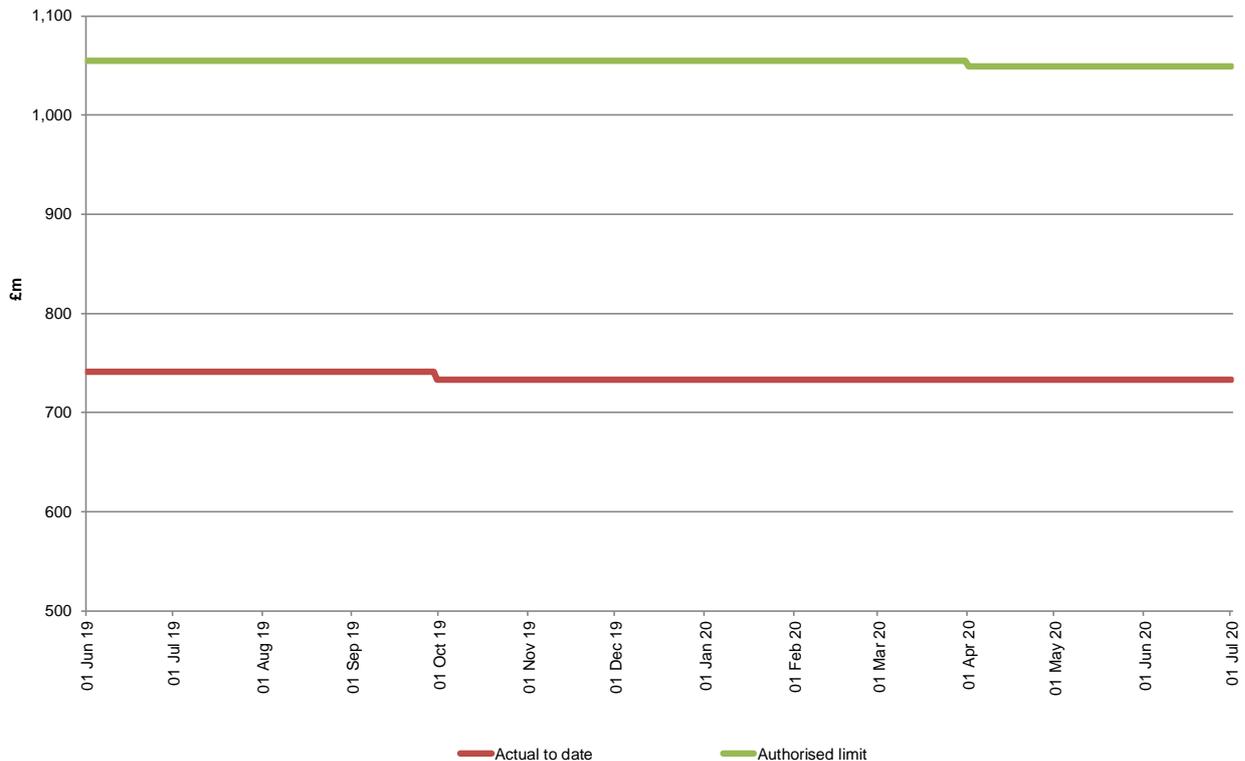
- 4.8 The average rate of interest payable by the Council is estimated to be slightly decreased from 3.74% to 3.69% for 2020-2021.
- 4.9 Each year it is necessary to raise new loans to finance capital expenditure and to replace existing maturing borrowing. The Council's policy is to prioritise the use of capital receipts to finance capital expenditure. Balances which are set aside to meet credit liabilities (i.e. to repay borrowing) are used to reduce the external borrowing requirement. Decisions to take borrowing will be made by the Director of Finance when it is judged that

rates are likely to be at their lowest levels, and probably about to rise according to market indications, and only when an inflow of funds is required to meet imminent cash flow commitments. This will keep overall surplus cash balances to a minimum, in line with the current strategy. Appendix 3 shows the maturity profile of external borrowing.

4.10 As always, the Council needs to be mindful that the opportunity to secure short term efficiencies by postponing longer term borrowing requirements takes into account the risk of long term rates increasing in the future. The Director of Finance will continue to keep actual and forecast rates under close review.

4.11 The Council's borrowing profile continues to operate within the overall limits previously approved by Council, as shown in Chart 1.

**Chart 1 – Comparison of borrowing within approved borrowing limits over the previous 12 months**



4.12 The level of borrowing at 30 June 2020 is £732.9 million, appendix 1 shows a summary of this position. During quarter one no new loans or repayments have occurred, £12.5 million of existing borrowing is due to be repaid between quarters two to four.

4.13 In March 2020, Council approved a net borrowing requirement for 2020-2021 of £154.7 million. The forecast net borrowing requirement for 2020-2021 is £133.1 million, as shown in appendix 4. This appendix also shows the details for the disclosure for certainty rate, which enables the Council to access discounted borrowing at 0.20% below normal PWLB rates.

### Investment forecast for 2020-2021

- 4.14 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.
- 4.15 Table 7 shows the total amount of surplus funds invested as at 31 March 2020 and in order to provide a timely report, 31 May 2020.

**Table 7 – Total amounts invested 2020-2021**

	<b>31 March 2020</b> £000	<b>31 May 2020</b> £000
Business Reserve Accounts	2,057	339
Money Market Funds	28,305	21,405
	<b>30,362</b>	<b>21,744</b>
Average cash balance for the year to date	32,746	47,136

- 4.16 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access.
- 4.17 The Council's cash flow balance for the first quarter of the current financial year has moved between a low of £10.5 million and a maximum of £91.0 million; largely due to the receipt of Central Government grants linked to Government directives during the Covid-19 pandemic. The average cash balance for the quarter being £47.1 million.
- 4.18 Table 8 shows the budgeted average rate of interest receivable in 2020-2021 and the forecast for the year.

**Table 8 – Average interest rate receivable in 2020-2021**

	<b>2020-2021</b> Budget	<b>2020-2021</b> Forecast
Average Interest Rate Receivable	0.70%	0.30%

- 4.19 At the time the budget was set a prudent percentage was used for budgeting purposes, however, since the Covid-19 pandemic the interest rates available for investments has decreased significantly. As can be seen, a lower rate is forecast based on rates achieved up to 31 May 2020. The impact of this reduction will be monitored throughout the year, however, this loss of income will be offset against the savings generated by avoiding the cost of borrowing, due to re-phasing in the capital programme and lower borrowing interest rates.

- 4.20 On 30 March 2020 Fitch (one of the three credit rating agencies) downgraded the UK's sovereign rating from AA to AA- due to the unprecedented impact of the Covid-19 pandemic on the economy. The Council's Annual Investment Strategy sets the minimum sovereign rating of AA with regard to the Council's investment lending list. As the two other credit rating agencies (Moody's and Standard & Poors) kept their UK sovereign rating equivalent to AA the Annual Investment Strategy hasn't required amendment. If they did also downgrade the UK's sovereign rating, the Council's bank account provider, National Westminster Bank plc, would no longer meet the current approved minimum sovereign rating. Therefore, to ensure that National Westminster Bank plc remains on the lending list, in the event that the UK sovereign rating is downgraded by Moody's and Standard & Poors, delegation is being sought to enable the minimum sovereign rating to be lowered by the Director of Finance in a timely manner.
- 4.21 The approved Treasury Management Code of Practice sets out the criteria to be used for creating and managing approved counterparty lists and limits. As a result of any changes to credit criteria, the Director of Finance is authorised to make changes to the list of approved counterparties. In the event that any of these counterparties fall below the Council's minimum lending criteria, activity in that account will temporarily cease and any balance withdrawn immediately. Appendix 5 shows the Council's current specified investments lending list.
- 4.22 In quarter one 2020-2021, due to receipt of grants from Central Government in response to Covid-19 the Council temporarily exceeded the limit of £10.0 million to be held in the Council's bank account, the Business Reserve Account. The temporary increase of the limit to £32.7 million was approved by the Director of Finance under the authority delegated by Council and was in place during the period 1 April 2020 to 9 April 2020. This temporary increase was required as all the available Money Market Funds had reached their limits and during this time the balance moved between £18.1 million to £32.7 million.

## **5.0 Evaluation of alternative options**

- 5.1 As this is a monitoring report of treasury management activities undertaken in line with the approved Treasury Management Strategy for 2019-2020 and 2020-2021, there are no alternative options available.

## **6.0 Reasons for decisions**

- 6.1 This report provides an update on treasury management activities undertaken in line with the approved Treasury Management Strategy for 2019-2020 and 2020-2021.

## **7.0 Financial implications**

- 7.1 The financial implications are discussed in the body of this report.  
[SH/26062020/Q]

## **8.0 Legal implications**

- 8.1 The Council's treasury management activity must be carried out in accordance with the requirements of the Local Government Act 2003. In addition the Local Government and Housing Act 1989 sets out requirements for local authorities in respect of capital controls, borrowing and credit arrangements. The Council is also required to comply with the Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008.
- 8.2 Treasury management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.
- 8.3 The area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in the Public Services', contains treasury management indicators and advice on treasury management strategy. Investment strategy is regulated by 'MHCLG Guidance on Local Government Investments' issued initially in 2004 and reissued in 2010 and 2018. Part 2 of this Guidance is statutory guidance.  
[TS/26062020/R]

## **9.0 Equalities implications**

- 9.1 There are no equalities implications arising from this report.

## **10.0 Climate change and environmental implications**

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

## **11.0 Human resources implications**

- 11.1 There are no human resources implications arising from this report.

## **12.0 Corporate landlord implications**

- 12.1 There are no corporate landlord implications arising from this report.

## **13.0 Health and Wellbeing Implications**

- 13.1 There are no health and wellbeing implications arising from this report.

## **14.0 Covid Implications**

- 14.1 Due to Covid-19 there has been re-phasing of the capital programme which reduces the borrowing need in year. Furthermore, the additional grant funding provided by Central Government along with the payment of some grants being re-phased and paid earlier has

resulted in extra cash than normal being held in the Council's bank and investment accounts. This has resulted in the Director of Finance authorising a temporary increase to the limit on the Council's bank account. However, off set against this is the additional expenditure pressure being incurred by the Council impacting on the Council's cashflow balances, which may require borrowing to be undertaken sooner than planned to temporarily fund revenue costs.

- 14.2 In addition, Covid-19 has impacted on the economy resulting in lower interest rates being available for investments and may affect the UK's sovereign rating. So far only one of the three rating agencies has reduced the UK's rating, if the remaining two agencies follow suit the Council's minimum sovereign rating will need to be lowered to allow the Council's bank to remain on the lending list. The impact on the treasury management budget of the reduced interest rates available for the Council's investments will be closely monitored.

## **15.0 Schedule of background papers**

- 15.1 [Treasury Management Strategy 2019-2020](#), Report to Cabinet, 20 February 2019
- 15.2 [Treasury Management – Annual Report 2018-2019 and Activity Monitoring Quarter One 2019-2020](#), Report to Cabinet, 10 July 2019
- 15.3 [Treasury Management Activity Monitoring – Mid Year Review 2019-2020](#), Report to Cabinet, 13 November 2019
- 15.4 [Treasury Management Strategy 2020-2021](#), Report to Cabinet, 19 February 2020
- 15.5 [Treasury Management Activity Monitoring Quarter Three 2019-2020](#), Report to Cabinet (Resources) Panel, 3 March 2020
- 15.6 Procurement – Award of Contracts for Works, Goods and Services, Report under special urgency provisions, 30 April 2020
- 15.7 [Reserves, Provisions and Balances 2019-2020](#), Report to Cabinet, 8 July 2020

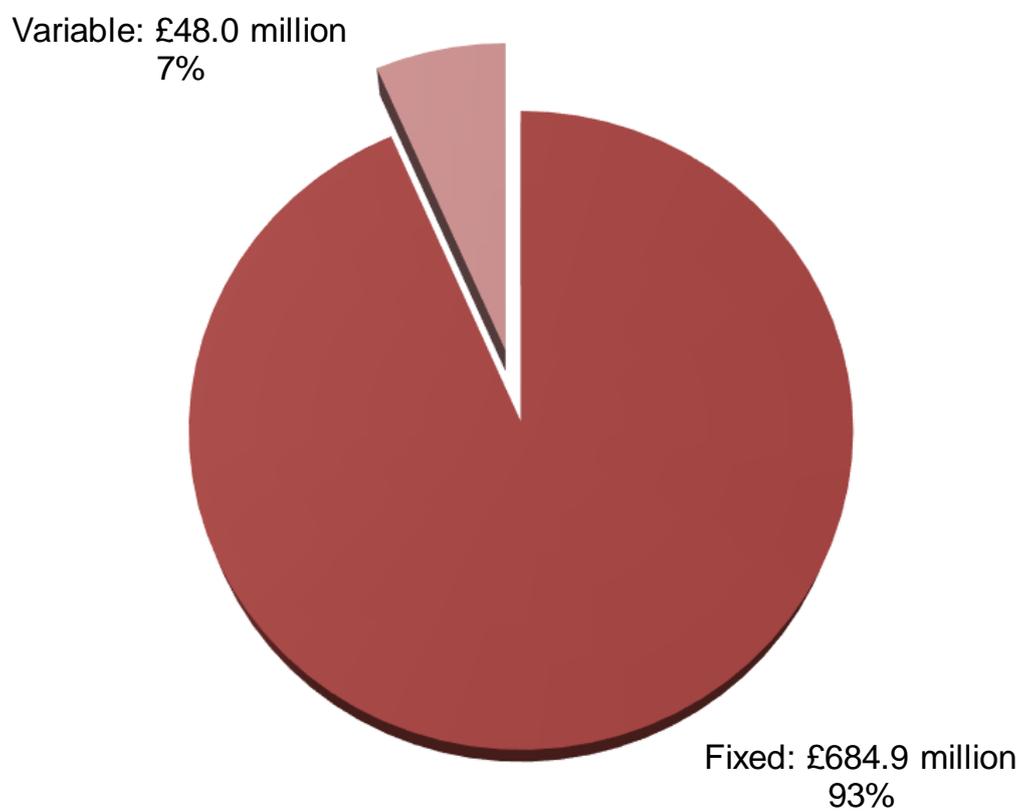
## **16.0 Appendices**

- 16.1 Appendix 1 – Borrow type, borrowing and repayments
- 16.2 Appendix 2 – Prudential and Treasury Management Indicators
- 16.3 Appendix 3 – Borrowing maturity profile
- 16.4 Appendix 4 – Disclosure for certainty rate
- 16.5 Appendix 5 – Lending list

**Borrowing: Graphical Summary**

**Borrowing by Type**

**As at 31 March 2020**

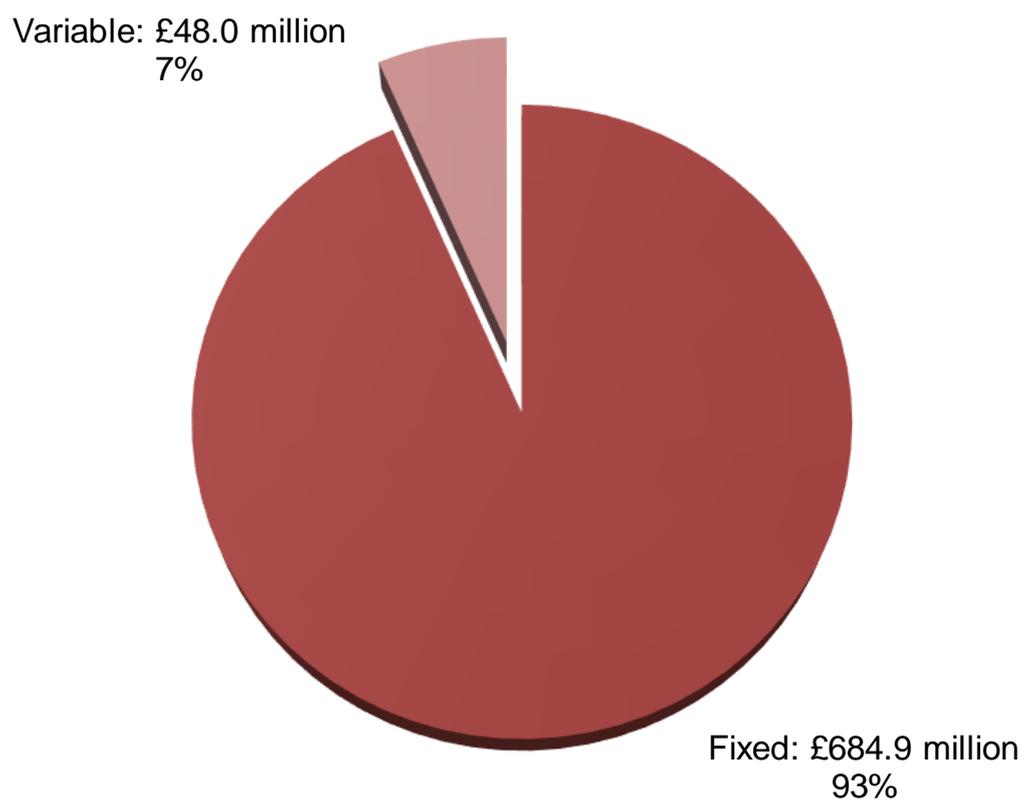


## Borrowing and Repayments in 2019-2020

	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
<b>2019-2020 Borrowing</b>						
<b>PWLB Fixed Maturity:</b>						
No activity in 2019-2020						
<b>Sub total for PWLB</b>			-			-
<b>Temporary Loans:</b>						
No activity in 2019-2020						
<b>Sub total for Temporary Loans</b>			-			-
<b>Grand total borrowing</b>			-			-

	Start Date	Maturity Date	Amount £000	Length years	Interest Rate	Full Year Interest £000
<b>2019-2020 Repayments</b>						
<b>PWLB Fixed Maturity:</b>						
No activity in 2019-2020						
<b>Sub total for PWLB</b>			-			-
<b>Temporary Loans:</b>						
London Borough of Wandsworth	28/09/2017	30/09/2019	8,000	2	0.80%	64
<b>Sub total for Temporary Loans</b>			<b>8,000</b>		<b>0.80%</b>	<b>64</b>
<b>Grand total repayments</b>			<b>8,000</b>			<b>64</b>
<b>Net movement</b>			<b>(8,000)</b>			<b>(64)</b>

**Borrowing: Graphical Summary**  
**Borrowing by Type**  
**As at 30 June 2020**



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## Prudential Indicators (PI) required by The Prudential Code

PI for Prudence - Ensuring that external debt is sustainable and compliance with good professional practice are essential features of prudence.

PI 1 - Estimates and actual capital expenditure.								
Full details of capital expenditure plans and funding can be found in the outturn 2019-2020 quarter one capital budget monitoring 2020-2021 report.								
	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2019-2020 Actual £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
General *	111,998	168,620	56,009	15,474	98,083	180,683	65,307	15,474
HRA	63,596	79,708	82,828	83,790	58,355	72,194	85,422	85,540
	175,594	248,328	138,837	99,264	156,438	252,877	150,729	101,014
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	25,662	27,257	10,000	10,000	26,560	21,357	10,000	10,000

PI 2 - Estimates and actual capital financing requirement General Fund and HRA.								
The capital financing requirement measures the authority's underlying need to borrow for a capital purpose.								
	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2019-2020 Actual £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
General *	679,931	740,334	730,838	710,618	666,537	734,520	742,304	720,923
HRA	263,734	297,250	335,264	376,117	259,635	287,862	328,277	369,573
Total capital financing requirement	943,665	1,037,584	1,066,102	1,086,735	926,172	1,022,382	1,070,581	1,090,496
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	18,712	26,399	15,078	14,670	16,374	16,785	10,499	8,843
<b>Movement in capital financing requirement represented by:</b>								
New borrowing for capital expenditure	91,720	127,037	65,759	63,075	73,060	128,592	86,971	63,391
Less minimum revenue provision/voluntary minimum revenue provision	(41,441)	(33,118)	(37,241)	(42,442)	(40,274)	(32,382)	(38,772)	(43,476)
Movement in capital financing requirement	50,279	93,919	28,518	20,633	32,786	96,210	48,199	19,915

PI 3 - Authorised limit for external debt.					
These limits apply to the total external debt gross of investments and separately identify borrowing from other long term liabilities such as finance leases including Private Finance Initiatives (PF).					
	Approved by Council 4 March 2020				
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000	
Borrowing	1,054,931	1,049,311	1,100,137	1,162,140	
Other Long Term Liabilities	86,553	87,249	84,637	81,939	
Total Authorised Limit *	1,141,484	1,136,560	1,184,774	1,244,079	
Actual and Forecast External Debt as at 30 June 2020	819,462	935,749	986,025	1,005,940	
Variance (Under) / Over Authorised limit	(322,022)	(200,811)	(198,749)	(238,139)	
* Commercial activities / non-financial investments included within this figure.	41,560	38,291	37,964	37,964	

PI 4 - Operational boundary for external debt.				
This is based on the same estimates as the authorised limit but directly reflects the Director of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included.				
	Approved by Council 4 March 2020			
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000
Borrowing	1,013,398	1,018,328	1,083,775	1,146,467
Other Long Term Liabilities	86,545	85,247	82,635	79,937
Total Operational Boundary Limit *	1,099,943	1,103,575	1,166,410	1,226,404
Actual and Forecast External Debt as at 30 June 2020	819,462	935,749	986,025	1,005,940
Variance (Under) / Over Operational Boundary Limit	(280,481)	(167,826)	(180,385)	(220,464)
* Commercial activities / non-financial investments included within this figure.	36,657	37,964	37,964	37,964

## Prudential Indicators (PI) required by The Prudential Code

**PI 5 - Gross debt and the capital financing requirement.**

"In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years".

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020	2020-2021	2021-2022	2022-2023	2019-2020	2020-2021	2021-2022	2022-2023
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Actual £000	Forecast £000	Forecast £000	Forecast £000
Forecast Capital Financing Requirement at end of Second Year	1,066,104	1,086,737	1,102,383	1,102,383	1,070,582	1,090,496	1,106,654	1,106,654
Gross Debt	896,876	1,032,794	1,063,389	1,084,023	819,462	935,749	986,025	1,005,940
Capital Financing Requirement Greater than Gross Debt	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

**PI for Affordability** - These indicators are used to ensure the total capital investment of the Council is within a sustainable limit and the impact of these decisions are considered with regard to acceptable council tax and housing rent levels.

**PI 6 - Estimates and actual ratio of financing costs to net revenue stream.**

This represents the cost of financing capital expenditure as a % of net revenue for both the General Fund and HRA.

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020	2020-2021	2021-2022	2022-2023	2019-2020	2020-2021	2021-2022	2022-2023
	Forecast	Forecast	Forecast	Forecast	Actual	Forecast	Forecast	Forecast
General *	14.2%	14.9%	18.1%	17.9%	14.2%	14.3%	16.5%	16.9%
HRA	28.8%	30.3%	30.9%	31.8%	29.2%	30.0%	30.0%	30.8%
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	0.7%	0.9%	0.9%	0.8%	0.7%	0.9%	1.1%	1.2%

## Treasury Management Indicators (TMI) required by The Treasury Management Code

**TMI 1 - Upper limits to the total of principal sums invested over 365 days.**

This details the maximum amount which can be invested for up to 5 years (as per paragraph 1.5 of the Annual Investment Strategy). It has been determined that a maximum of 50% of total investments with a cap of £35.0 million could be prudently committed to long term investments should the Director of Finance decide it is appropriate to.

	Approved by Council 4 March 2020			
	2019-2020	2020-2021	2021-2022	2022-2023
	Limit £000	Limit £000	Limit £000	Limit £000
Upper limit for more than 365 days	35,000	35,000	35,000	35,000
Actual and Forecast Invested at 30 June 2020	-	-	-	-
Variance (Under) / Over Limit	(35,000)	(35,000)	(35,000)	(35,000)

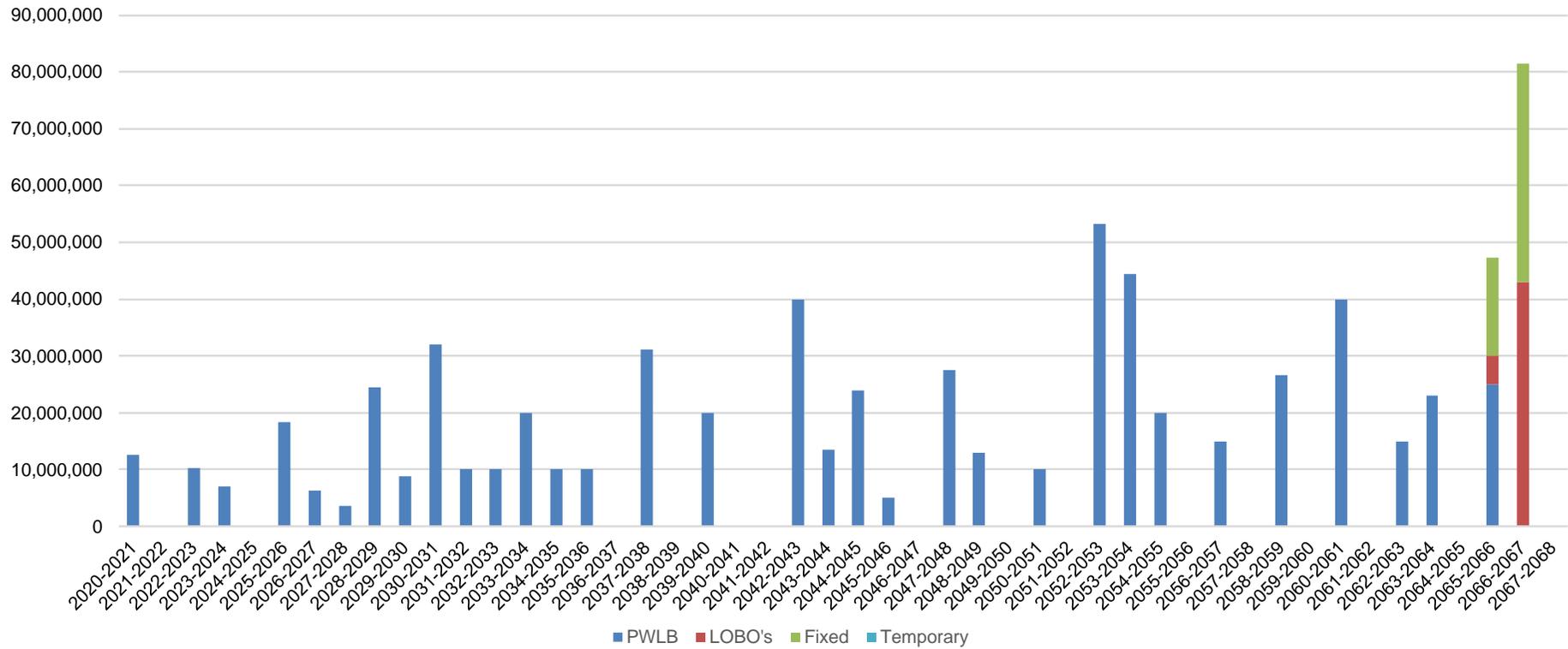
**TMI 2 - Upper and lower limits to the maturity structure of its borrowing.**

These limits relate to the % of fixed and variable rate debt maturing.

	Approved by Council 4 March 2020		As at 30 June 2020	
	Upper Limit	Lower Limit	2019-2020 Actual Borrowing	2020-2021 Forecast Borrowing
	Under 12 months	25%	0%	1.41%
12 months and within 24 months	25%	0%	3.61%	5.03%
24 months and within 5 years	40%	0%	1.95%	2.66%
5 years and within 10 years	50%	0%	6.91%	6.42%
10 years and within 20 years	50%	0%	16.11%	16.52%
20 years and within 30 years	50%	0%	27.66%	24.51%
30 years and within 40 years	50%	0%	19.06%	19.53%
40 years and within 50 years	50%	0%	23.29%	23.89%
50 years and within 60 years	50%	0%	-	-

Borrowing Maturity Profile at 30 June 2020

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## Disclosure for Certainty Rate

**Certainty Rate**

This table details the information that is required to enable the Council to submit a return for 2020-2021.

	Approved by Council 4 March 2020				As at 30 June 2020			
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2019-2020 Actual £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
<b>Net Borrowing Requirement:</b>								
Borrowing to finance planned capital expenditure	91,660	123,931	65,447	62,692	73,000	128,486	83,659	63,008
Existing maturity loans to be replaced during the year	23,000	59,500	34,077	33,199	(36,920)	32,577	45,677	40,199
Less:								
Minimum Revenue Provision for debt repayment	(16,220)	(17,896)	(20,920)	(22,996)	(16,220)	(17,101)	(20,818)	(23,293)
Voluntary debt repayment	(21,035)	(10,839)	(13,397)	(16,365)	(19,860)	(10,898)	(15,030)	(17,102)
	(37,255)	(28,735)	(34,317)	(39,361)	(36,080)	(27,999)	(35,848)	(40,395)
Loans replaced less debt repayment	(14,255)	30,765	(240)	(6,162)	(73,000)	4,578	9,829	(196)
<b>Net Advance Requirement</b>	<b>77,405</b>	<b>154,696</b>	<b>65,207</b>	<b>56,530</b>	<b>0</b>	<b>133,064</b>	<b>93,488</b>	<b>62,812</b>

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## Lending List

## 2020-2021 Specified Investments as at 31 May 2020

Institution	Country (Sovereign Rating)	Limit £000	Term Limit
Bank Nederlandse Gemeenten	Netherlands (AAA)	20,000	12 mths
DBS Bank Ltd	Singapore (AAA)	10,000	6 mths
HSBC Bank plc	UK (AA-)	5,000	3 mths
Landwirtschaftliche Rentenbank	Germany (AAA)	20,000	12 mths
National Bank of Abu Dhabi	Abu Dhabi (U.A.E) (AA)	5,000	3 mths
NRW.BANK	Germany (AAA)	20,000	12 mths
Oversea Chinese Banking Corporation Ltd	Singapore (AAA)	10,000	6 mths
United Overseas Bank Ltd	Singapore (AAA)	10,000	6 mths
<b>Nationalised Banks</b>			
<b>Royal Bank of Scotland Group plc</b>			
National Westminster Bank plc	UK (AA-)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA-)	10,000	3 mths
<b>AAA Rated and Government Backed Securities</b>			
Debt Management Office	UK (AA-)	20,000	30 mths
<b>Money Market Funds</b>		<b>Fund Rating</b>	
Invesco STIC Account	Fitch AAmmf	20,000	Instant Access
Aberdeen Liquidity Fund (LUX) Class 2	Fitch AAmmf	20,000	Instant Access
Federated Short-Term Sterling Prime Fund	Fitch AAmmf	20,000	Instant Access
Black Rock Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access
Scottish Widows Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access

**Non-rated Institutions**

County Councils, London Boroughs, Metropolitan Districts and Unitary Authorities - limits £6m and 12 months.

Shire District Councils, Fire and Civil Defence Authorities, Passenger Transport Authorities and Police Authorities - limits £3m and 12 months.

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<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> 8 July 2020
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<b>Report title</b>	Revenue Budget Outturn 2019-2020	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Louise Miles Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable director</b>	Tim Johnson, Chief Executive	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Claire Nye	Director of Finance
	Tel	01902 550478
	Email	Claire.Nye@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board	26 June 2020

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**Recommendation for decision:**

Cabinet is recommended to:

1. Approve the write off of; three non-domestic rates totalling £21,739.16, one sundry debt totalling £6,239.45 and two council tax account totalling £12,186.24 as detailed in Appendices 4 to 6 respectively.
2. Approve 11 virements totalling £3.9 million, for transfer within directorates, as detailed in Appendix 7.

## Recommendations for noting:

The Cabinet is asked to note:

1. That the revenue outturn position for 2019-2020 for the General Fund; a net underspend of £2.0 million (-0.85%) was achieved against the net budget requirement of £234.9 million, after meeting the net cost of redundancy and pension strain and contributions to essential earmarked reserves. The underspend is due to a combination of budget efficiencies across a number of services; including holding posts vacant pending restructures, additional income generation, contingency budgets held for in-year pressures not being required in full, the early achievement of budget reduction targets and a lower number of employees enrolling into the pension scheme. More information is detailed throughout the report.
2. That whilst the positive General Fund outturn position during 2019-2020, and the resulting adjustments to reserves, will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying further projected budget reductions which were estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020. The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy.
3. That the General Fund outturn position takes into account a number of proposed transfers to and from reserves, provisions and balances for which approval is sought in the Reserves, Provisions and Balances 2019-2020 report to be presented at this meeting.
4. That schools which remain under the control of the City of Wolverhampton Council have contributed net £1.2 million of their reserves during 2019-2020 after adjusting for the balance attributable to academies, which takes the total accumulated reserves to £6.3 million at 31 March 2020.
5. That the Housing Revenue Account revenue outturn position for the year was a surplus before allocations of £19.9 million, compared to a budgeted surplus of £20.4 million.
6. That the Collection Fund outturned with a £2.3 million deficit during 2019-2020; this resulted in an overall deficit of £1.5 million to be carried forward.
7. That 26 non-domestic rates accounts totalling £233,707.28 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
8. That 759 council tax accounts totalling £158,727.36 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

9. That 37 sundry debt accounts totalling £50,969.14 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
10. That 31 housing benefit debt accounts totalling £14,004.24 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
11. That ten debts relating to Business Improvement District (BID) totalling £3,005.73, have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

## **1.0 Purpose**

- 1.1 The purpose of this report is to inform Cabinet of the Council's revenue outturn position for 2019-2020 compared with approved budgets and targets.

## **2.0 Executive Summary**

- 2.1 During 2019-2020 the Council identified a number of areas with budget pressures which were reported to councillors through quarterly budget monitoring. Work was undertaken to mitigate against these pressures.
- 2.2 Also, identified throughout the financial year were a number of areas where prudent budgetary provision had been made for forecast costs which in the end were not required. An example of this is auto enrolment, where provision was made for the employer costs of additional employees joining the pension fund. Whilst encouraged, employees have chosen not to join. This was reported through the quarterly budget monitoring reports.
- 2.3 These contingencies were reviewed and rebased as part of the budget setting process for 2020-2021. In addition, the utilisation of £2.3 million of the projected underspend in 2019-2020 was approved as a contribution to the budget strategy for 2020-2021.
- 2.4 Across the council there were a number of services where underspends have been achieved through holding posts vacant, often the temporary impact of restructures, or early achievement of budget reduction proposal, but also including three Director posts which were vacant for part of the year.
- 2.5 When budgeting for income, the council is prudent in the estimates and forecasts. The Council overall has achieved higher levels of income than estimated. Examples include additional external income generated from greater take up of services by trade waste and cleaning services.
- 2.6 As a result of these factors, the net outturn position having met the net cost of redundancy and pension strain and contributions to essential earmarked reserves is an underspend of £2.0 million for 2019-2020.
- 2.7 In the Reserves, Provisions and Balances 2019-2020 report to be considered at this meeting it will be seen that the overall total of general and earmarked reserves, for which the council has flexibility to allocate, has reduced by £2 million, however the outturn position enabled the council to mitigate any further reduction.
- 2.8 The Reserves, Provisions and Balances 2019-2020 report will provide detail on the movements on all reserves. However, in relation to the outturn it is proposed that a contribution of £1.8 million is made to the Budget Contingency Reserve and £200,000 contribution to a new specific reserve; the Recovery Reserve, which will be used to support investment in service recovery following the Covid-19 pandemic.

- 2.9 Whilst the positive General Fund outturn position during 2019-2020, and the resulting adjustments to reserves, will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying further projected budget reductions which were estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020.
- 2.10 The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy.
- 2.11 It is important to note that the updated projected medium term deficit assumes the achievement of budget reduction proposals amounting to £8.8 million over the four-year period from 2020-2021 to 2023-2024. Having identified budget reductions in excess of £235.0 million over the last ten financial years, the extent of the financial challenge over the medium term continues to represent the most significant that the Council has ever faced.
- 2.12 Following a review of the reserves position during the 2019-2020, the Director of Finance proposes that the Council's General Fund Balance is increased by £3 million to a total value of £13 million. The level of reserve is approximately 5% of the net budget which is in line with recommended best practice.
- 2.13 Schools remaining in the control of the local authority have contributed a net £1.2 million of reserves during 2019-2020 after adjusting for balances attributable to academies, taking the total accumulated reserves to £6.3 million at 31 March 2020. This is set against schools' projection of balances of £2.7 million at the end of 2019-2020. Therefore, actual balances are £3.6 million greater than forecast. The Directors of Children Services and Finance will continue to challenge those schools who hold significant surplus balances and those with deficits, aiming to gain an understanding of plans in place and whether they are appropriate.
- 2.14 The Housing Revenue Account revenue outturn position for the year was a surplus before allocations of £19.9 million, compared to a budgeted surplus of £20.4 million. The HRA reserve had been maintained at £7 million. The in-year surplus is used to provide for redemption of debt.
- 2.15 The Collection Fund outturned with a £2.3 million deficit during 2019-2020; this resulted in an overall deficit of £1.5 million to be carried forward.
- 2.16 The Director of Finance has approved the write off of 863 debt accounts totalling £460,413.75 in value.

### 3.0 Revenue Budget Outturn – General Fund Summary

3.1 An analysis of the Council's outturn position against General Fund revenue budgets for 2019-2020 is detailed in the table below. Further detailed analysis for each Division can be found in Appendix 1.

**Table 1 – 2020-2020 Revenue Budget Outturn Summary**

Service	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Total Variation	
	£000	£000	Over/(Under)	
			£000	%
Adult Services	63,801	63,473	(328)	(0.51%)
Children's Services and Education	57,593	57,198	(395)	(0.69%)
Public Health and Wellbeing	906	1,024	118	13.02%
Regeneration	6,760	6,729	(31)	(0.46%)
City Assets and Housing	8,990	9,429	439	4.88%
City Environment	22,534	22,804	270	1.20%
Finance	13,496	12,720	(776)	(5.75%)
Governance	6,399	5,894	(505)	(7.89%)
Strategy	7,115	6,525	(590)	(8.29%)
Chief Executive	1,238	1,160	(78)	(6.30%)
Deputy Chief Executive	4,958	4,878	(80)	(1.61%)
Corporate Accounts	41,145	41,108	(37)	(0.09%)
<b>Net Budget Requirement</b>	<b>234,934</b>	<b>232,941</b>	<b>(1,993)</b>	<b>(0.85%)</b>
Council Tax (including Adult Social Care Precept)	(103,486)	(103,486)	-	-
Enterprise Zone Business Rates	(2,800)	(2,184)	616	22.00%
Top Up Grant	(26,152)	(26,152)	-	-
Business Rates (net of WMCA growth payment and Collection Fund deficit)	(71,931)	(72,416)	(485)	(0.67%)
New Homes Bonus	(2,080)	(2,080)	-	-
Section 31 Grant - Business Rates Support	(10,611)	(10,734)	(123)	(1.16%)
Improved Better Care Fund	(12,947)	(12,951)	(4)	(0.03%)
Winter Pressures and Social Care Grants - Adult Social Care	(3,727)	(3,728)	(1)	(0.03%)
Levy Account Surplus (2018-2019)	(1,200)	(1,203)	(3)	(0.25%)
<b>Total Resources</b>	<b>(234,934)</b>	<b>(234,934)</b>	<b>-</b>	<b>0.00%</b>
<b>Use of General Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Budget (Surplus)</b>	<b>-</b>	<b>(1,993)</b>	<b>(1,993)</b>	<b>(0.85%)</b>

- 3.2 As can be seen from the table above, overall a net underspend of £2.0 million (-0.85%) was achieved against the General Fund net budget requirement of £234.9 million, after meeting the net cost of redundancy and pension strain and contributions to essential earmarked reserves.
- 3.3 The Reserves, Provisions and Balances 2019-2020 report will provide detail on the movements on all reserves. It will be seen that the overall total of general and earmarked reserves, for which the council has flexibility to allocate, has reduced by £2 million, however the outturn position enabled the council to mitigate any further reduction. In relation to the outturn it is proposed that a contribution of £1.8 million is made to the Budget Contingency Reserve and £200,000 contribution to a new specific reserve; the Recovery Reserve, which will be used to support investment in service recovery following the Covid-19 pandemic.
- 3.4 Whilst the positive General Fund outturn position during 2019-2020, and the resulting adjustments to reserves, will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying further projected budget reductions which were estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020.
- 3.5 In March 2020, the World Health Organisation categorised Covid-19 as a global pandemic. The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Whilst the direct financial impact of the pandemic was limited in 2019-2020, it will have a significant impact on 2020-2021 and future years.
- 3.6 In response to the pandemic, the Council implemented urgent crisis response and business continuity plans; responding swiftly to the challenge, focussing resources to supporting the city's residents and businesses.
- 3.7 The Council has received two un-ringfenced grants, totalling £16.7 million, from Government to help address the pressures facing us in our response to the pandemic. Whilst these grants will cover the immediate cost pressures identified until the end of July, they will not be sufficient to cover the estimated cost pressures for the whole of 2020-2021.
- 3.8 The pandemic has had and will continue to have a significant financial impact on the Council in 2020-2021 and future years. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy.
- 3.9 Following a review of the reserves position during 2019-2020, the Director of Finance proposes that the Council's General Fund Balance is increased by £3 million to a total value of £13 million. The level of reserve is approximately 5% of the net budget which is in line with recommended best practice.

3.10 It is important to note, that the General Fund outturn position takes into account proposed transfers to and from reserves and provisions, including a net contribution of £2.3 million to the 2020-2021 Budget Strategy Reserve which was in accordance with the 2020-2021 budget strategy approved by Cabinet on 19 February 2020. Full details regarding reserve transfers are included in the Reserves, Provisions and Balances 2019-2020 report, for which approval will be sought at this meeting.

#### 4.0 General Fund Revenue Budget Outturn: Service Analysis

##### Adult Services

4.1 A summary of the 2019-2020 outturn against the Adult Services net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 2 – 2019-2020 Revenue Budget Outturn – Adult Services**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Adult Services	63,801	63,473	(328)	(0.51%)
<b>Adult Services Total</b>	<b>63,801</b>	<b>63,473</b>	<b>(328)</b>	<b>(0.51%)</b>

4.2 Overall a net underspend of £328,000 (-0.51%) was achieved by Adult Services. The main factors contributing towards this underspend are as a result of:

1. An underspend within the Adults Assessment and Care Purchasing totalling £144,000 as a result of unfilled staff vacancies during the year.
2. An underspend within Community Support totalling £260,000 which is primarily due to efficiencies across recharge budgets for temporary accommodation for homeless families.
3. An underspend within Independent Living Service totalling £212,000 as a result of unfilled staff vacancies and additional income.
4. An underspend within Learning Disability Provider totalling £142,000 as a result of unfilled staff vacancies during the year.
5. An underspend within Older People Provider Services totalling £528,000 as a result of reduction in transport costs and unfilled staff vacancies during the year.

6. An underspend within Strategic Commissioning-Adults totalling £322,000 as a result of unfilled staff vacancies, held pending a restructure and the early achievement of the 2020-2021 budget reduction target.

These underspends are partially offset by overspends within the following services:

7. An overspend within Learning Disabilities and Care Purchasing totalling £363,000 as a result of increased demand for social care packages. In line with approvals, there has been a drawn down from the Adult Social Care Reserve of £3.7 million to cover the costs pressures in year.
8. An overspend within Mental Health Assessment and Care Management totalling £488,000 as a result of increased demand for social care packages.
9. An overspend within Older People Care Purchasing totalling £500,000 as a result of increased demand for social care packages.

The underspend position of £358,000 includes the use of £4.3 million from the Adult Social Care Reserve. The Council's 2020-2021 Final Budget and Medium Term Financial Strategy (MTFS) for 2020-2021 to 2023-2024 which was presented to Cabinet on 19 February 2020 and presented to Full Council on 4 March 2020 includes growth for Adult Services to support demographic pressures which were identified during 2019-2020.

### Children's Services and Education

- 4.3 A summary of the 2019-2020 outturn against the Children's Services and Education net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 3 – 2019-2020 Revenue Budget Outturn – Children's Services and Education**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Children's Services and Education	57,593	57,198	(395)	(0.69%)
<b>Children's Services and Education Total</b>	<b>57,593</b>	<b>57,198</b>	<b>(395)</b>	<b>(0.69%)</b>

- 4.4 Overall a net underspend of £395,000 (-0.69%) was achieved against Children's Services and Education. The main factors contributing towards this underspend are as a result of:

1. An underspend within the Director of Children Services totalling £441,000 as a result of one-off savings due to emotional health and wellbeing contracts ending with a one-off saving against the contingency fund set aside in case additional contributions were required from partners to the Regional Adoption Agency.
2. An underspend within Head of Children's Improvement service totalling £161,000 as a result of one-off staffing vacancies.
3. An underspend totalling £394,000 within the Safeguarding Service. The underspend is related to Deprivation of Liberty safeguards (DoLs) as a result of the service putting into place processes and clear monitoring that has created efficiencies across the area. The budget is being closely monitored, although new legislation is expected next year which may impact on demand.
4. An underspend within the Strengthening Families service totalling £1.5 million as a result of one-off staffing vacancies along with a reduction in costs associated with no recourse to public funds and Section 17 payments.
5. An underspend within Youth Services totalling £125,000 as a result of one-off staffing vacancies.
6. An underspend within Strategic Commissioning - Children's totalling £322,000 as a result of unfilled staff vacancies, held pending a restructure and early achievement of the 2020-2021 budget reduction target.
7. An underspend within the School Improvement service totalling £239,000 as a result of one-off staffing vacancies and additional traded income from academies.

These underspends are partially offset by overspends within the following services:

8. An overspend against Children and Young People In Care totalling £1.2 million. Whilst Wolverhampton continues to see a decrease in the number of children and young people in care, the overspend is due to the increased weekly cost of external placements. This is partially offset by efficiencies across staffing budgets and additional income from Home Office for unaccompanied asylum-seeking children. We are continuing to buck the national trend, as many Councils continue to see numbers increase significantly. Under the Transforming Children's Services Programme, we have a robust approach to managing demand which includes a sophisticated methodology for projecting children and young people in care and the associated costs. In line with the Regional Adoption Agency agreement there has been a contribution to reserves from in year efficiencies to be utilised in future years. The Council's 2020-2021 Final Budget and Medium Term

Financial Strategy for 2020-2021 to 2023-2024 which was presented to Cabinet on 19 February 2020 and presented to Full Council on 4 March 2020 includes growth for Children's Services to support demographic pressures which were identified during 2019-2020.

9. An overspend against Central Education Service totalling £178,000 due to a reduction in grant compared with other assumptions. In line with approvals there is a draw down from reserves to cover in year costs related to school academisation.
10. An overspend within School Organisation service totalling £243,000 is as a result of a loss in trading income from schools for 2019-2020 academic year. A review of the structure and services is being undertaken. In addition, there is an overspend related to the temporary partial closure of Towers Outdoor Education Centre. There has been a contribution to reserves of £660,000 to allow in year efficiencies on PFI contracts to cover future year expenditure
11. An overspend within the Special Education Needs service as a result of an increase in pupils with Special Education Needs and Disabilities, with increased demand for transporting those pupils to and from schools. The transfer from reserves is related to an overspend to allow this expenditure to be funded from the High Needs Block of Dedicated Schools grant in 2020-2021.

## Public Health and Wellbeing

- 4.5 A summary of the 2019-2020 outturn against the Public Health and Wellbeing net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 4 – 2019-2020 Revenue Budget Outturn – Public Health and Wellbeing**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Public Health & Wellbeing	906	1,024	118	13.02%
<b>Public Health and Wellbeing Total</b>	<b>906</b>	<b>1,024</b>	<b>118</b>	<b>13.02%</b>

- 4.6 Overall a net overspend of £118,000 (13.02%) has been achieved against Public Health and Wellbeing. The main factors contributing towards this overspend are as a result of an overspend within Leisure Services totalling £143,000 due to a delay in achieving savings leading to the underachievement of income targets. There was a planned draw down from reserves to cover in-year pressures.

## Regeneration

- 4.7 A summary of the 2019-2020 outturn against the Regeneration net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 5 – 2019-2020 Revenue Budget Outturn – Regeneration**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Regeneration	6,760	6,729	(31)	(0.46%)
<b>Regeneration Total</b>	<b>6,760</b>	<b>6,729</b>	<b>(31)</b>	<b>(0.46%)</b>

- 4.8 Overall a net underspend of £31,000 (-0.46%) has been achieved against Regeneration Services. The main factors contributing towards this underspend are as a result of:

1. An underspend against the Local Economy service totalling £141,000 as a result of one-off staff vacancies, held pending a review.
2. An underspend against the Visitor Economy service totalling £114,000 reflects one-off staff vacancies, held pending a restructure.

These underspends are partially offset by overspends within the following services:

3. An overspend against City Development totalling £169,000 is due to progression of regeneration schemes in Wolverhampton and the corporate decision to not to fund this from reserves as was previously planned, due to the overall service being within budget.
4. An overspend against City Planning totalling £100,000 as a result of lower number of applications than was anticipated.

## City Assets and Housing

- 4.9 A summary of the 2019-2020 outturn against the City Assets and Housing net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 6 – 2019-2020 Revenue Budget Outturn – City Assets and Housing**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
City Assets and Housing	8,990	9,429	439	4.88%
<b>City Assets and Housing Total</b>	<b>8,990</b>	<b>9,429</b>	<b>439</b>	<b>4.88%</b>

4.10 Overall a net overspend of £439,000 (4.88%) has been achieved against City Assets and Housing. The main factors contributing towards this overspend are as a result of:

1. An overspend within Capital Programmes totalling £265,000 as a result of under recovery of income within Projects and Works team due to a reduction in external income generation opportunities.
2. An overspend within the Estates and Valuation service totalling £608,000 as a result of reduced income largely due to void units, disposal costs and associated increased professional fees within the Estates and Valuation service. An ongoing review of assets is taking place as part of the development and refinement of the Council's strategic asset plan.
3. An overspend within Facilities Services totalling £489,000 due to reduced income recovery associated with Community Centres and as a result of the management of vacant properties within Facilities Management including one off dilapidation costs for King Street and additional costs as part of maintaining statutory compliance.
4. An overspend within the Maintenance Programme totalling £248,000 reflects essential repair and maintenance costs on Council assets and works carried out to maintain statutory compliance.

These overspends are partially offset by net underspends within the following services:

5. An improved outturn position within Catering Service totalling £203,000 reflects a reduction in management costs as a result of changes to school take up of the services, offset in part by a reduction in income.
6. An underspend within the Cleaning service totalling £219,000 is as a result of increased management controls on agency / absence cover and additional income generated from commercial clients.

7. An underspend within Corporate Asset Management totalling £507,000 reflects reduced in year Carbon Reduction Commitment expenditure, sale of allowance and reduced expenditure on utilities. This partially offsets the under recovery of income for the Estates and Valuation service.
8. An underspend within Head of Corporate Landlord totalling £109,000 reflects reduced expenditure as a result of the Head of Corporate Landlord position being held vacant.

## City Environment

- 4.11 A summary of the 2019-2020 outturn against the City Environment net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 7 – 2019-2020 Revenue Budget Outturn – City Environment**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
City Environment	22,534	22,804	270	1.20%
<b>City Environment Total</b>	<b>22,534</b>	<b>22,804</b>	<b>270</b>	<b>1.20%</b>

- 4.12 Overall a net overspend of £270,000 (1.20%) has been achieved during the year within City Environment. The main factors contributing towards this overspend are as a result of:
1. An overspend within Bereavement Service totalling £405,000 as a result of an under achievement of income against budget and additional repairs and maintenance costs.
  2. An overspend within Markets totalling £234,000 reflects additional expenditure as a result of additional security, business rates and one-off dilapidation costs in addition to a shortfall in income levels.
  3. An overspend within Parking Services totalling £1.5 million due to under achievement of income as a result of loss of income on street parking, car parks and penalty charge notices. Budgets for 2020-2021 have been realigned to reflect achievable levels.
  4. An overspend within Street Lighting Service totalling £110,000 as a result of increased energy costs and expenditure associated with the maintenance of street lighting and signage.

5. An overspend within Transportation service totalling £124,000 is as a result of budget reductions not being achieved, offset by savings made on school crossing patrols.

These overspends are partially offset by underspends within the following services:

6. An underspend within Customer Services totalling £270,000 as a result of reduced salary expenditure due to holding a number of posts vacant and results derived from ongoing transformation works and increased process efficiencies.
7. An underspend within Environmental Services totalling £361,000 reflects the management of expenditure in order to achieve approved budget reduction targets across all services including grounds maintenance, parks and graffiti removal.
8. An underspend within Fleet Services totalling £241,000 as a result of reduced salary expenditure due to holding vacant posts, increased salvage income and reduced expenditure on vehicle parts and running costs including tyres and road tax.
9. An underspend within Highways Service totalling £351,000 reflects the use of reserves to fund highways improvement works.
10. An underspend within Operations and Maintenance of Existing Networks totalling £311,000 reflects reduced expenditure as a result of vacant posts and surface water management costs, underachievement of income associated with the New Roads and Street Works Act (NRSWA), offset in part by additional third-party income.
11. An underspend within Public Protection totalling £353,000 as a result of income received following legal proceedings, where the costs were incurred in previous years.

## **Finance**

- 4.13 A summary of the 2019-2020 outturn against the Finance net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 8 – 2019-2020 Revenue Budget Outturn – Finance**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Finance	13,496	12,720	(776)	(5.75%)
<b>Finance Total</b>	<b>13,496</b>	<b>12,720</b>	<b>(776)</b>	<b>(5.75%)</b>

4.14 Overall a net underspend of £776,000 (-5.75%) has been achieved within Finance. The main factors contributing towards this underspend are as a result of:

1. An underspend within Audit Services totalling £157,000 is due to restructuring and unfilled vacancies across the service.
2. An underspend within Central Corporate Budgets totalling £568,000 is mainly as a result of significant reductions in enhanced pension costs and bank charges.
3. An underspend within Revenue and Benefits totalling £348,000 is due to the early achievement of the budget reduction target for 2020-2021.
4. An underspend within The Hub totalling £221,000 is mainly due to unfilled vacancies held across the service, and additional external income generation within Payroll Services.

These underspends are partially offset by overspends within the following services:

5. An overspend within Procurement Service totalling £130,000 is due to an increase in the use of agency resource following internal promotions and turnover within the team, combined with a linked reduction in external income generation.
6. An overspend within Revenue Benefits Payments and Subsidy totalling £400,000 is due to a significant and unforeseen increase in housing benefit payments to people housed in temporary accommodation where government subsidy falls well short of the amount paid out.

## Governance

- 4.15 A summary of the 2019-2020 outturn against the Governance net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 9 – 2019-2020 Revenue Budget Outturn – Governance**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Governance	6,399	5,894	(505)	(7.89%)
<b>Governance Total</b>	<b>6,399</b>	<b>5,894</b>	<b>(505)</b>	<b>(7.89%)</b>

- 4.16 Overall a net underspend of £505,000 (-7.89%) has been achieved during the year for Governance. The main factors contributing towards this underspend are as a result of:
1. An underspend against Director of Governance totalling £103,000 is due to the Director of Governance position vacancy for part of the year.
  2. An underspend against Governance Services totalling £167,000 is due to unfilled vacancies across the service, external funding of graduate management trainees, additional external income generation in Democratic Services and Information Governance and other underspends across a range of budgets.
  3. An underspend within Legal Services totalling £253,000 is due to unfilled staff vacancies and additional external income generation.

## Strategy

- 4.17 A summary of the 2019-2020 outturn against the Strategy net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 10 – 2019-2020 Revenue Budget Outturn – Strategy**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Strategy	7,115	6,525	(590)	(8.29%)
<b>Strategy Total</b>	<b>7,115</b>	<b>6,525</b>	<b>(590)</b>	<b>(8.29%)</b>

4.18 Overall a net underspend of £590,000 (-8.29%) has been achieved during the year within Strategy. The main factors contributing towards this underspend are as a result of an underspend in the region of £495,000 within ICTS due to in year staff vacancies and continuing works to identify and deliver efficiencies in advance of the targets reflected in the approved MTFS for ICTS. Approval is sought to a further contribution of £182,000 from ICTS to the Transformation Reserve, to accommodate the remaining balance of one-off revenue costs (totalling £328,000) associated with the OLM project going live.

#### **Chief Executive**

4.19 A summary of the 2019-2020 outturn against the Chief Executive net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 11 – 2019-2020 Revenue Budget Outturn – Chief Executive**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Chief Executive	1,238	1,160	(78)	(6.30%)
<b>Chief Executive Total</b>	<b>1,238</b>	<b>1,160</b>	<b>(78)</b>	<b>(6.30%)</b>

4.20 Overall a net underspend of £78,000 (-6.30%) has been achieved for the year against Chief Executive. The main factor contributing towards this underspend is as a result of underspend within Communications due to in year one-off staff vacancies.

## Deputy Chief Executive

- 4.21 A summary of the 2019-2020 outturn against the Deputy Chief net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 12 – 2019-2020 Revenue Budget Outturn – Deputy Chief Executive**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Deputy Chief Executive	4,958	4,878	(80)	(1.61%)
<b>Deputy Chief Executive Total</b>	<b>4,958</b>	<b>4,878</b>	<b>(80)</b>	<b>(1.61%)</b>

- 4.22 Overall a net underspend of £80,000 (-1.61%) has been achieved within Deputy Chief Executive. The main factors contributing to this underspend are as a result of general efficiencies on non-salary budgets across Business Change and the Digital Transformation Programme.

## Corporate Accounts

- 4.23 A summary of the 2019-2020 outturn against the Corporate Accounts net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix 1.

**Table 13 – 2019-2020 Revenue Budget Outturn – Corporate Accounts**

Service	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Total Variation Over/(Under)	
			£000	%
Corporate Accounts	41,145	41,108	(37)	(0.09%)
<b>Corporate Accounts Total</b>	<b>41,145</b>	<b>41,108</b>	<b>(37)</b>	<b>(0.09%)</b>

- 4.24 Overall a net underspend of £37,000 (-0.09%) has been achieved against Corporate Accounts after contributing £2.3 million to the 2020-2021 Budget Strategy Reserve, in accordance with the 2020-2021 Budget and Medium Term Financial Strategy as approved by Cabinet on 19 February 2020. The main factors contributing towards this financial position are as follows:

1. Corporate Budgets - The net overspend of £170,000 is after funding the cost of voluntary redundancies. It was forecast during 2019-2020 that redundancy payments arising as a result of the voluntary redundancy programme would be in the region of £3-4 million, however the total cost was slightly lower at £3.2 million. Part of this expenditure has been offset by capital receipts, whilst the remainder has been accommodated within underspends across corporate accounts. There is an overspend against the provision for expected future credit losses of £871,000 due a greater provision being required for 2019-2020 than originally assumed. In addition, the 2019-2020 Budget Strategy included the use of £5.8 million from various reserves; as a result of the managed underspends within Corporate Budgets, part of the reserve drawn down was not required. These overspends have been offset by managed underspends across corporate budgets.
2. Central Provision for Auto Enrolment and Pay Award costs - There has not been a call upon the Central Provision for Auto Enrolment by services throughout the financial year which has resulted in a £2 million underspend against this budget. Whilst encouraged, not all employees chose to join the pension scheme. This has been forecast throughout the financial year. An adjustment to this provision has been reflected in the 2020-2021 Budget and Medium Term Financial Strategy approved by Full Council on 4 March 2020
3. Treasury Management – There is an underspend totalling £440,000 against the Treasury Management budget. The underspend is mainly due to a reduced borrowing need in year arising as a result of re-phasing of the capital programme, this is offset against an increase in Minimum Revenue Provision (MRP) charges and loss of income for interest charged on loans to others. The MRP has increased due to the amount of borrowing applied in 2018-2019 against short life assets compared to the forecast. The loss of interest is due to the revised timing of loan requests from WV Living.
4. Contribution to the 2020-2021 Budget Strategy Reserve - In accordance with the 2020-2021 Budget strategy approved by Cabinet on 19 February 2020 and Full Council on 4 March 2020, funds have been transferred into the 2020-2021 Budget Strategy Reserve to support the 2020-2021 budget strategy.
5. The General Fund Revenue Account outturn was an underspend of £2.0 million of which £1.8 million has been contributed into Budget Contingency reserve and a further £200,000 has been contributed into the Recovery Reserve.

## **5.0 Reserves, Provisions and Balances 2019-2020**

- 5.1 A report detailing the Council's reserves, provisions and balances as at 31 March 2020 will be received at this meeting. The report, titled 'Reserves, Provisions and Balances 2019-2020', will seek approval for transfers to and from reserves, provisions and balances.

- 5.2 Following a review of the reserves position during the 2019-2020, the Director of Finance proposes that the Council's General Fund Balance is increased by £3 million to a total value of £13 million. The level of reserves is approximately 5% of the net budget which is in line with recommended best practice.
- 5.3 Earmarked reserves that have been set aside by the Council to fund future estimated liabilities and planned expenditure have decreased overall by £5.1 million. The reduction includes the planned draw down of £3.8 million from the Adult Social Care Reserve to support in year pressures and the transfer of £3 million to the General Fund Reserve. Contributions to reserves to offset this in year usage has been possible due to an underspend outturn position.
- 5.4 Whilst the council does not have a high level of reserves the outturn position has enabled the council to protect the current level of reserves to some extent. This will help to support the Council's short-term financial position but, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying further projected budget reductions which were estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020.
- 5.5 In addition to the challenging medium term position, the Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Cabinet will be presented with a report in July 2020 which will provide more detail on the immediate budget implications and the Medium Term Financial Strategy.

## **6.0 Outturn on Schools' Budgets**

- 6.1 Schools that remain in local authority control started the 2019-2020 financial year with accumulated reserves of £5.1 million. At the end of the year revenue balances for these schools were £6.3 million, an increase of £1.2 million. This remaining balance of £6.3 million represents 5.99% of the funding and income available to schools during 2019-2020.
- 6.2 The Directors of Education and Finance will continue to challenge those schools who hold surplus balances, aiming to gain an understanding of plans in place and whether they are appropriate. They will also continue to work with schools with deficit balances to ensure that robust plans are in place to enable the school to return to a balanced budget position.
- 6.3 Further details on schools' finances for 2019-2020 are shown at Appendix 2.

## **7.0 Housing Revenue Account**

- 7.1 The table below provides the Housing Revenue Account (HRA) revenue outturn for 2019-2020 compared to the approved budget. The outturn position for the year is a surplus of

£19.9 million, compared to a budgeted surplus of £20.4 million. The surplus in year is used to provide for the redemption of debt.

**Table 14 – Housing Revenue Account Revenue Outturn 2019-2020**

	<b>Budget</b> <b>£000</b>	<b>Outturn</b> <b>£000</b>	<b>Variation</b> <b>£000</b>
Total income	(95,726)	(95,615)	111
Total expenditure	64,982	65,625	643
Net cost of HRA services	(30,744)	(29,990)	754
Interest payments and receipts	9,794	9,587	(207)
Revenue to capital transfer	543	543	-
Surplus before transfers to/from reserves and provision for redemption of debt	(20,407)	(19,860)	547
<i>Allocation of (surplus)/deficit</i>			
Provision for redemption of debt	20,407	19,860	(547)
<b>Balance for the year</b>	-	-	-

7.2 Further detail behind the figures in this table are shown at Appendix 3.

7.3 The main variance was an overspend against supervision and management expenditure of £859,000. This was due to an increase in the costs of Service Level Agreements incurred because of a requirement to increase the capacity of the Strategic Housing Function to support and monitor the management of services.

7.4 Expenditure on depreciation of fixed assets was £163,000 higher than budgeted due to a slightly higher number of properties to be depreciated than budgeted for.

7.5 The overspends were offset in part by a reduction of £188,000 against the anticipated contribution to the HRA bad debt provision and a £390,000 underspend on the budget for interest payable. This was due to rephasing on the capital programme which reduced the borrowing requirement.

## **8.0 Collection Fund**

8.1 The Collection Fund outturned with a £2.3 million deficit during 2019-2020 including net adjustments and this resulted in an overall deficit of £1.5 million to be carried forward. The Collection Fund income comes from receipts of Council Tax and Business Rates, also referred to as Non-Domestic Rates (NDR) collected from tax payers during the year and any balances from previous years. The £2.3 million deficit outturned as a result of £1.9 million deficit on Council Tax and £400,000 deficit for Business Rates.

8.2 The Collection Fund opening balance for Council Tax was a surplus of £1.4 million and combined with the in-year deficit results in a deficit balance of £532,000 to be carried forward.

8.3 The Collection Fund opening balance for Business Rates was a deficit of £539,000 and combined with the in-year deficit, results in a deficit balance of £939,000 to be carried forward.

## 9.0 Debt Write Offs

9.1 Debts are only written off as a last resort, when all feasible recovery action has been exhausted. If the situation surrounding an individual case changes in the future, appropriate steps would be taken to pursue the debt, despite the debt having been formally written off in the Council's accounts.

9.2 **The Collection Fund** - The City of Wolverhampton Council acts as billing and collecting authority for council tax and non-domestic rates income. The Council administers a separate Collection Fund account for this purpose. The Collection Fund accounts for the receipt of council tax and business (non-domestic) rates income and payments to precepting authorities such as the Fire Authority and the Police. Within this account, provisions are made for bad and doubtful debts and any write offs are charged to the Council Tax or Business Rates provision as appropriate.

a. **Council Tax** - Overall, 761 debt write offs totalling £170,913.60 have been incurred. All except two totalling £12,186.24, which require the approval of this Panel (see Appendix 6), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

b. **Non-Domestic Rates** - Overall, 29 debt write offs totalling £255,446.44 have been incurred. All but three valued at £21,739.16 in total, which require the approval of this Panel (see Appendix 4), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

c. In addition to this, the Director of Finance has approved the write off of ten debts relating to Business Improvement District (BID) totalling £3,005.73, in accordance with the Council's Financial Procedure Rules.

9.3 **Sundry Debtors** - Income is due to the Council for a wide range of services provided to individuals and businesses. To reflect the fact that, despite the Council's best efforts, not all of this income will actually be collected, the Council makes provision for bad and doubtful debts, which it charges directly to the General Fund. Overall, 38 debt write offs totalling £57,208.59 have been incurred. All but one valued at £6,239.45 in total, which require the approval of this Panel (see Appendix 5), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

9.4 **Housing Benefits** - Housing benefit overpayments occur when rent rebate or rent allowance awards exceed a recalculated entitlement. Whilst the Council aims to limit the incidence of overpayments, they may occur for a number of reasons including as a result

of fraud or error. In general, overpaid benefit is written off in line with Government guidance where recovery would cause hardship, where the debtor has died or cannot be traced.

- 9.5 The Council receives Government subsidy in respect of overpaid housing benefit at rates of between 40% and 100% according to the circumstances in which the overpayment arose. The unsubsidised element of any overpayment is charged to the General Fund.
- 9.6 Overall 31 debt write offs totalling £14,004.24 have been incurred during the period. All of which have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
- 9.7 As a result of the information detailed in paragraphs 9.2 – 9.6 above, the Director of Finance has approved the write off of 863 debt accounts totalling £460,413.75 in value.

#### **10.0 Evaluation of alternative options**

- 10.1 The write-offs, virements and use of reserve requests requiring the approval of Cabinet are all considered to be prudent in the opinion of the Director of Finance and the Cabinet Member for Resources.

#### **11.0 Reason for decision(s)**

- 11.1 In accordance with the Council's financial procedures rules, all virements in excess of £50,000, or those that result in a transfer between Employees and Other Controllable Expenditure headings, require the approval of the Cabinet. Contribution to and from reserves also requires the approval from the Cabinet. The write-offs, virements and use of reserve requests detailed in this report which seek the approval of the Cabinet are all considered to be prudent in the opinion of the Director of Finance and the Cabinet Member for Resources. The Council's financial procedure rules also require that the Section 151 Officer shall submit a report setting out the Outturn within four months of the financial year end.

#### **12.0 Financial Implications**

- 12.1 The financial implications are detailed in the body of the report.  
[MH/29062020/Y]

#### **13.0 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.
- 13.2 The General Power of Competence, contained in Section 1 (1) the Localism Act 2011 gives eligible local authorities, "*the power to do anything that individuals generally may do*" as long as they do not break other laws. This includes the power to lend or invest money and to set up a company to trade and engage in commercial activity.  
[TS/27062020/W]

#### **14.0 Equality Implications**

14.1 As this report provides details of the outturn for 2019-2020, there are no equalities implications arising from it. The necessary equalities analyses were carried out as part of the preparations for setting the 2019-2020 and 2020-2021 budgets and will similarly form part of the requisite pre-work for 2021-2022.

#### **15.0 Climate Change and Environmental Implications**

15.1 The Council's annual budget and medium term financial strategy supports a range of programmes designed to both improve environmental conditions across the city and promote economic and community development.

#### **16.0 Human resources implications**

16.1 This report provides details of the 2019-2020 outturn position. There are no relevant human resources implications arising from this report.

#### **17.0 Corporate Landlord implications**

17.1 There are no relevant corporate landlord implications arising from this report.

#### **18.0 Health and Wellbeing implications**

18.1 Revenue Budget Outturn reports on the outturn position of all Council services including services which seek to improve the health and wellbeing of all the population of the City of Wolverhampton.

#### **19.0 Covid Implications**

19.1 Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Whilst the direct financial impact of the pandemic was limited in 2019-2020, it will have a significant impact on 2020-2021 and future years. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy.

#### **20.0 Schedule of background papers**

20.1 [2019-2020 Final Budget and Medium Term Financial Strategy 2019-2020 to 2023-2024](#), report to Cabinet, 20 February 2019.

20.2 [Revenue Budget Monitoring 2019-2020](#), report to Cabinet (Resources) Panel, 23 July 2019

20.3 [Revenue Budget Monitoring 2019-2020](#), report to Cabinet, 17 December 2019.

- 20.4 [Revenue Budget Monitoring 2019-2020](#), report to Cabinet (Resources) Panel, 3 March 2020.
- 20.5 [Reserves, Provisions and Balances 2019-2020](#), report to Cabinet, 8 July 2020

## **21.0 Appendices**

- 21.1 Appendix 1 – Revenue Budget Outturn
- 21.2 Appendix 2 – Outturn on Schools' Budget
- 21.3 Appendix 3 – Housing Revenue Account Revenue Outturn
- 21.4 Appendix 4 – Non-Domestic Rates write offs
- 21.5 Appendix 5 – Sundry Debts write off
- 21.6 Appendix 6 – Council Tax write off
- 21.7 Appendix 7 – Virement

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Adult Services</b>					
Adult Assessment and Care Management	The underspend was as a result of unfilled staff vacancies during the year.	6,404	6,260	(144)	500
Better Care Fund		-	3	3	-
Carer Support		834	848	14	-
Community Financial Support		1,582	1,557	(25)	-
Community Support	The underspend is due to efficiencies across recharge budgets for temporary accommodation for homeless families.	802	542	(260)	-
Director of Adults services and Additional Monies	In line with approvals there has been a draw down from the Adult Social Care reserve to cover in year cost pressures.	(5,851)	(5,925)	(74)	(226)
Emergency Duty Team		330	373	43	-
Independent Living Service	The underspend was as a result of unfilled staff vacancies and additional income.	1,817	1,605	(212)	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Variance 2019-2020 £000	Element Relating to Transfer to/(from) Earmarked Reserves £000
Learning Disabilities Care Purchasing	The overspend was as a result of increased demand for social care packages. In line with approvals there has been a draw down from the Adult Social Care Reserve of £3.7 million to cover in year cost pressures.	16,736	17,099	363	(3,686)
Learning Disability Provider	The underspend was as a result of unfilled staff vacancies during the year.	4,773	4,631	(142)	-
Mental Health Assessment & Care Management	The overspend was as a result of increased demand for social care packages	4,832	5,320	488	-
Older People Care Purchasing	The overspend was as a result of increased demand for social care packages	20,289	20,789	500	-
Older People Provider Services	The underspend was due to a reduction in transport costs and unfilled staff vacancies.	4,413	3,885	(528)	-
Physical Disabilities Care Purchasing	In line with approvals there has been a draw down from the Adult Social Care	4,411	4,428	17	(353)

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
	reserve to cover in year cost pressures.				
Quality Assurance and Policies		369	320	(49)	-
Covid-19 (Adult Services 1)		-	-	-	-
Strategic Commissioning-Adults	The underspend was as a result of unfilled staff vacancies, held pending a restructure and early achievement of the 2020-2021 budget reduction target.	2,060	1,738	(322)	-
<b>Total Adult Services</b>		<b>63,801</b>	<b>63,473</b>	<b>(328)</b>	<b>(3,765)</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Variance 2019-2020 £000	Element Relating to Transfer to/(from) Earmarked Reserves £000
<b>Children's Services and Education</b>					
Children & Young People In Care	An overspend against Children and Young People In Care totalling £1.2 million. Whilst Wolverhampton continues to see a decrease in the number of children and young people in care, the overspend is due to the increased weekly cost of external placements. This is partially offset by efficiencies across staffing budgets and additional income from Home Office for unaccompanied asylum-seeking children. We are continuing to buck the national trend, as many Councils continue to see numbers increase significantly. Under the Transforming Children's Services Programme, we have a robust approach to managing demand which includes a sophisticated methodology	30,734	31,892	1,158	189

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Variance 2019-2020 £000	Element Relating to Transfer to/(from) Earmarked Reserves £000
	for projecting children and young people in care and the associated costs. In line with the Regional Adoption Agency agreement there has been a contribution to reserves from in year efficiencies to be utilised in future years. The Council's 2020-2021 Final Budget and Medium Term Financial Strategy for 2020-2021 to 2023-2024 which was presented to Cabinet on 19 February 2020 and presented to Full Council on 4 March 2020 includes growth for Children's Services to support demographic pressures which were identified during 2019-2020.				
Director of Children's Services	The underspend is as a result of a one-off savings due to emotional health and wellbeing contracts ending with a one-off saving against the contingency fund set aside in case additional contributions were required	1,129	688	(441)	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
	from partners to the Regional Adoption Agency.				
Head of Children's Improvement	The underspend is as a result of one-off staffing vacancies.	1,321	1,160	(161)	-
Headstart		(73)	1	74	-
Inclusion Support		1,207	1,247	40	-
Safeguarding	The underspend is related to Deprivation of Liberty safeguards (DoLs) as a result of the service putting into place processes and clear monitoring that has created efficiencies across the area. The budget is being closely monitored, although new legislation is expected next year which may impact on demand.	2,918	2,524	(394)	6
Specialist Support		2,816	2,875	59	-
Strengthening Families	The underspend is as a result of one-off staffing vacancies along with a	10,326	8,778	(1,548)	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
	reduction in costs associated with NRPF and Section 17 payments.				
Youth Offending	The underspend is as a result of one-off staffing vacancies.	1,136	1,011	(125)	-
Strategic Commissioning – Children’s	The underspend is due to unfilled staff vacancies, held pending a restructure and early achievement of the 2020-2021 budget reduction targets.	2,060	1,738	(322)	-
Central Education	The overspend is due to a reduction in grant assumptions. In line with approvals there is a draw down from reserves to cover in year costs related to school academisation.	(1,264)	(1,086)	178	(142)
Director of Education	There is an underspend due to the position of Director of Education being partially vacant in-year.	167	99	(68)	-
Early Years		299	300	1	-
School Improvement	The underspend is as a result of one-off staffing vacancies and additional traded income from academies.	965	726	(239)	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Variance 2019-2020 £000	Element Relating to Transfer to/(from) Earmarked Reserves £000
School Organisation	The overspend is as a result of a loss in trading income from schools for 2019-2020 academic year. A review of the structure and services is being undertaken. In addition, there is an overspend related to the temporary partial closure of Towers Outdoor Education Centre. There has been a contribution to reserves of £660,000 to allow in year efficiencies on PFI contracts to cover future year expenditure.	402	645	243	660
Schools	There has been an increase in School's reserves to ensure funding is ringfenced for expenditure in 2020-2021.	-	-	-	1,280
Special Educational Needs	The overspend is mainly as a result of ongoing increases in pupils with Special Educational Needs and Disabilities, with increased demand for transporting those pupils to and from	3,450	4,600	1,150	(313)

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020  £000	Net Controllable Outturn 2019-2020  £000	Variance 2019-2020  £000	Element Relating to Transfer to/(from) Earmarked Reserves  £000
	schools. The transfer from reserves is related to an overspend to allow this expenditure to be funded from the High Needs Block of Dedicated Schools grant in 2020-2021.				
<b>Total Children's Services and Education</b>		<b>57,593</b>	<b>57,198</b>	<b>(395)</b>	<b>1,681</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Public Health &amp; Wellbeing</b>					
Business Continuity & Emergency Planning		4	6	2	-
Commissioning		-	-	-	-
Community Safety & Community Cohesion		31	4	(27)	(13)
Healthier Places Service		-	-	-	-
Healthy Ageing		-	-	-	-
Healthy Life Expectancy		-	-	-	-
Leisure Services	The overspend was due to a delay in achieving savings leading to the underachievement of income targets. There was a planned draw down from reserves to cover in-year pressures.	871	1,014	143	(316)
Public Health Business Management		-	-	-	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Starting and Developing Well	There has been a planned draw down from reserves to fund improving health outcomes for children.	-	-	-	(676)
System Leadership		-	-	-	-
Covid-19 (Public Health 1)		-	-	-	-
<b>Total Public Health &amp; Wellbeing</b>		<b>906</b>	<b>1,024</b>	<b>118</b>	<b>(1,005)</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Regeneration</b>					
Adult Education		(236)	(236)	-	-
City Development	The overspend is due to progression of regeneration schemes in Wolverhampton and the corporate decision to not to fund this from reserves as was previously planned due to the overall service being within budget.	553	722	169	(349)
City Planning	The underspend is as a result of lower number of applications than was anticipated.	795	895	100	(21)
Director Regeneration		417	417	-	(38)
Enterprise		829	789	(40)	-
Land and Property Investment Support		-	-	-	-
Local Economy	The underspend is as a result of one-off staff vacancies, held pending a review.	1,580	1,439	(141)	(19)
Service Director City Economy		-	1	1	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Skills		1,746	1,740	(6)	(55)
Visitor Economy	The underspend reflects a one-off staff vacancies, held pending a restructure.	1,076	962	(114)	-
<b>Total Regeneration</b>		<b>6,760</b>	<b>6,729</b>	<b>(31)</b>	<b>(482)</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>City Assets &amp; Housing</b>					
Capital Programme	The under recovery of income is within Projects and Works team and is as a result of a reduction in external income generation opportunities.	(182)	83	265	-
Catering	The outturn position reflects reduction in management costs as a result of changes to school take up of the services, offset in part by a reduction in income.	(89)	(292)	(203)	-
Cleaning	The underspend reflects increased management control on agency /absence cover and additional income generated from commercial clients.	1,464	1,245	(219)	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Corporate Asset Management	The underspend reflects reduced in year Carbon Reduction Commitment expenditure, sale of allowances and reduced expenditure on utilities. This partially offsets the under recovery of income for the Estates and Valuations service.	8,000	7,493	(507)	-
Corporate Landlord Support		170	135	(35)	-
Estates and Valuations	The under recovery of income is as a result of reduced income largely due to void units, disposal costs and associated increased professional fees within the Estates and valuation services. An ongoing review of assets is taking place as part of the development and refinement of the Council's strategic asset plan.	(4,340)	(3,732)	608	3

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Facilities Management	The overspend is due to reduced income recovery associated with Community Centres and as a result of the management of vacant properties within Facilities Management including one off dilapidation costs for King Street and additional costs as part of maintaining statutory compliance.	882	1,371	489	-
Head of Corporate Landlord	The underspend reflects reduced expenditure as a result of the Head of Corporate Landlord position being held vacant.	113	4	(109)	-
Housing		975	877	(98)	(9)
Maintenance Programme	The overspend reflects increased essential repair and maintenance costs on Council assets and works carried out to maintain statutory compliance.	1,997	2,245	248	-
<b>Total City Assets &amp; Housing</b>		<b>8,990</b>	<b>9,429</b>	<b>439</b>	<b>(6)</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>City Environment</b>					
Bereavement Services	The outturn position is as a result of an under achievement of income against budget for this service and additional repairs and maintenance costs.	(2,091)	(1,686)	405	-
Black Country Transport		41	38	(3)	-
Business Services		-	1	1	-
City Events		372	372	-	(54)
Coroners Service		223	248	25	-
Customer Services	The underspend reflects reduced salary expenditure due to holding a number of posts vacant and results derived from ongoing transformation works and increased process efficiency.	2,122	1,852	(270)	-
Director City Environment		204	157	(47)	-
Energy and Sustainability		168	102	(66)	23

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Environmental Services	The underspend reflects the management of expenditure in order to achieve approved budget reduction targets across all services including grounds maintenance, parks and graffiti removal.	6,283	5,922	(361)	-
Fleet Services	The underspend reflects reduced salary expenditure as a result of vacant posts, increased salvage income and reduced expenditure on vehicle parts and running costs including tyres and road tax.	1,655	1,414	(241)	-
Highways Maintenance	The underspends reflect use of reserves to fund highway improvement works	1,575	1,224	(351)	(473)
Landscaping		31	35	4	-
Licensing		182	182	-	462
Markets	The overspend position reflects additional expenditure as a result of additional security, business rates and	(600)	(366)	234	(8)

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
	one-off dilapidation costs in addition to a shortfall in the historically budgeted income levels.				
Operation & Maintenance of Existing Network	The outturn position reflects reduced expenditure as a result of vacant posts and surface water management costs, an underachievement of income associated with New Roads and Street Works Act (NRSWA), offset in part by additional third-party income.	1,019	708	(311)	13
Parking Services	There has been an under achievement of income as a result of loss of income on street parking, car parks and penalty charge notices. Budgets for 2020-2021 have been realigned to reflect achievable levels.	(3,459)	(1,935)	1,524	473
Public Protection	The budget underspend reflects income received following legal proceedings, where the costs were incurred in previous years.	1,966	1,613	(353)	2

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Register Office		(51)	(109)	(58)	-
Street Lighting	The overspend position reflects increased energy costs and expenditure associated with the maintenance of street lighting and signage.	2,691	2,801	110	-
Transportation	The overspend is due to budget reductions not being achieved, offset by savings made on school crossing patrols	533	657	124	(196)
Waste and Recycling	The overspend position reflects an increase in expenditure as a result of agency and overtime costs.	9670	9,574	(96)	(201)
Covid-19 (City Environment 1)		-	-	-	-
<b>Total City Environment</b>		<b>22,534</b>	<b>22,804</b>	<b>270</b>	<b>40</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Finance</b>					
Audit Services	The underspend is due to restructuring and unfilled vacancies across the service.	2,056	1,899	(157)	588
Central Corporate Budgets	An underspend is a result of significant reductions in enhanced pension costs and bank charges.	4,241	3,673	(568)	500
Commercial Services		111	108	(3)	-
Finance Director		159	157	(2)	-
Procurement Services	An overspend is due to an increase in the use of agency resource following internal promotions and turnover within the team, combined with a linked reduction in external income generation.	394	524	130	-
Revenues & Benefits	The underspend is due to the early achievement of the budget reduction target for 2020-2021.	2,738	2,390	(348)	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Housing Benefits Payments & Subsidy	The overspend is due to a significant and unforeseen increase in housing benefit payments to people housed in temporary accommodation where government subsidy falls well short of the amount paid out.	(452)	(52)	400	-
Strategic Finance		2,564	2,557	(7)	(80)
The Hub	The underspend is due to unfilled vacancies held across the service, additional external income generation within Payroll Services.	1,685	1,464	(221)	-
<b>Total Finance</b>		<b>13,496</b>	<b>12,720</b>	<b>(776)</b>	<b>1,008</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Governance</b>					
Director of Governance	The underspend is due to the Director of Governance position vacancy for part of the year.	161	58	(103)	-
Governance Services	The underspend is due to unfilled vacancies across the service, external funding of graduate management trainees, additional external income generation in Democratic Services and Information Governance and other underspends across a range of budgets.	4,152	3,985	(167)	-
Legal Services	The underspend is due to unfilled vacancies and additional external income generation.	2,086	1,851	(235)	-
Ward Funds		-	-	-	-
<b>Total Governance</b>		<b>6,399</b>	<b>5,894</b>	<b>(505)</b>	<b>-</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Strategy</b>					
ICTS	An underspend in the region of £495,000 is reflected due to in year staff vacancies and continuing works to identify and deliver efficiencies in advance of the targets reflected in the approved MTFS for ICTS. Approval is sought to a further contribution of £182,000 from ICTS to the Transformation Reserve, to accommodate the remaining balance of one-off revenue costs (totalling £328,000) associated with the OLM project going live.	6,000	5,505	(495)	328
Strategy		1,115	1,020	(95)	(17)
<b>Total Strategy</b>		<b>7,115</b>	<b>6,525</b>	<b>(590)</b>	<b>311</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Chief Executive</b>					
Communications		1,061	983	(78)	-
Chief Executive		177	177	-	-
<b>Total Chief Executive</b>		<b>1,238</b>	<b>1,160</b>	<b>(78)</b>	<b>-</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
<b>Deputy Chief Executive</b>					
Business Change		2,710	2,680	(30)	(51)
Deputy Chief Executive		198	194	(4)	-
Digital Transformation Programme		88	50	(38)	-
Human Resources		1,821	1,813	(8)	-
Service Improvement		141	141	-	-
<b>Total Deputy Chief Executive</b>		<b>4,958</b>	<b>4,878</b>	<b>(80)</b>	<b>(51)</b>

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020 £000	Net Controllable Outturn 2019-2020 £000	Variance 2019-2020 £000	Element Relating to Transfer to/(from) Earmarked Reserves £000
<b>Corporate Accounts</b>					
Corporate Budgets	The net overspend of £170,000 is after funding the cost of voluntary redundancies. The total cost of voluntary redundancies was £3.2 million. The net cost of voluntary redundancy, after capital receipts flexibility have been accommodated within Corporate Budgets underspends. There is also an overspend of £871,000 against the provision for expected credit losses overspent due to the a greater provision required for 2019-2020. In addition, the 2019-2020 budget strategy included the use of £5.8 million from various reserves; as result of the managed underspends within Corporate Budgets, part of the reserve drawn down was not required. These	(5,380)	(5,210)	170	(2,248)

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
	overspends have been offset by managed underspends across corporate budgets.				
Apprenticeship Levy		540	464	(76)	-
Birmingham Airport - Rent		(69)	(78)	(9)	-
Central Provision for Auto-enrolment and Pay Award Costs	There has not been a call upon the Central Provision for Auto Enrolment by services throughout the financial year which has resulted in a £2 million underspend against this budget. Whilst encouraged, not all employees chose to join the pension scheme. This has been forecast throughout the financial year. An adjustment to this provision has been reflected in the 2020-2021 Budget and Medium Term Financial Strategy approved by Full Council on 4 March 2020.	2,000	-	(2,000)	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Corporate Adjustments		5	(24)	(29)	-
Treasury Management	The underspend against Treasury Management is mainly due to a reduced borrowing need in year arising as a result of re-phasing of the capital programme, this is offset against an increase in Minimum Revenue Provision (MRP) charges and loss of income for interest charged on loans to others. The MRP has increased due to the amount of borrowing applied in 2018-2019 against short life assets compared to the forecast. The loss of interest is due to the revised timing of loan requests from WV Living.	33,683	33,243	(440)	-
West Midlands Transport Levy		10,292	10,292	-	-
Environment Agency Levy		74	74	-	-

Revenue Budget Outturn 2019-2020

Service/Budget	Reason for Variation/Comments	Net Controllable Budget 2019-2020	Net Controllable Outturn 2019-2020	Variance 2019-2020	Element Relating to Transfer to/(from) Earmarked Reserves
		£000	£000	£000	£000
Contribution to the 2020-2021 Budget Strategy Reserve	In accordance with the 2020-2021 Budget strategy approved by Cabinet on 19 February 2020, funds have been transferred into the 2020-2021 Budget Strategy Reserve to support the 2020-2021 budget strategy.	-	2,347	2,347	2,347
<b>Total Corporate Accounts</b>		<b>41,145</b>	<b>41,108</b>	<b>(37)</b>	<b>99</b>

## Outturn on Schools' Budgets

### Overview

Schools that remain in local authority control started the 2019-2020 financial year with accumulated reserves of £5.1 million. At the end of the year revenue balances for these schools were £6.3 million, an increase of £1.2 million. This represents 5.99% of the funding and income available to schools during 2019-2020.

At the start of 2019-2020, the Schools projected balances were forecast to be £2.7 million therefore actual balances are £3.6 million greater than forecast.

The table below illustrates the in-year movement by school type:

**Table 15 - Analysis of Schools Balances 2019-2020**

	Balance at 1 April 2019	Transfer to Academy in year	Use of Balances in 2019-2020	Balance as at 31 March 2020
	£000	£000	£000	£000
Infant	(97)	0	(39)	(136)
Junior	(155)	0	(36)	(191)
Primary*	(3,576)	0	(795)	(4,371)
Secondary	2,042	0	(495)	1,547
Special	(773)	0	(327)	(1,100)
Nursery	(1,065)	0	(80)	(1,145)
PRU	(1,458)	0	543	(915)
<b>Total</b>	<b>(5,082)</b>	<b>0</b>	<b>(1,229)</b>	<b>(6,311)</b>
Clawback Balances	-	0		
Borrowed from future Allocations	5			
<b>Total Reserve Balance</b>	<b>(5,077)</b>	<b>0</b>	<b>(1,229)</b>	<b>(6,311)</b>

\*The figures for Primary Schools does not include St Patrick's who converted to Academy status in-year with a deficit of £154,578.

Within the City, seven schools have now had a balance of over fifteen per cent of their income for five years meaning that the Local Authority is liable to further challenge from the Department for Education regarding these schools. During 2019-2020 officers from the Local Authority met with head teachers of schools to discuss plans for the use of excess surplus balances to ensure that they were being used

### **Outturn on Schools' Budgets**

effectively. No schools were taken through the arbitration process to recover balances as all schools demonstrated legitimate and robust plans.

Schools may be maintaining balances for:

- a) Future cost increases in pension and other pay related costs, which exceed the amount of grant made available for this purpose.
- b) The impact of a national funding formula that is to be fully implemented in the near future. It is expected that this will bring significant turbulence in the school funding system and to schools funding settlements, although the effects are being mitigated by a transitional implementation currently in place.

It is important to note that, as any variances against schools' delegated budgets are transferred either to or from schools' accumulated reserves, their outturn position is financially neutral to the Council's General Fund.

### **Schools in a Deficit Position**

The table below shows how the total number of schools in deficit has decreased.

**Table 9 – Number of Schools in a Deficit Position**

<b>Sector</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>
Infant	1	-	-	-
Junior	1	-	-	-
Primary	4	4	3	-
Secondary	4	3	2	2
Special	-	-	-	-
Nursery	1	-	-	1
Pupil Referral Unit	-	-	-	-
<b>Total</b>	<b>11</b>	<b>7</b>	<b>5</b>	<b>3</b>

Where schools end the financial year in a deficit position they are required to seek the approval of the Local Authority, to operate with a deficit balance. A further report on these will be brought to a future Cabinet (Resources) Panel.

**Housing Revenue Account Revenue Outturn 2019-2020**

	<b>2019-2020 Budget £000</b>	<b>2019-2020 Outturn £000</b>	<b>2019-2020 Variance £000</b>
<b>Income</b>			
Gross rents – dwellings	(88,992)	(88,753)	239
Gross rents – non-dwellings	(524)	(596)	(72)
Charges to tenants for services and facilities	(6,210)	(6,266)	(56)
<b>Total income</b>	<b>(95,726)</b>	<b>(95,615)</b>	<b>111</b>
<b>Expenditure</b>			
Repairs and maintenance	25,615	25,536	(79)
Supervision and management	19,239	20,098	859
Rents, rates and taxes	496	384	(112)
Increase in provision for bad	1,500	1,312	(188)
Depreciation of fixed assets	18,132	18,295	163
<b>Total expenditure</b>	<b>64,982</b>	<b>65,625</b>	<b>643</b>
<b>Net cost of HRA services</b>	<b>(30,744)</b>	<b>(29,990)</b>	<b>754</b>
Interest payable	9,984	9,675	(309)
Interest and investment income	(190)	(88)	102
Revenue to capital transfer	543	543	-
<b>(Surplus)/deficit before transfers to/from reserves and provision for redemption</b>	<b>(20,407)</b>	<b>(19,860)</b>	<b>547</b>
<b>Allocation of (surplus)/deficit</b>			
Provision for redemption of debt	20,407	19,860	(547)
<b>Balance for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**Non-Domestic Rates (NDR) Write offs to be approved by Cabinet**

<b>Account Ref</b>	<b>Reason for Write-off</b>	<b>Write-off amount £</b>
5104762	Unable to Trace	6,622.40
5119671	Unable to Trace	7,176.01
5119685	Unable to Trace	7,940.75
	<b>Total</b>	<b>21,739.16</b>

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**Sundry Debts Write offs to be approved by Cabinet**

<b>Account Ref</b>	<b>Reason for Write-off</b>	<b>Write-off amount £</b>
16004636	Recovery Prohibited by Statute	6,239.45
	<b>Total</b>	<b>6,239.45</b>

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**Council Tax Write offs to be approved by Cabinet**

<b>Account Ref</b>	<b>Reason for Write-off</b>	<b>Write-off amount £</b>
61234504094	Unable to Trace	6,122.60
61234635353	Unable to Trace	6,063.64
	<b>Total</b>	<b>12,186.24</b>

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General Fund Budget Virements

From		To		£000	Reason for Virement
Division	Service	Directorate	Service		
Finance	Audit Services	Various	Various	1,458	New Insurance Fund Recharge budgets.
Various	Various	Finance	Audit Services	1,316	Removal of old Insurance Fund Recharge budgets.
City Environment	Fleet Services	City Environment	Waste and Recycling	474	Waste/Fleet re-alignment
Finance	Audit Services	City Environment	Waste and Recycling	150	Transfer of Waste Services insurance budgets to the Insurance Fund.
Deputy Chief Executive	Business Change	Governance	Governance Services	20	Transfer of Savings Targets
Deputy Chief Executive	Business Change	Regeneration	Skills	40	Transfer of Savings Targets
City Environment	Waste and Recycling	City Environment	Fleet Services	70	Virement regarding Vehicle Cleaning costs
Children's Services	Head of Children's Improvement	Strategic Director People	Strategic Commissioning	65	Realignment of budgets following restricting.
Corporate Accounts	Corporate Accounts	City Assets & Housing	Corporate Asset Management	53	Realignment of Business Rates expenditure budget.
Corporate Accounts	Corporate Accounts	Various	Various	146	Amend recharges between HRA and General Fund
Children's Services	Children & Young People In Care	Children's Services	Head of Children's Improvement	135	Transfer of Advanced Practitioners to New Cost Centre

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<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> <b>8 July 2020</b>
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<b>Report title</b>	Reserves, Provisions and Balances 2019-2020	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Louise Miles Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable director</b>	Tim Johnson, Chief Executive	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Claire Nye	Director of Finance
	Tel	01902 550478
	Email	claire.nye@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board	26 June 2020

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### Recommendations for decision:

The Cabinet is recommended to:

1. Approve the transfers (to)/from earmarked reserves, provisions and general balances as detailed in tables 2, 3 and 4.
2. Approve expenditure from provisions for their purposes as set out in Appendix 3 and 4, up to the value held in each provision as at 31 March 2020.
3. Approve the continuation of delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to allocate funds from the Budget Contingency Reserve, the Regeneration Reserve, the Efficiency Reserve, the Transformation Reserve, the Development Reserve, the Regional Work Reserve, the Enterprise Zone Business Rates Reserve, the Business Rates Equalisation Reserve, the Treasury Management Equalisation Reserve, the Pension Deficit Recovery Reserve, the

Budget Strategy Reserve, the Highways Management Reserve and Community Initiatives and Crowdfund Wolves Reserve.

4. Approve the delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to allocate funds from the Recovery Reserve.

**Recommendations for noting:**

The Cabinet is asked to note:

1. The level of the Council's earmarked reserves, provisions and general balances as at 31 March 2020 and the purposes for which they are being held, as detailed in Appendix 1, 2, 3 and 4.
2. That relevance and adequacy of earmarked reserves and general balances will be reviewed as required by the Constitution during the 2021-2022 budget setting process.
3. That allocation of funding from all earmarked reserves will be reported to Cabinet (Resources) Panel in the scheduled quarterly budget monitoring reports.
4. That Our Council Scrutiny Panel will scrutinise the use of reserves as part of the budget setting process as in previous years.
5. That the Director of Finance considers that the overall level of all reserves, provisions and balances is sufficient to meet the likely level of obligations to be met from reserves, provisions and general balances in the short term.
6. That whilst the positive General Fund outturn position during 2019-2020, and the resulting adjustments to reserves, will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying further projected budget reductions which were estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020.
7. The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy.
8. That the figures quoted in the report are still subject to statutory audit by Grant Thornton UK LLP as part of the 2019-2020 accounts closedown process.

## 1.0 Purpose

- 1.1 The purpose of this report is to inform Cabinet of the Council's resources currently held as earmarked reserves, provisions and general balances as at 31 March 2020, taking account of the outturn position for 2019-2020.

## 2.0 Executive Summary

- 2.1 A summary of the movement in the authority's general balances, earmarked (revenue) reserves and provisions at 31 March 2020 is provided in Table 1 below. This comprises of reserves, provisions and balances held for all funds including the General Fund, the Housing Revenue Account and Schools.

**Table 1 – Balances, Reserves and Provisions as at 31 March 2019 and 31 March 2020**

	Further details	Balance at 31 March 2019 £000	Transfer Out £000	Transfer To £000	Balance at 31 March 2020 £000
Total General Balances	Table 2	(17,011)	-	(3,000)	(20,011)
Earmarked Reserves					
• Those set aside by CWC	Table 3	(40,489)	16,701	(11,569)	(35,357)
• Those earmarked with specific criteria	Table 4	(18,156)	5,664	(16,749)	(29,241)
Total Provisions	Table 5	(35,418)	7,345	(11,913)	(39,986)

- 2.2 In order to be prudent it is proposed that the General Fund balance is increased to £13 million. This represents approximately 5% of the net budget for 2020-2021 and is in line with recommended best practice.
- 2.3 Earmarked reserves that have been set aside by the Council to fund future estimated liabilities and planned expenditure have decreased overall by £5.1 million. The reduction includes the planned draw down of £3.8 million from the Adult Social Care Reserve to support in year pressures and the transfer of £3 million to the General Fund Reserve. Contributions to reserves to offset this in year usage has been possible due to an underspend outturn position. The Revenue Budget Outturn Report, also on this agenda, provides full details of the outturn position.
- 2.4 The Council is required to hold a number of earmarked reserves due to either specific criteria associated with funding, legal requirements or accounting practice. The total values of these types of earmarked reserves has increased by £11.1 million. These reserves include the Covid 19 Emergency Fund Grant of £9.6 million which was received in March 2020; under accounting treatment this grant must be transferred into a reserve

at year end. School balances are also within this category, these have increased by £982,000.

- 2.5 Provisions have increased by £4.6 million. These include the level of provision required to support forecast future expected credit losses.
- 2.6 Whilst the Council does not have a high level of reserves, the outturn position detailed in the Revenue Outturn 2019-2020 return, to be presented at this meeting, has enabled the Council to protect the current level of reserves to some extent. This will help to support the Council's short-term financial position but, does not address the challenging financial position that the Council finds itself in over the medium-term; namely identifying further projected budget reductions which were estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020.
- 2.7 In addition to this challenge, the impact of the Covid-19 pandemic will have significant financial implications for the Council. Cabinet will be presented with a report in July 2020 which will provide more detail on the immediate budget implications and the Medium Term Financial Strategy. A specific reserve is proposed in this report to set aside funds to support the Council's Covid-19 recovery strategy.

### **3.0 Background**

- 3.1 Earmarked reserves are made up of retained surpluses against previous years' revenue budgets, which are available to fund future expenditure. Some are required by law or accounting practice, whilst others represent amounts voluntarily set aside by the Council for specific purposes.
- 3.2 The definition of provisions is set out in financial reporting standards. They state that a provision should be established when:
1. the Council has a present obligation as a result of a past event, and
  2. there is significant uncertainty around the timing or amount of settlement of the obligation, but
  3. a reliable estimate can be made of the likely cost to the Council.
- 3.3 These definitions are for accounting purposes. The important issue for the Council in looking forward is whether or not the earmarked reserves and provisions, taken together with the Council's general balances, are sufficient to meet the cost of fulfilling the obligations (past or future) for which these reserves and provisions were established. If those obligations have been met, it is good practice to release the reserve or provision. The funds released are then available for other uses.
- 3.4 Due to the projected financial challenges facing the Council over the medium term, combined with the budget risks, reserves should only be called on in very specific circumstances and are not a viable funding option to reduce the projected budget deficit over either the short or longer term.

3.5 The policy on the use of reserves was revised during the 2014-2015 budget process and approved by Full Council in November 2013. The policy states:

1. Earmarked Reserves - to provide sufficient sums to meet known and estimated future liabilities and/or planned expenditure.
2. General Fund Balance:
  1. To retain a minimum balance of £10.0 million at all times in order that sufficient sums are available to address the significant budget risks that face the authority should they materialise.
  2. This actual balance may however be lower than the £10.0 million where the use of these balances is the only option to fund significant costs associated with downsizing the workforce, in order to deliver significant on-going savings. These balances should however be replenished to the minimum level of £10.0 million within a maximum of two financial years.
  3. Can only be used following the agreement of Full Council having first been considered by the Cabinet Member for Resources in consultation with Cabinet colleagues and then by Cabinet (Resources) Panel and only in the following circumstances:
    - a. To fund one-off exceptional/extraordinary items of expenditure where such expenditure cannot be contained within existing budgets or by calling on earmarked reserves and/or provisions.
    - b. To smooth the impact of a significant projected medium term budget deficit, where robust plans to address that deficit will take time to approve and implement.
    - c. To fund Invest to save or income generating initiatives where there are insufficient sums held within the Efficiency Reserve to fund the initiative and there is a payback within a reasonable period of time.

#### **4.0 General Balances**

4.1 The Council maintains a number of general balances created by retained surpluses in this year and past years, as detailed in the table below.

**Table 2 – General Balances at 31 March 2019 and 31 March 2020**

	<b>Balance at 31 March 2019 £000</b>	<b>Movement of Balances in 2019- 2020 £000</b>	<b>Balance at 31 March 2020 £000</b>
General Fund Balance	(10,000)	(3,000)	(13,000)
Housing Revenue Account Balance	(7,011)	-	(7,011)
<b>Total Balances</b>	<b>(17,011)</b>	<b>(3,000)</b>	<b>(20,011)</b>

- 4.2 General balances, unlike earmarked reserves, are funds that are generally available and not earmarked for a specific purpose although the individual funds (General Fund and Housing Revenue Account) are ring-fenced.
- 4.3 Following a review of the reserves position during the 2019-2020, the Director of Finance proposes that the Council's General Fund Balance is increased by £3 million to a total value of £13 million. This represents approximately 5% of the net budget for 2020-2021 and is line with recommended best practice.
- 4.4 The council does not have high levels of reserves but through an underspend outturn position has been able to protect the levels or reserves to some extent. The current level of reserves will help to support the Council's short term financial position, however it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying further projected budget reductions which were estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020.
- 4.5 The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy. A specific reserve is proposed in this report to set aside funds to support the Council's Covid-19 recovery strategy.
- 4.6 The Housing Revenue Account (HRA) Balance has been accumulated from net surpluses against HRA budgets in previous years. This balance is only available to fund expenditure against the HRA budget.
- 5.0 Earmarked revenue reserves**
- 5.1 In addition to general balances, the Council also holds a number of earmarked reserves. An analysis of the earmarked reserves set aside by the Council at 31 March 2020 is provided in Table 3 below. Further detail by individual reserves is shown in Appendix 1.

**Table 3 – Earmarked Reserves Set Aside by the Council**

	<b>Balance at 31 March 2019 £000</b>	<b>Transfer Out £000</b>	<b>Transfer To £000</b>	<b>Balance at 31 March 2020 £000</b>
Adult Services	(4,965)	4,265	(500)	(1,200)
Children's Services	(190)	-	(6)	(196)
City Assets and Housing	(125)	-	-	(125)
Corporate	(31,232)	12,208	(10,278)	(29,302)
Regeneration	(1,446)	148	(35)	(1,333)
Finance	(2,527)	80	-	(2,447)
City Environment	-	-	(750)	(750)
Public Health	(4)	-	-	(4)
	<b>(40,489)</b>	<b>16,701</b>	<b>(11,569)</b>	<b>(35,357)</b>

- 5.2 As part of the 2020-2021 budget process all earmarked reserves were once again reviewed for relevance and adequacy by Strategic Finance in conjunction with Budget Managers. The earmarked reserves were also reviewed by Confident, Capable Council Scrutiny Panel Specific Reserves Working Group on 9 January 2020 for appropriateness.
- 5.3 Earmarked reserves that have been set aside by the Council to fund future estimated liabilities and planned expenditure have decreased overall by £5.1 million. The reduction includes the planned draw down of £3.8 million from the Adult Social Care Reserve to support in year pressures and the transfer of £3 million to the General Fund Reserve. Contributions to reserves to offset this in year usage has been possible due to an underspend outturn position. The Revenue Budget Outturn Report, also on this agenda, provides full details of the outturn position.
- 5.4 As a result of the positive General Fund outturn position for 2019-2020, as reported to Cabinet at this meeting in the Revenue Budget Outturn 2019-2020 report, the Council underspent by £2.0 million. It is therefore proposed that £1.8 million is transferred into Budget Contingency earmarked reserve and £200,000 transferred into the Recovery Reserve to support investment in services following the Covid-19 pandemic. The earmarked reserves detailed in Appendix 1 reflect this proposal.
- 5.5 Earmarked reserves set aside by the Council will be reviewed as part of the revenue budget monitoring process throughout 2020-2021, as required within the Constitution. Any proposed adjustments to earmarked revenue reserves will be reported to Cabinet (Resources) Panel for approval. In addition to this, a fundamental review of all earmarked reserves will be undertaken during 2020-2021 to rationalise earmarked reserves where appropriate.

- 5.6 Furthermore, the Our Council Scrutiny Panel will scrutinise the use of these reserves as part of the 2021-2022 budget setting process, as in previous years.
- 5.7 An analysis of the earmarked reserves due to specific criteria at 31 March 2020 is provided in Table 4 below. Further detail by individual reserves is shown in Appendix 2.

**Table 4 – Earmarked Reserves due to specific criteria**

	Balance at 31 March 2019 £000	Transfer Out £000	Transfer To £000	Balance at 31 March 2020 £000
Adult Services	(7)	-	-	(7)
Children's Services	(89)	-	(869)	(958)
City Assets and Housing	(206)	-	(44)	(250)
Corporate	(5,953)	2,492	(11,626)	(15,087)
Regeneration	(240)	21	-	(219)
Finance	(2,103)	-	(588)	(2,691)
City Environment	(3,194)	1,074	(1,252)	(3,372)
Public Health	(1,287)	689	-	(598)
School Balances	(5,077)	1,388	(2,370)	(6,059)
<b>Total Specific Reserves</b>	<b>(18,156)</b>	<b>5,664</b>	<b>(16,749)</b>	<b>(29,241)</b>

- 5.8 There has been a net increase of £11.1 million in earmarked reserves with a specific criteria as shown in Appendix 2.
- 5.9 Schools' Balances (including balances held by Pupil Referral Units) are accumulated from underspends against school budgets in past years. This sum is only available to fund expenditure against schools' delegated budgets. It should be noted that the balance at 31 March 2019 included balances from schools which have subsequently converted to an academy during 2019-2020 but were local authority maintained schools at 31 March 2019. In the instance that a school holds a surplus balance at the point it converts to an academy, the surplus balance is transferred to the academy.
- 6.0 Provisions**
- 6.1 An analysis of the authority's provisions, which is a liability that the Council is aware of but the amount and timing of the liability is uncertain, as at 31 March 2020 is provided in the table below and is shown in more detail by individual provision in Appendix 3 and 4.

**Table 5 – Provisions as at 31 March 2019 and 31 March 2020**

	<b>Balance at 31 March 2019 £000</b>	<b>Transfer Out £000</b>	<b>Transfer To £000</b>	<b>Balance at 31 March 2020 £000</b>
Expected Credit Loss Provision	(25,891)	5,129	(9,078)	(29,840)
Other Provisions	(9,527)	2,216	(2,835)	(10,146)
<b>Total</b>	<b>(35,418)</b>	<b>7,345</b>	<b>(11,913)</b>	<b>(39,986)</b>

## **7.0 Adequacy**

- 7.1 In accordance with the provisions of the Local Government Act 2003 (Section 25), the Director of Finance is required to report on the adequacy of the proposed reserves. The Director of Finance considers that the overall level of all reserves, provisions and balances is sufficient to meet the likely level of obligations to be met from reserves, provisions and general balances in the short term.
- 7.2 It is important to note that many of the changes to earmarked reserves detailed within this report, which have arisen from the positive General Fund outturn position in 2019-2020, will help to support the Council's short-term financial position. This does not, however, address the challenging financial position that the Council finds itself in over the medium term; namely identifying further projected budget reductions estimated at £15.5 million in 2021-2022, rising to around £20 million over the medium term to 2023-2024 when reported to Full Council in March 2020. The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy.
- 7.3 Work continues to identify budget reduction and income generation proposals to address the projected budget deficit faced by the Council over the medium term and progress will be reported to Cabinet in July 2020 in the Draft Budget and Medium-Term Financial Strategy 2021-2022 to 2023-2024 report.

## **8.0 Evaluation of alternative options**

- 8.1 The reserve, provision and balance adjustments are all considered to be prudent in the opinion of the Director of Finance and the Cabinet Member for Resources.

## **9.0 Reason for decision(s)**

- 9.1 Contribution to and from reserves requires the approval from Cabinet. The reserve amendments detailed in this report are all considered to be prudent in the opinion of the Director of Finance and the Cabinet Member for Resources.

## **10.0 Financial Implications**

10.1 The financial implications are discussed in the body of the report.  
[MH/29062020/Y]

## **11.0 Legal Implications**

11.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. The recommendations set out in this report will allow the Council to comply with this obligation  
[TS/27062020/Q]

## **12.0 Equality Implications**

12.1 This report has no direct equality implications. However, any consideration given to the use of reserves, provisions or balances could have direct or indirect equality implications. These will need to be considered as and when sums are allocated from reserves and/or balances whereby an initial screening will be conducted.

## **13.0 Climate change and Environmental Implications**

13.1 This report has no direct implications for the Council's environmental policies. However, any consideration given to the use of reserves and/or balances could have direct or indirect environmental implications. These will need to be considered as and when sums are allocated from reserves, provisions or balances.

## **15.0 Human resources implications**

15.1 There are no direct human resources implications arising as a result of this report. However, any consideration given to the use of reserves and/or balances could have direct or indirect human resources implications. These will need to be considered as and when sums are allocated from reserves, provisions or balances.

## **16.0 Corporate Landlord implications**

16.1 There are no direct corporate landlord implications arising as a result of this report. However, any consideration given to the use of reserves and/or balances could have direct or indirect corporate landlord implications. These will need to be considered as and when sums are allocated from reserves, provisions or balances.

## **17.0 Health and Wellbeing implications**

17.1 There are no direct health and wellbeing implications arising as a result of this report. However, any consideration given to the use of reserves and/or balances could have direct or indirect health and wellbeing implications. These will need to be considered as and when sums are allocated from reserves, provisions or balances.

## **18.0 Covid Implications**

18.1 The Covid-19 pandemic has had a significant international, national and regional impact, and will continue to have, significant financial implications for the Council. Whilst the direct financial impact of the pandemic was limited in 2019-2020, it will have a significant impact on 2020-2021 and future years. Cabinet will be presented with a report in July 2020 which will provide more detail on the budget implications and the Medium Term Financial Strategy.

## **19.0 Background Papers**

19.1 [Revenue Budget Outturn 2019-2020](#), report to Cabinet, 8 July 2020.

19.2 [2020-2021 Final Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024](#), report to Cabinet, 19 February 2020.

## **20.0 Appendices**

20.1 Appendix 1 – Earmarked Reserves by Directorates

20.2 Appendix 2 – Other Earmarked Reserves with specific criteria by Directorates

20.3 Appendix 3 – Expected Cash Loss Provision

20.4 Appendix 4 – Other Provisions

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Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Adult Services</b>						
Adults Social Care Reserve	This reserve was established to ensure that the Adults Social Care council tax precept, additional social care support grant and the new improved better care fund grant was transferred to Adult Social Care. This reserve will be used to support the growing demand within Adult Social Care. The majority of the balance on this reserve was required in 2019-2020 to support Adult Social Care expenditure.	(4,965)	4,265	(500)	(1,200)	-
<b>Adult Services Total</b>		<b>(4,965)</b>	<b>4,265</b>	<b>(500)</b>	<b>(1,200)</b>	<b>-</b>

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Children's Services</b>						
Safeguarding Partnership Board	To fund the Safeguarding Partnership Board (Previously Safeguarding - Adults Board) expenditure in future years. This reserve is made up of contributions from our partners (Police, Clinical Commissioning Group, Probation and Prospects) to support the running costs of the Safeguarding Partnership Board.	(190)	-	(6)	(196)	-
<b>Children's Services Total</b>		<b>(190)</b>	<b>-</b>	<b>(6)</b>	<b>(196)</b>	<b>-</b>

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>City Assets and Housing</b>						
HRA Homelessness	Available to support initiatives that work to prevent homelessness. This reserve was set up due to the uncertain future of the grant. Homelessness is on the increase and the Homelessness Reduction Act requires authorities to provide earlier interventions to prevent homelessness.	(53)	-	-	(53)	-
Kickstart Loans	Recycling of funds secured following the repayment of Kickstart Loans into assistance for private sector housing improvements.	(72)	-	-	(72)	-
<b>City Asset and Housing Total</b>		<b>(125)</b>	-	-	<b>(125)</b>	-

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Corporate</b>						
Transformation Reserve	To progress the Our Council Transformation Strategy and ultimately deliver greater efficiencies.	(1,780)	355	(330)	(1,755)	928
Budget Contingency Reserve	Available to address in-year budget pressures that cannot be addressed from within existing service budgets. Funds in this reserve have been increased in previous years to support risks associated with the budget, including but not limited to the delivery of challenging budget reduction targets.	(3,056)	3,876	(4,394)	(3,574)	308
Efficiency Reserve	Available to allow pump priming and investment in new developments, where the main aim is to generate efficiencies 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.	(6,484)	1,114	(23)	(5,393)	1,459
Job Evaluation Reserve	To assist with the funding of the implementation of new pay scales arising from job evaluation, in addition	(1,699)	699	-	(1,000)	1,000

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Corporate</b>						
	to equal pay costs that cannot be charged to the provision.					
Development Reserve	To fund feasibility works.	(500)	50	-	(450)	450
Enterprise Zone Business Rates Equalisation Reserve	To equalise the fluctuation in business rates receipts within the Enterprise Zone.	(669)	4	-	(665)	-
Business Rates Equalisation Reserve	To equalise the impact of the fluctuation in business rates on the Council's General Fund arising as a result of revaluations and appeals.	(2,123)	1,000	-	(1,123)	-
Treasury Management Equalisation Reserve	To support the revenue costs associated with re-phasing in the Capital Programme, such as interest costs arising as a result of borrowing.	(2,968)	1,000	(183)	(2,151)	-
Budget Strategy Reserve	Funds available to address reorganisation costs as a result of the financial challenges faced by the Council over the medium term.	(9,069)	1,500	-	(7,569)	-

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Corporate</b>						
Pension Deficit Recovery Reserve	This reserve was established to make further pension contributions towards the past service deficit in order to reduce the total costs and secure on-going budget reductions. This reserve was fully utilised in 2019-2020.	(781)	781	-	-	-
Community Initiatives and Crowdfund Wolves	For a programme of positive community based activities to engage and develop young people and also to support Crowdfund Wolves.	(284)	9	-	(275)	10
Recovery of Overpaid VAT Reserve	This reserve was established as a result of successful recovery of overpaid VAT totalling £1.8 million. This reserve was fully utilised in 2019-2020.	(1,820)	1,820	-	-	-
2020-2021 Budget Strategy Reserve	In accordance with the 2020-2021 Budget approved by Cabinet on 19 February 2020, funds have been transferred into the 2020-2021 Budget Strategy Reserve to support the financial strategy in 2020-2021.	-	-	(2,347)	(2,347)	-

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Corporate</b>						
Recovery Reserve	Funds in this reserve are available to support investment in services following the Covid-19 pandemic.	-	-	(3,000)	(3,000)	-
<b>Corporate Total</b>		<b>(31,233)</b>	<b>12,208</b>	<b>(10,277)</b>	<b>(29,302)</b>	<b>4,155</b>

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Regeneration</b>						
Art Gallery Touring Exhibitions Reserve	To support the costs of touring exhibitions. The reserve has been built up from net income generated in previous tours.	(7)	-	-	(7)	5
Regeneration Reserve	To fund projects in support of corporate regeneration priorities and maintaining the city centre development.	(1,434)	148	(35)	(1,321)	-
Schools Arts Service Reserve	This reserve is made up of funds to support educational art projects in schools and the wider community, which may lead to increased future income streams.	(6)	-	-	(6)	-
<b>Regeneration Total</b>		<b>(1,447)</b>	<b>148</b>	<b>(35)</b>	<b>(1,334)</b>	<b>5</b>

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Finance</b>						
FutureWorks Reserve	This amount has been set aside to part fund costs for the ongoing development of Agresso.	(351)	80	-	(271)	-
Revenues and Benefits Strategy Reserve	Funds available to address changes in benefit distribution.	(2,176)	-	-	(2,176)	-
<b>Finance Total</b>		<b>(2,527)</b>	<b>80</b>	<b>-</b>	<b>(2,447)</b>	<b>-</b>

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>City Environment</b>						
Climate Change Reserve	Funds in this reserve are available for climate change feasibility works and will enable the Council to tackle climate change with a shift to net carbon zero by 2028.	-	-	(750)	(750)	-
<b>City Environment Total</b>		-	-	<b>(750)</b>	<b>(750)</b>	-

Earmarked Reserve by Division

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Public Health</b>						
Building Resilience Reserve	To continue activities under the Preventing Violent Extremism work stream.	(4)	-	-	(4)	-
<b>Public Health Total</b>		<b>(4)</b>	<b>-</b>	<b>-</b>	<b>(4)</b>	<b>-</b>
<b>Council Total</b>		<b>(40,491)</b>	<b>16,701</b>	<b>(11,568)</b>	<b>(35,358)</b>	<b>4,160</b>

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Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Adult Services</b>						
Mary Ellen Bequest - Oxley Training Centre Reserve	Bequest available for use at the Oxley Training Centre.	(7)	-	-	(7)	-
<b>Adult Services Total</b>		<b>(7)</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>-</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Children's Services</b>						
The Education (Penalty Notices) Regulations 2007	This reserve is made up fines levied to parents where their children are taken out of school on holidays during term time. The fund can only be spent on issuing and enforcing penalty notices, and prosecuting recipients who do not pay.	(89)	-	-	(89)	-
Regional Adoption Agency (RAA)	As part of the funding agreement with partner Authorities in the Regional Adoption Agency it has been agreed that an overspend up to 5% of the approved budget will be held in a reserve to be utilised in future years.	-	-	(209)	(209)	-
PFI surplus reserve	A Reserve to allow in year PFI contract efficiencies to be utilised to meet future years expenditure.	-	-	(660)	(660)	-
<b>Children's Services Total</b>		<b>(89)</b>	<b>-</b>	<b>(869)</b>	<b>(958)</b>	<b>-</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>City Assets and Housing</b>						
Victoria Square Sinking Fund Reserve	Contributions made by tenants and set aside by the Council to meet future maintenance costs at Victoria Square commercial units.	(19)	-	(3)	(22)	-
Magistrates Court Reserve	Sinking fund to meet future refurbishment costs for building occupied by Magistrates court.	(34)	-	-	(34)	-
Private Sector Housing - Civil Penalties	This reserve is made up of fines levied on private sector landlords under the Housing Planning Act 2016. As an alternative to prosecution landlords can be fined for breaches of the act for example breaches of an improvement notice or overcrowding in a property. Fines can be up to £30,000 and are ringfenced to provision of the service.	(78)	-	(41)	(119)	-

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>City Assets and Housing</b>						
Private Sector Housing - Licencing Fees	Licencing fees are levied on all private sector properties that offer multiple occupancy. Each property is charged a set fee at the point of registration. Properties are then assessed against pre-defined criteria and are awarded a star rating. Depending upon the star rating awarded an amount of the licence fee is refunded up to a total of the original fee. This reserve is required in order to fund these refunds in future years.	(74)	-	-	(74)	-
<b>City Assets and Housing Total</b>		<b>(205)</b>	<b>-</b>	<b>(44)</b>	<b>(249)</b>	<b>-</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>City Environment</b>						
Markets Reserve	To fund periodic repairs and maintenance at the wholesale market including, for example, internal and external redecoration. The Reserve has been established from market trader contributions (part of annual service charges).	(92)	-	-	(92)	-
Licensing Reserve	The Licensing service is not permitted to make a surplus over a three-year period. Against this background the Reserve is used to minimise variations in fees imposed as costs and license volumes fluctuate between years.	(1,900)	304	(766)	(2,362)	-
Wholesale Market Sinking Fund	Established to fund specific major replacement and refurbishment projects at the wholesale market including, for example, plant and equipment replacement or a roof replacement. This Reserve has been established from market trader contributions (part of annual service charges).	(37)	8	-	(29)	-

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>City Environment</b>						
Highway Management Reserve	Reinvestment of funds secured through Bus Lane enforcement into Highway improvement	(1,164)	761	(486)	(889)	620
Mediation Service	To provide a Mediation Service which is self-funded through annual contributions, mainly from Wolverhampton Homes and Cannock Chase District Council.	(1)	-	-	(1)	-
<b>City Environment Total</b>		<b>(3,194)</b>	<b>1,073</b>	<b>(1,252)</b>	<b>(3,373)</b>	<b>620</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Finance</b>						
Insurance Reserve	The Reserve is for unexpected insurance claim events that cannot be covered by Insurance Fund budgets. Insurance claims costs vary year to year and a contribution may be made to or from the Reserve dependent on the Fund outturn position	(2,103)	-	(588)	(2,691)	-
<b>Finance Total</b>		<b>(2,103)</b>	<b>-</b>	<b>(588)</b>	<b>(2,691)</b>	<b>-</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Public Health</b>						
Public Health	This reserve has been established from ring fenced Public Health grant and is to fund one-off public health initiatives.	(1,265)	689	-	(576)	-
Community Safety	To assist the Safer Wolverhampton Partnership to deliver the Community Safety and Harm Reduction Strategy 2017-2020 and its annual Delivery Plan 2018-2019, as authorised by the Office of the Police and Crime Commissioner.	(22)	-	-	(22)	-
<b>Public Health Total</b>		<b>(1,287)</b>	<b>689</b>	<b>-</b>	<b>(598)</b>	<b>-</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Regeneration</b>						
Building Control Service Improvements	Any surplus achieved on the Building Control Service is required to be reinvested back into the service	(240)	21	-	(219)	-
<b>Regeneration Total</b>		<b>(240)</b>	<b>21</b>	<b>-</b>	<b>(219)</b>	<b>-</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Corporate</b>						
Funds and Bequests Reserve	Trust funds administered by the authority with specific criteria for allocation.	(9)	-	-	(9)	-
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.	(5,910)	2,492	(11,626)	(15,044)	-
Art Fund	Funds administered to support revenue expenditure against criteria defined by the bequest.	(33)	-	-	(33)	-
Mayors Award	Trust funds administered by the authority with specific criteria for allocation.	(2)	-	-	(2)	-
Grand Theatre Loop	Trust funds administered by the authority with specific criteria for allocation.	-	-	-	-	-
<b>Corporate Total</b>		<b>(5,954)</b>	<b>2,492</b>	<b>(11,626)</b>	<b>(15,088)</b>	<b>-</b>

Other Earmarked Reserves with Specific Criteria by Directorates

Specific Reserve	Description of Reserve	Balance at 31 March 2019 £000	Transfer Out	Transfer In	Balance at 31 March 2020 £000	Approved Commitments at 31 March 2020
<b>Schools</b>						
Schools Balances	Held in accordance with the Scheme of Delegation for Schools.	(5,077)	1,388	(2,370)	(6,059)	-
<b>Schools Total</b>		<b>(5,077)</b>	<b>1,388</b>	<b>(2,370)</b>	<b>(6,059)</b>	<b>-</b>
<b>Council Total</b>		<b>(18,156)</b>	<b>5,663</b>	<b>(16,749)</b>	<b>(29,242)</b>	<b>620</b>

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## Expected Cash Loss Provision

Provision	Description of Provision	Balance at 31 March 2019 £000	Transfer Out £000	Transfer to £000	Balance at 31 March 2020 £000
<b>Expected Cash Loss Provision</b>					
Collection Fund	All bad and doubtful debt provisions are calculated by application of an established formula that takes account of the risk of not recovering debts owed to the Council using a combination of factors including age of debt.	(15,281)	3,839	(5,681)	(17,123)
General Fund Sundry Debtors		(8,201)	606	(1,896)	(9,491)
Housing Revenue Account		(2,410)	684	(1,501)	(3,227)
<b>Expected Cash Loss Provision Total</b>		<b>(25,892)</b>	<b>5,129</b>	<b>(9,078)</b>	<b>(29,841)</b>

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Other Provisions

Balance at 31 March 2019 £000	Provision Name	Provision Details	Amounts Used in 2019-2020 £000	Provisions Made in 2019-2020 £000	Balance at 31 March 2020 £000
(1,120)	Capitalisation Risks	This provision is in respect of potential claims under equal pay legislation. It is currently uncertain when payments might need to be made, and the value of any such payments.	820	-	(300)
(2,303)	Insurance	The Council self-insures risks to property and assets up to a total aggregate limit of £1.0 million and its liability exposures up to a limit of £250,000 on any one occurrence above which limits the external insurance cover operates. The insurance provision of £2.3 million is in respect of the outstanding claims under the self-insurance programme covering the current and past years.	-	-	(2,303)
(344)	Termination Benefits	During 2019-2020, the Council continued to accept applications for voluntary redundancy. As a result of this initiative, there were a number of employees and former employees to whom termination benefits were due, but had not yet been made, at the end of the year.	344	(386)	(386)
(51)	Midlands Housing Consortium (MHC)	MHC was previously a member of the West Midlands Pension Fund. It paid a lump sum to the Council to support pension payments to fund members. This provision will reduce gradually over time as pension payments are made.	28	-	(24)
(20)	Housing Revenue Account	There are three separate provisions: for legal disrepair claims, for tenant management organisation expenditure and for rent bonds.	1	-	(19)
(5,513)	Outstanding NNDR appeals	The Collection Fund account requires a provision for appeals against the rateable valuation set by the Valuation Office Agency (VOA) not settled as at 31 March 2020.	909	(1,994)	(6,599)
(113)	Court Costs	Court costs relating to a case have now been settled and a provision is no longer required.	113	-	-
(63)	Other	These are small amounts relating to ex-members of the pension fund and refunds of aftercare payments made by residents subsequently falling within Section 117 of the Mental Health Act 1983 and from whom charges are not due.	1	-	(61)
0	BCLEP EZ provision for Wolverhampton (North)	Provision for the retention and distribution of the uplift in business rates for City of Wolverhampton Enterprise Zone sites in the Black Country area.	-	(454)	(454)
<b>(9,527)</b>		<b>Total Other Provisions</b>	<b>2,216</b>	<b>(2,835)</b>	<b>(10,145)</b>

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<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> 8 July 2020
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<b>Report title</b>	Housing Managing Agents Performance Monitoring Report – Quarter Four January to March 2020	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Jacqueline Sweetman City Assets and Housing	
<b>Key decision</b>	No	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Ross Cook, Director, City Environment	
<b>Originating service</b>	Housing	
<b>Accountable employee</b>	Lakhi Sahota	Housing Strategy and Development Support Officer
	Tel	01902 551610
	Email	Lakhi.sahota@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Not applicable	

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**Recommendation for decision:**

The Cabinet is recommended to:

1. Review and comment on the performance of Landlord Services, Homelessness Services and the Home Improvement Agency for Quarter Four 2019-2020, and any areas for improvement.

## **1.0 Purpose**

- 1.1 The primary purpose of this report is to provide an evaluation of the following:
- A. Performance of Wolverhampton Homes and the Tenant Management Organisations (TMOs) in managing and maintaining council owned dwellings during the 2019-2020 financial year;
  - B. Delivery of Homelessness Services by Wolverhampton Homes on behalf of City of Wolverhampton Council during the 2019-2020 financial year;
  - C. Delivery of the Home Improvement Agency by Wolverhampton Homes to support independent living of residents.

## **2.0 Background**

- 2.1 This report assists in clarifying and highlighting areas of performance; where performance data suggests that intervention or revised working may be required or has been undertaken.
- 2.2 This report illustrates performance from quarter one 2018-2019 to quarter four 2019-2020 inclusively to allow comparison over the year.
- 2.3 This report is split into three areas of client relationship management by Housing Strategy: Landlord Services, Homelessness Services and Home Improvement Agency.

## **3.0 Landlord Services**

- 3.1 The performance for each of the managing agents is grouped under three headings:
- a) Rent Management;
  - b) Repairs Management;
  - c) Voids and Allocations.
- 3.2 Wolverhampton Homes additionally reports on Business Planning, satisfaction with the handling and outcome of the Anti-Social Behaviour (ASB) process, Customer Care and Estate Services.
- 3.3 Tables indicate both the direction in which performance needs to move for improvement, and performance trends between the current and the previous quarter.
- 3.4 Additionally, performance is categorised as:
- a) GREEN – where performance is in target and:
    - (i) Was in target the previous quarter, or
    - (ii) Was marked as Amber in the previous quarter.
  - b) AMBER – where performance is:
    - (i) Off target this quarter and was marked as Green in the previous quarter, or
    - (ii) In target this quarter and was marked as Red in the previous quarter.

- c) RED – where performance is off target and,
  - (i) Was marked as Amber in the previous quarter, or
  - (ii) Was marked as Red in the previous quarter, or
  - (iii) Gives clear cause for concern

#### **4.0 Governance**

- 4.1 The Housing Strategy Team continues to monitor the governance of the housing management organisations.
- 4.2 The Client Relationship Manager for Housing Strategy is invited to attend Wolverhampton Homes' board meetings as an observer. Wolverhampton Homes' board, committee and other minutes and papers are available on request to council employees.
- 4.3 The TMOs provide agendas, minutes and other documents from their regular meetings. Housing Services employees have observed TMO board and committee meetings where resources have permitted.
- 4.4 With all four quarters data now available, an annual review will be undertaken of the housing managing agents' performance across the year as well as an annual assessment of their governance and adherence to their management agreements.

#### **5.0 Homelessness Services**

- 5.1 Homelessness Services are delivered by Wolverhampton Homes on behalf of the Council, with residents provided with support in a number of ways to help ensure they keep their home.
- 5.2 The Housing Strategy team monitor Wolverhampton Homes' performance in the delivery of homelessness services as part of a service level agreement.
- 5.3 Performance is reviewed in average decision time taken, temporary accommodation usage, reasons for homelessness within Wolverhampton and prevention and relief work.

#### **6.0 Home Improvement Agency**

- 6.1 Disabled Facilities Grant, Affordable Warmth and Housing Assistance programmes have been delegated to Wolverhampton Homes to deliver on the Council's behalf. Together this assistance forms the Home Improvement Agency, which is under development and supports people to remain in their homes and communities, avoid unnecessary admission to hospital or return home from hospital to a safe place with access to support in the event of an emergency.
- 6.2 Performance for Home Improvement is grouped under three headings:
  - A. Affordable Warmth;
  - B. Housing Assistance;
  - C. Independent Living.

#### **7.0 Evaluation of alternative options**

- 7.1 As this is a monitoring report, there are no alternative options to evaluate.

## **8.0 Reasons for decision**

8.1 To maintain oversight of Wolverhampton Homes and the Management of the Council's housing stock in accordance with the management agreements.

8.2 To comply with the Homelessness Reduction Act which came into force in April 2018.

## **9.0 Financial implications**

9.1 The performance of the managing agent, and in particular Wolverhampton Homes, impacts on the Council's Housing Revenue Account (HRA) Business Plan. The financial impact is reflected in the quarterly financial monitoring of the HRA which is included as part of the quarterly corporate budget monitoring reports to Cabinet (Resources) Panel.  
[JM/16062020/M]

## **10.0 Legal implications**

10.1 The services provided by the managing agents relates to the discharge of the Council's duties to its tenants. Failure to undertake relevant repairs to housing stock within a reasonable time following notice to the Council of disrepair can result in a tenant commencing proceedings in the civil courts against the Council for breach of repairing obligations under S11 of the Landlord and Tenant Act 1985.

10.2 The Homelessness Reduction Act 2017 places new legal duties on local authorities so that anyone who is homeless or at risk of being made homeless will have access to help.

10.3 The Council is ultimately responsible for the discharge of these duties. It is therefore essential to have sufficient performance management arrangements in place. These arrangements are set out in detail in the respective management agreements.  
[DC/15062020/U]

## **11.0 Equalities implications**

11.1 There are no direct equality implications arising from this report, however the delivery of housing management services has an impact on the accessibility of housing for residents in the city.

## **12.0 Environmental implications**

12.1 There are no direct equality implications arising from this report, however the delivery of housing management services has an impact on the accessibility of housing for residents in the city.

## **13.0 Covid implications**

13.1 As a result of measures taken to stop the spread of Covid-19, Wolverhampton Homes suspended all non-emergency repairs from 24 March 2020, carrying out emergency and statutory repairs and compliance checks only. All TMOs suspended non-emergency repairs from 19 March 2020 and from 24 March 2020 "In hours" emergency repairs service to both New Park Village TMC and Springfield Horseshoe TMO were provided by Wolverhampton Homes.

- 13.2 Bushbury Hill EMB, Dovecotes TMO and New Park Village TMC closed their offices with rental payments restricted to online payments only. Wolverhampton Homes restricted the number of people in One Stop Shops at any given time and Springfield Horseshoe TMO continued to operate from Low Hill Office.
- 13.3 All managing agents suspended adverts of properties available to let and suspended allocations. Only those applicants in temporary accommodation and urgent need of housing were assisted with accommodation during the first month of the lockdown.
- 13.4 The Homelessness Taskforce put provisions in place at the Redwings Hotel to provide suitable accommodation and services for rough sleepers and homeless individuals. Clients were moved into Redwings Hotel on 27 March 2020 with 67 clients accommodated by 1 April 2020.
- 13.5 Wolverhampton Homes were unable to deliver any Housing Improvement/DFG works due to Covid-19 restrictions.

#### **14.0 Human resources implications**

- 14.1 This report has no human resources implications.

#### **15.0 Corporate Landlord implications**

- 15.1 This report relates to the performance of the housing management agents and council housing stock and therefore has no corporate landlord implications.

#### **16.0 Schedule of background papers**

- 16.1 None

#### **17.0 Appendices**

- 17.1 Appendix 1: Client Relationship Managing Report, Quarter Four January to March 2020.

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# CLIENT RELATIONSHIP MANAGING REPORT

## QUARTER FOUR JANUARY-MARCH 2020

1. LANDLORD SERVICES
2. HOMELESSNESS SERVICES
3. HOME IMPROVEMENT AGENCY

# CLIENT RELATIONSHIP MANAGING REPORT

## QUARTER FOUR – JANUARY-MARCH 2020

### 1. LANDLORD SERVICES

This housing management performance report covers the fourth quarter of the financial year 2019-2020. It uses the 'RAG' rating system of red, amber and green traffic light symbols to provide an indication of performance.

Trend	
	Performance is out of target.
	Performance is: (i) off target this quarter and was marked as green previously, or (ii) in target this quarter and marked as red in the previous quarter.
	Performance is in target and: (i) was in target the previous quarter, or (ii) was marked as amber in the previous quarter.

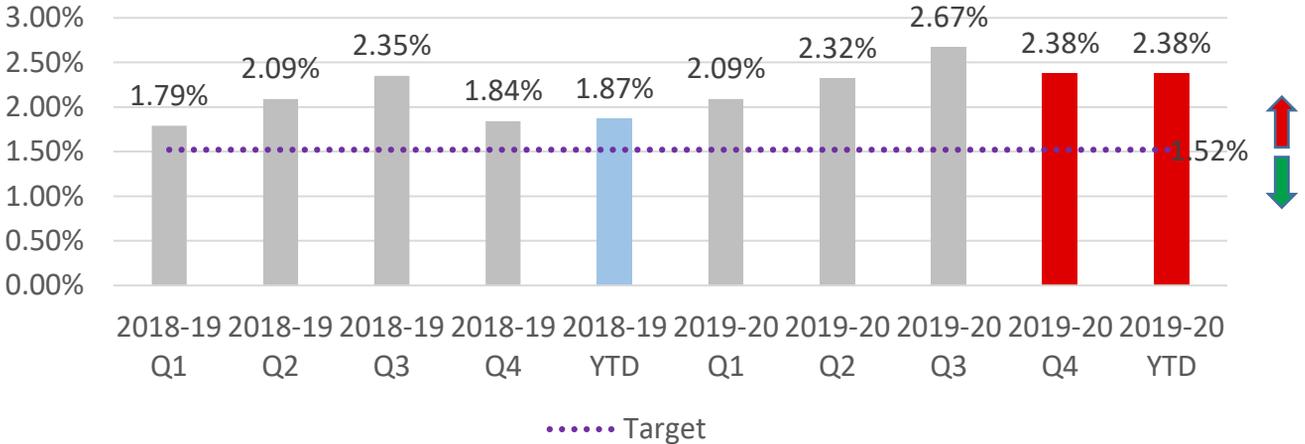
#### Performance indicators and stock management

Managing Agent	Stock Profile	Number of measured indicators	Performance targets snapshot		
			Below required target	Within an acceptable tolerance	Met/exceeded target
Wolverhampton Homes	21,993	21	9	3	9
Bushbury Hill EMB	979	8	2	1	5
Dovecotes TMO	771	10	2	0	8
New Park Village TMC	292	9	2	1	6
Springfield Horseshoe HMC	252	9	1	0	4

This section sets out quarter four performance information for Wolverhampton Homes, during 2019-2020. Wolverhampton Homes has generally performed well, with 9 indicators within target, 9 outside of target and 3 within tolerance.

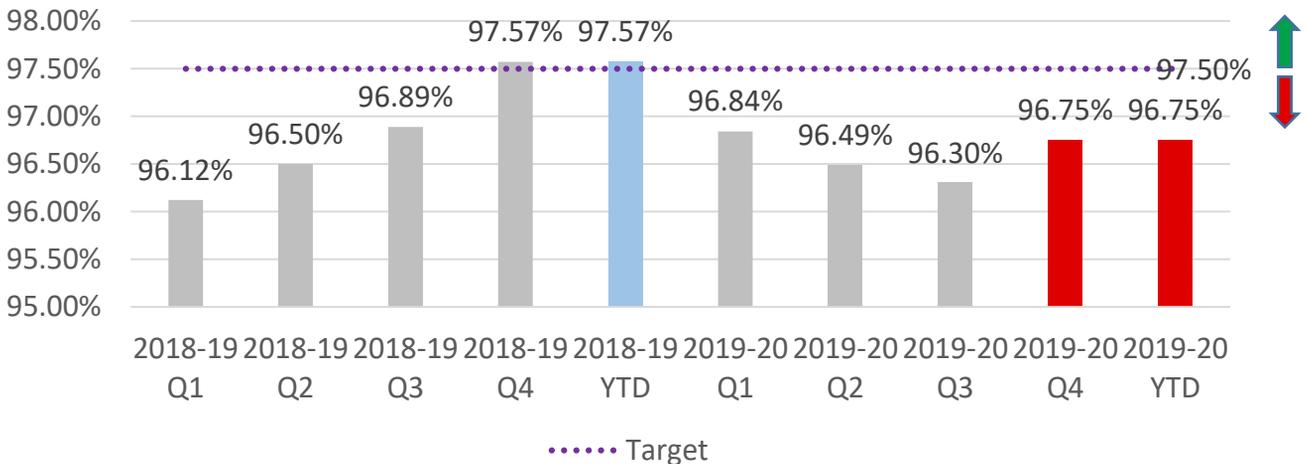
## RENT MANAGEMENT

### Arrears as a % of the rent roll



Wolverhampton Homes anticipated a rise in arrears following the Christmas period and expected some difficulty in rent collection during the Covid-19 lockdown. Performance has nevertheless remained steady. With arrears only 0.86% out of target, Wolverhampton Homes have performed comparatively well.

### % Rent collection (arrears indicator)

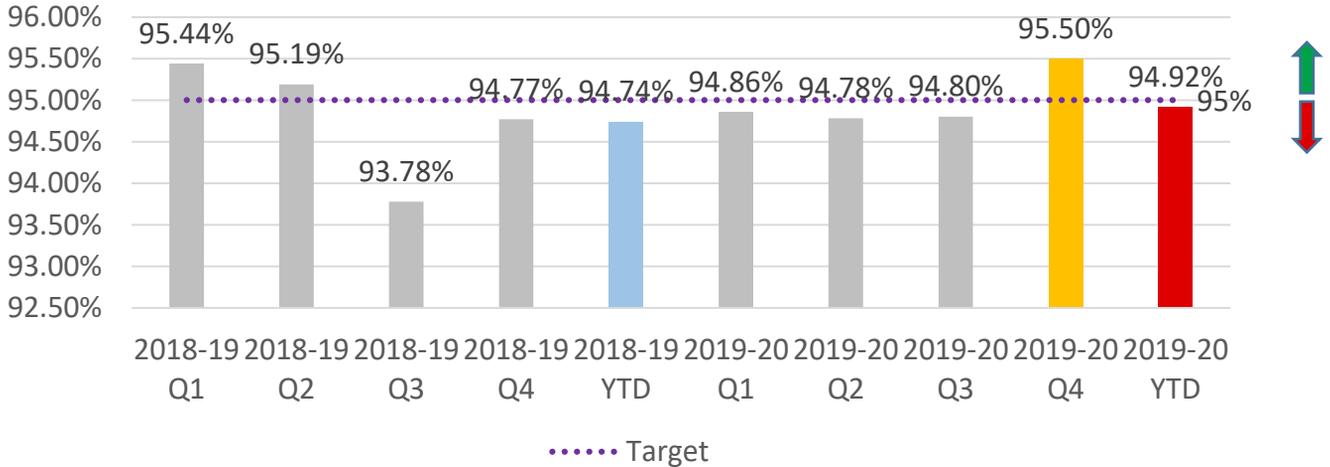


Wolverhampton Homes' performance has improved for quarter four falling only slightly below a high target.

Wolverhampton Homes' Money Smart team provide support and advice for tenants in arrears and will contact customers who have been transferred to Universal Credit at the onset to provide information and advice if required. Wolverhampton Homes has also supported 62 people into provisions such as work experience, voluntary work and training.

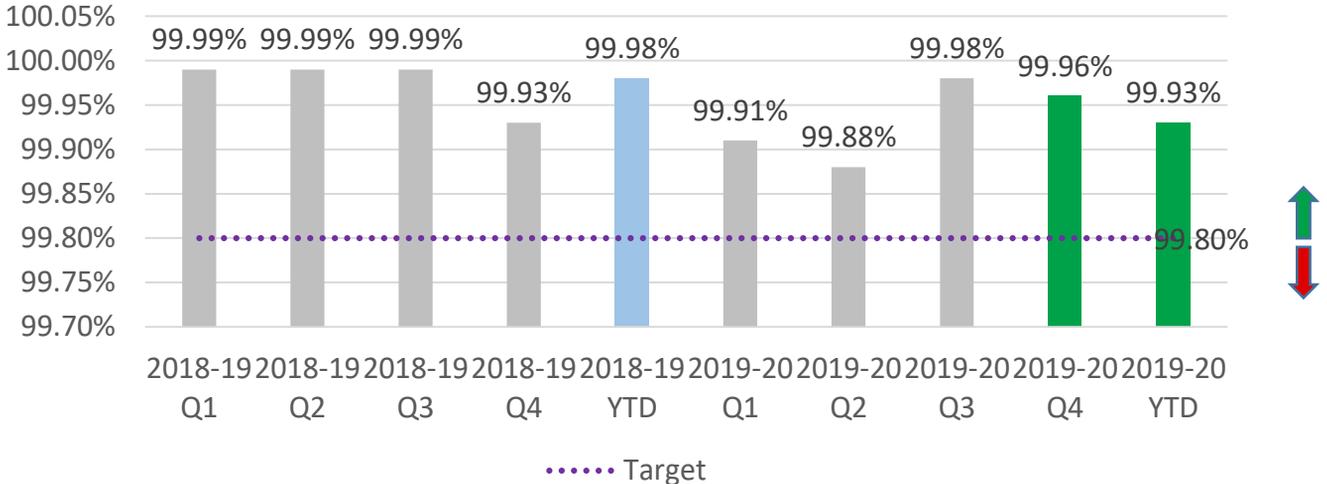
REPAIRS MANAGEMENT

% Responsive Repairs for which an appointment was made and kept



Responsive repair rates are just 0.5% out of target and gives no cause for concern. There have been significant changes to how repairs can be done but generally the end of year performance has been good and previous work by the transformation team has had a positive impact.

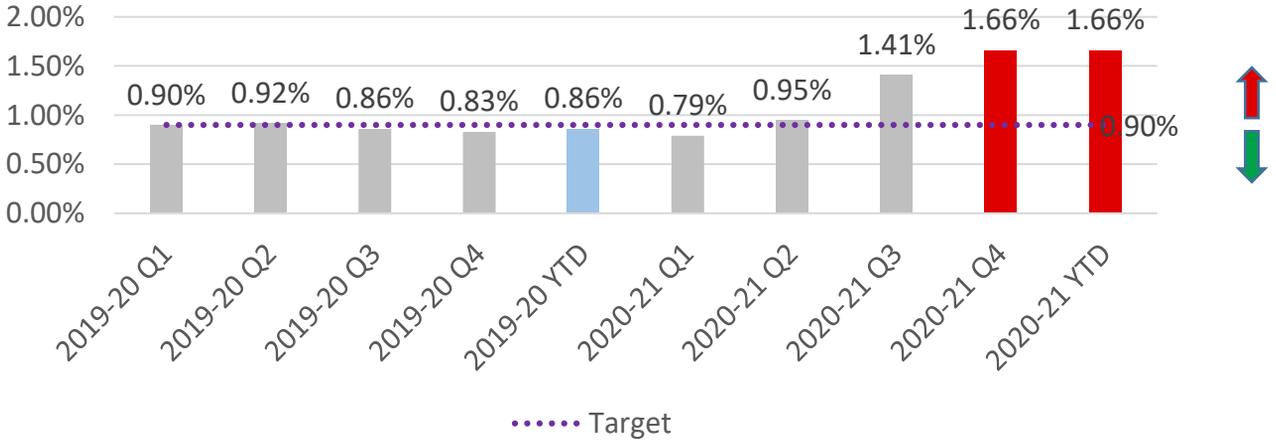
% Valid Gas Certificates



Wolverhampton Homes continues to maintain its high performance with regards to the percentage of valid gas certificates completed. Targets were increased due to ongoing exceptional performance. Checks were previously carried out in a more standardised way and this will shortly be transformed to a new “MOT” style of checking.

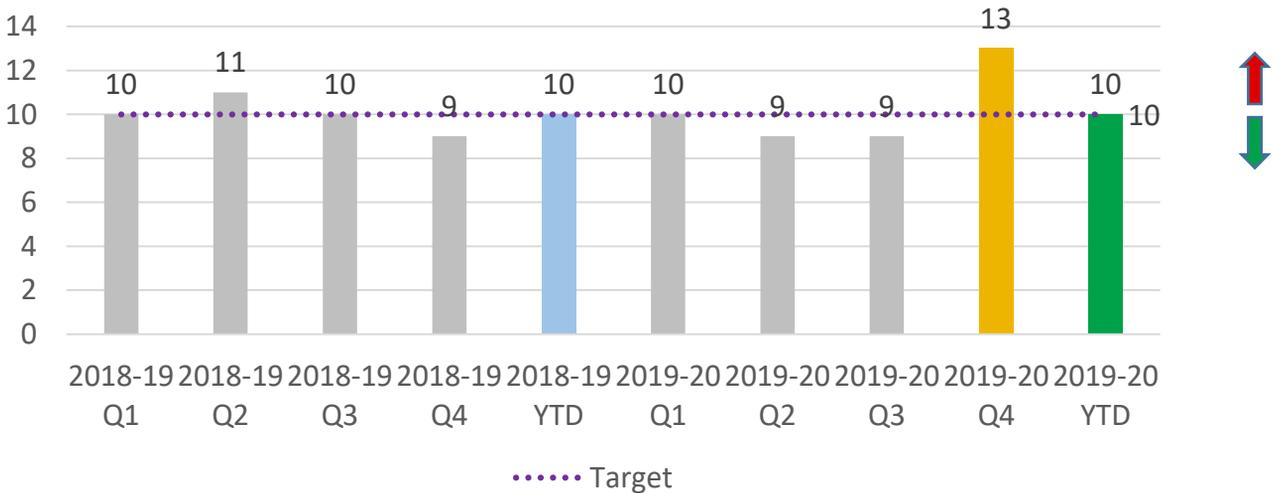
**VOIDS AND ALLOCATIONS**

**Void loss as a % of the rent roll**



Wolverhampton Homes have found issues with asbestos and infestations have increased void loss as a percentage of the rent roll. There is currently training processes in place for new staff and improvements are anticipated for the next financial year.

**Average number of calendar days to re-let**



A slight increase in re-let times for quarter four taking performance out of target however, due to strong performance previously, is marked as amber and will be monitored by Housing Strategy in the next financial year.

**Anti-Social Behaviour**

	% satisfied with the way their ASB was dealt with		98.11% <i>Target: 97% (high)</i>	Performance remains on target for quarter four.
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**Business Planning**

	Average days lost through sickness		7.65 <i>Target: 6.5 (low)</i>	Slightly over target due to seasonal influences, and several long term sicknesses. Wolverhampton Homes are working on wellbeing policies moving forward.
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**Business Planning**

	% customer calls answered within 80 seconds		37.1% <i>Target: 55% (high)</i>	<p>Due to staff absences and ongoing system issues, there has been a decline in customer care performance.</p> <p>Wolverhampton Homes received more calls in quarter three due to poor weather, however, due to internal staff absence, meeting demand was more difficult.</p> <p>It is anticipated that the issues were temporary and improved performance is expected in the coming quarters.</p>
	% calls abandoned		13.8% <i>Target: 15% (low)</i>	
	% complaints responded to within target		81.08% <i>Target: 92% (high)</i>	
	% calls answered		98.89% <i>Target: 85% (high)</i>	
	Councillor enquiries responded to in 14 days		81.08% <i>Target: 92% (high)</i>	

**Estate Inspections**

	% estate inspections achieving Good or Excellent rating		90.32% <i>Target: 99% (high)</i>	Performance fell below target due to Covid-19 and being unable to continue inspections in March 2020.
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Repairs

	% response repairs completed in target		95.74% <i>Target: 98% (high)</i>	Calls received late in the day impacted figures, however, performance dropped only slightly below target. Staff changes should improve performance in the coming quarters.
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Neighbourhood and Housing Management Services

	Tenants evicted for rent arrears		16	For information only; number of evictions taking place during quarter three.  System upgrades and team restructuring has improved performance in telecare services.
	% telecare calls answered within 60 seconds		98.89% <i>Target: 97.5% (high)</i>	
	% out of hours calls answered		98.89% <i>Target: 97.5% (high)</i>	

Estate Services / Health and Safety

	% fire safety inspections completed – low and medium rise		100% <i>Target: 99.5% (high)</i>	Excellent performance overall for all three indicators.
	% fire safety inspections completed – high rise		100% <i>Target: 99.5% (high)</i>	
	Management of Fire Risk Assessments		100% <i>Target: 99.5% (high)</i>	

Voids and Allocations

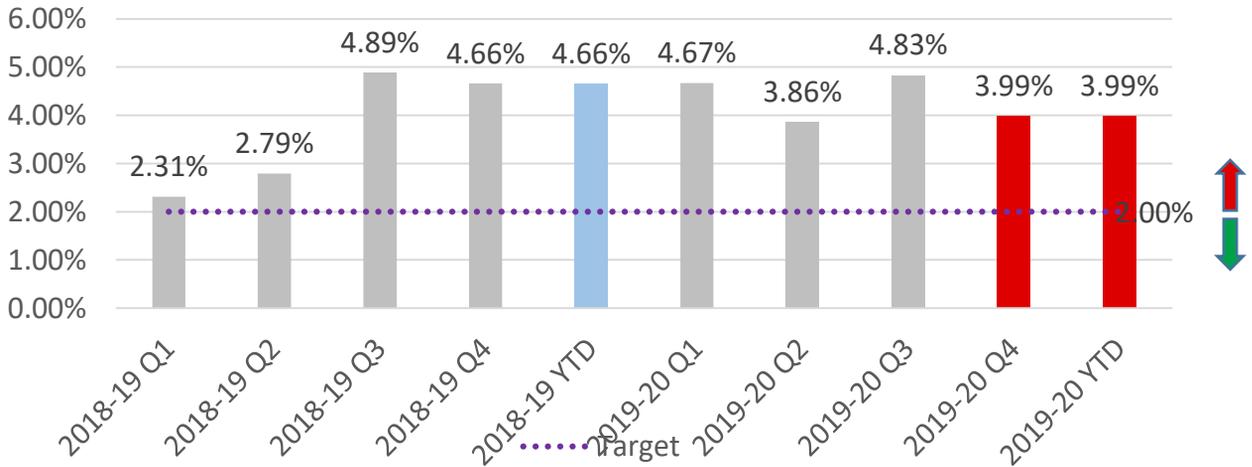
	Rent arrears of former tenants as a % of the rent roll	£	1.25% <i>Target: 1.05% (low)</i>	Rent arrears for former tenants sits out of target while Wolverhampton Homes awaits write-offs from financial year 2019-2020.
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# BUSHBURY HILL ESTATE MANAGEMENT BOARD

Below is the quarter four performance information for Bushbury Hill Estate Management Board (EMB), for 2019-2020. 2 indicators are outside of target, 1 within acceptable tolerance level and the remaining 5 are within target.

## RENT MANAGEMENT

### % Tenants with more than seven weeks gross rent arrears

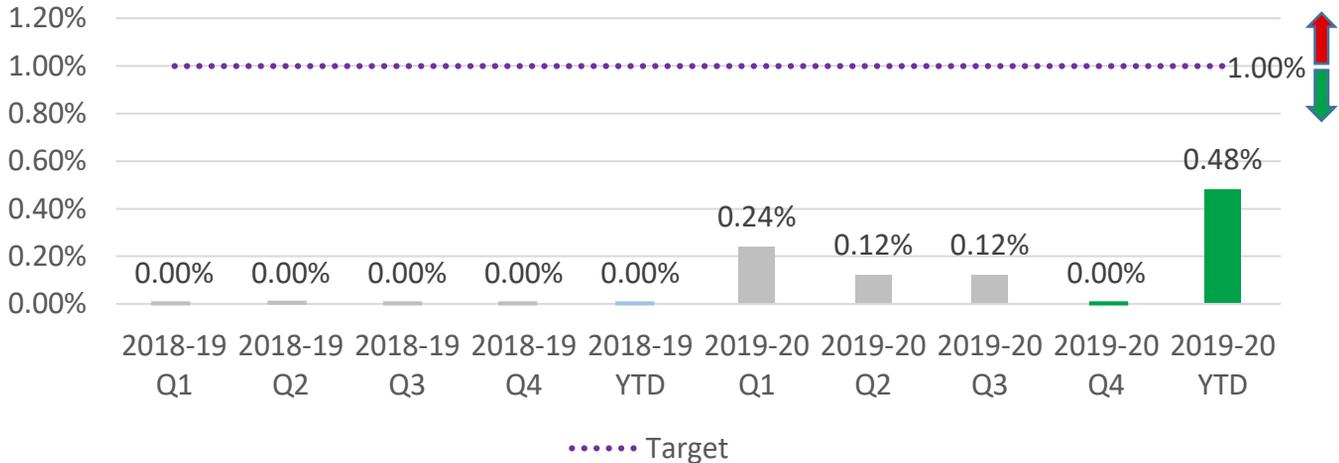


There has been a slight improvement in rent arrears for quarter four, due to issues with late Managed Payment arrangements in quarter three.

Universal credit also continues to impact the seven week arrears figure where the first payment is delayed by 8 weeks.

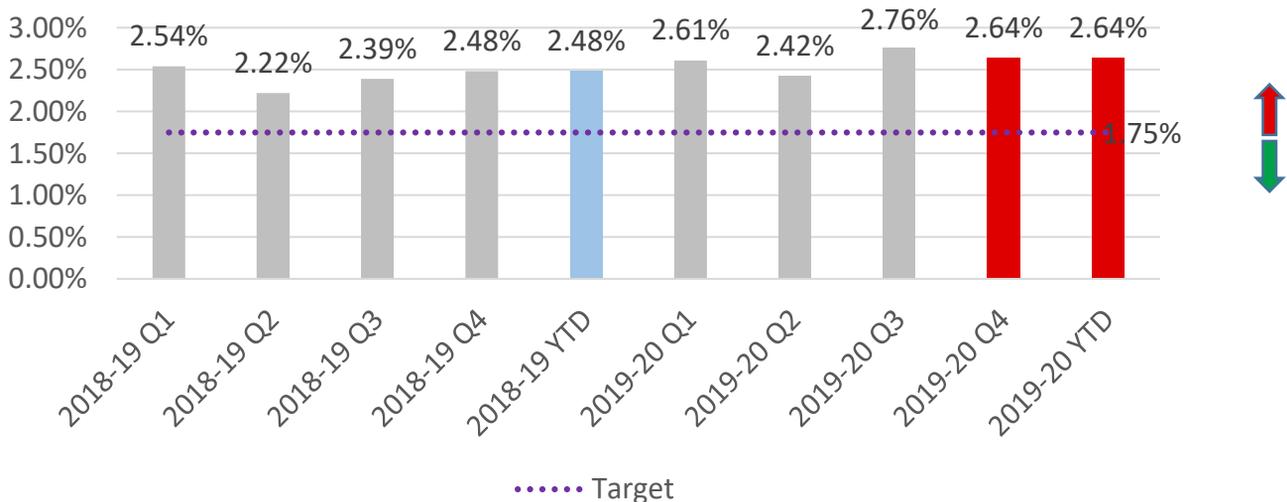
## RENT MANAGEMENT

### % Tenants evicted as a result of rent arrears



Bushbury Hill EMB continue to minimise evictions, with no evictions in quarter 4 and the year to date cumulative total remaining at less than 1%.

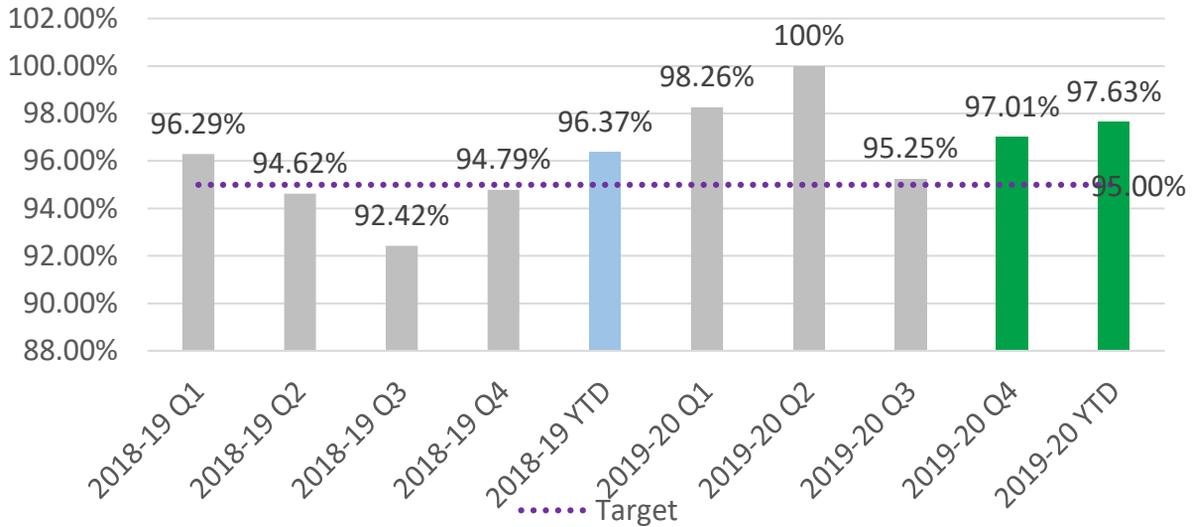
### Arrears as a % of the rent roll



Bushbury Hill EMB's arrears as a percentage of the rent roll remain at a steady rate despite an anticipated rise in quarter four due to Covid-19.

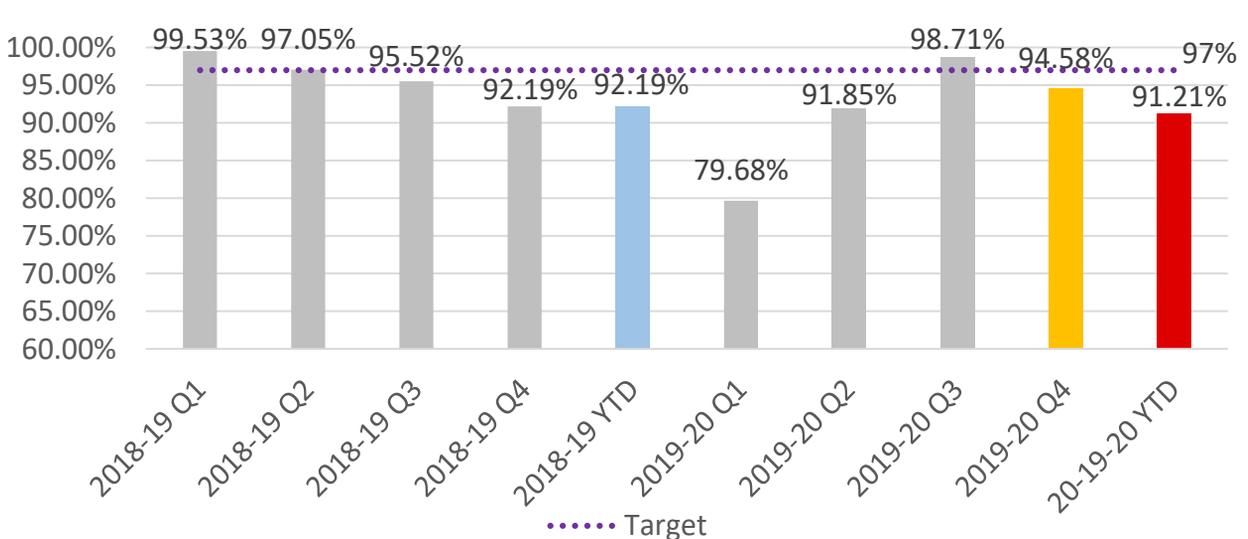
## REPAIRS MANAGEMENT

### % Repairs attended within time (WHT\* & WH)



Performance for repairs attended remains within target for quarter four and has improved from quarter three.

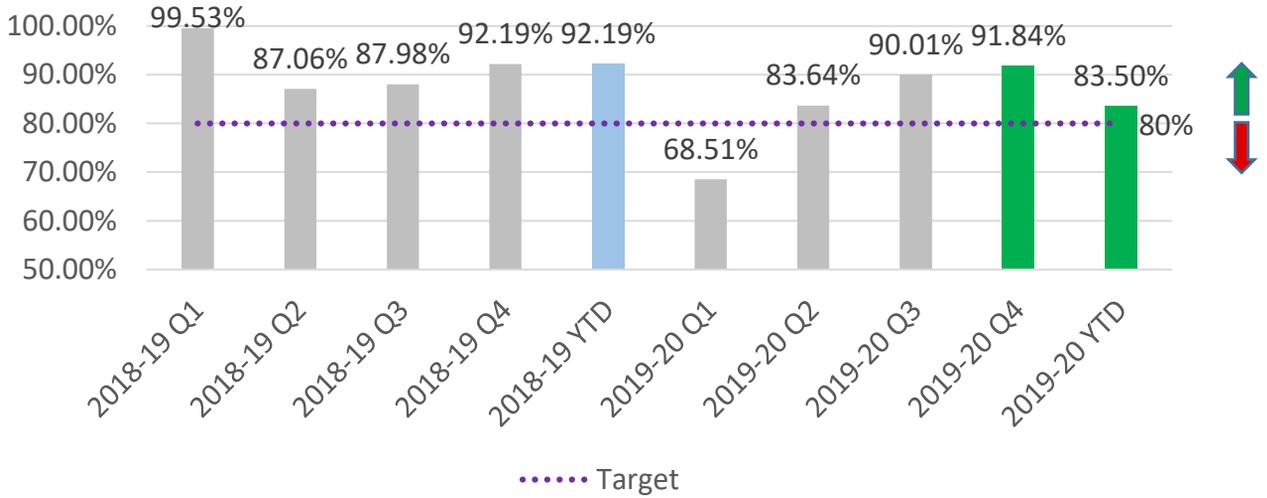
### % Rapid response repairs attended same day (WHT\* only)



There has been continuing improvement in same day attendance Rapid Response repair call-outs following some issues in quarter one with a new Scheduling System. A drop in performance is seen in quarter four which is in part due to Covid-19 restrictions in March meaning that repairs could not be attended on the same day in some cases.

## REPAIRS MANAGEMENT

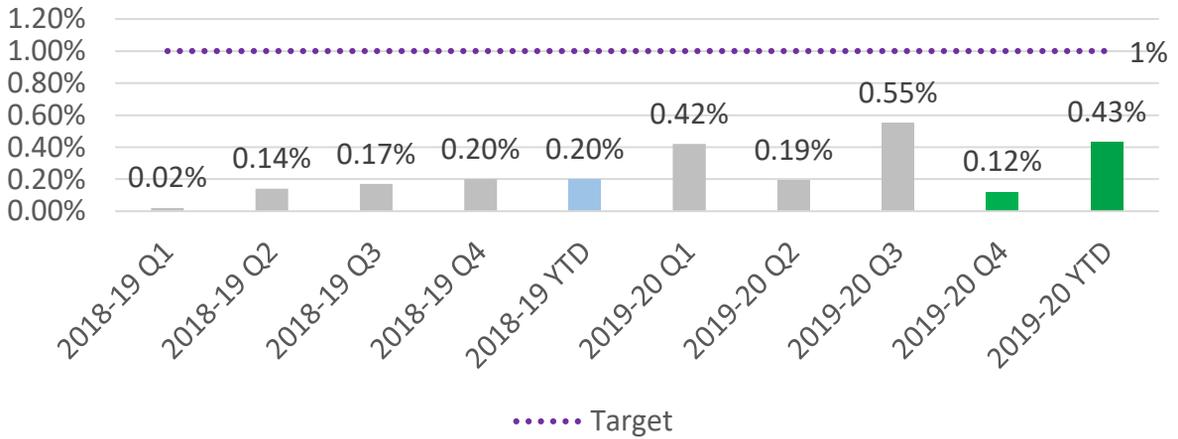
### % Rapid response repairs completed same day (WHT only)



Performance continued to improve for rapid response repairs through 2019-20 with performance being within target each quarter.

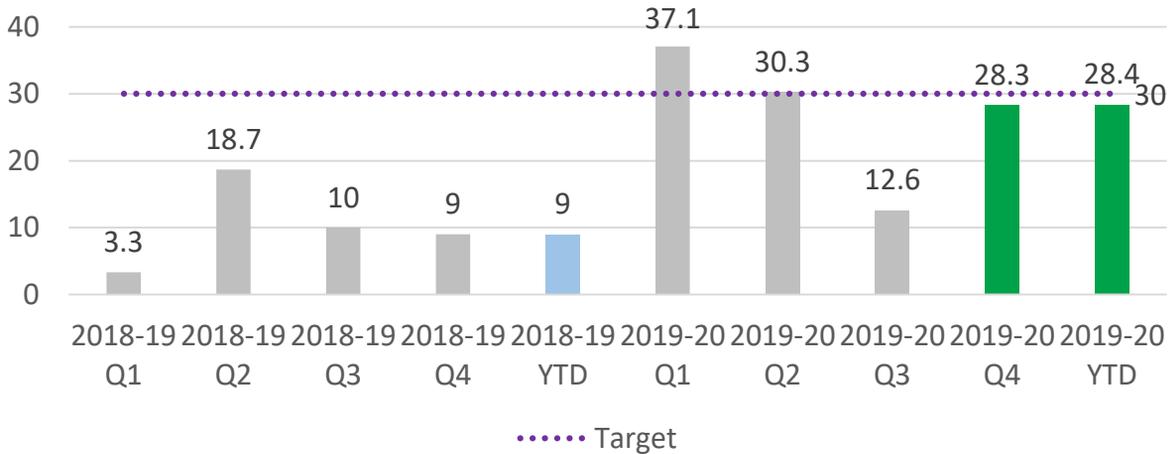
## VOIDS AND ALLOCATIONS

### Void loss as a % of the rent roll



Void loss continues to remain within target for this financial year.

### Average number of calendar days to re-let housing



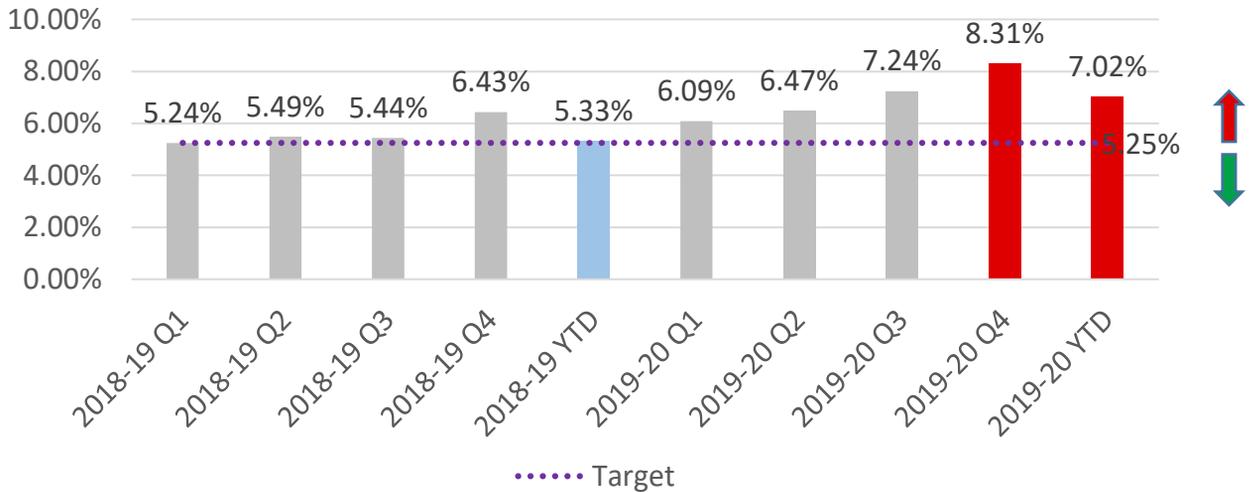
Turnaround to re-let housing remains in target for quarter four. There was a significant drop in re-let time for quarter three, however, this was due to three mutual exchanges and another benefitting from same day sign up.

# DOVECOTES TENANT MANAGEMENT ORGANISATION

Below is the quarter four performance information for Dovecotes Tenant Management Organisation (TMO), during 2019-2020. Dovecotes TMO has performed well with 8 indicators being within target and only 2 outside of target.

## RENT MANAGEMENT

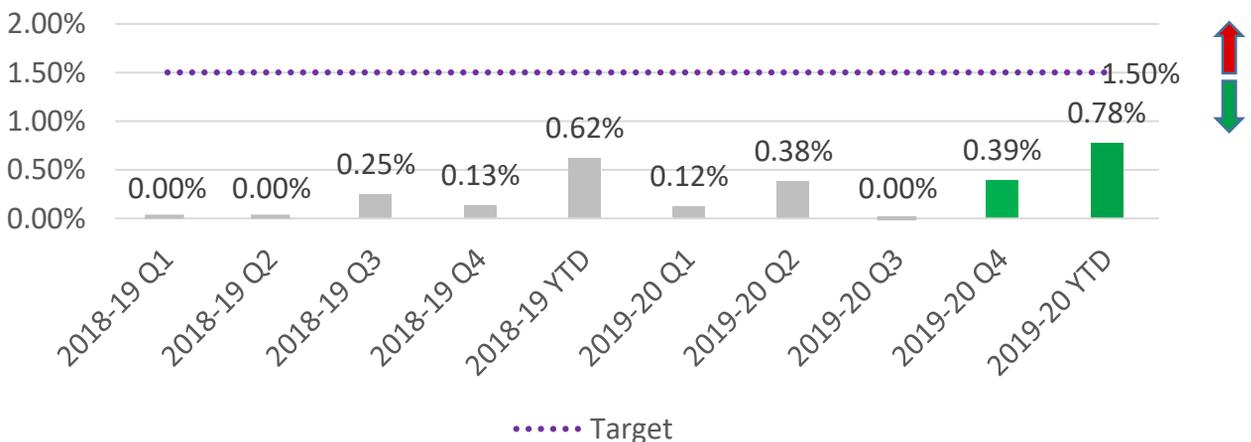
### % Tenants with more than 7 weeks rent arrears



Dovecotes TMO has seen an increase in the arrears which may be attributed to an increase in tenants applying for universal credit during quarter four; direct payments cannot be requested until 8 weeks of debt has occurred.

Enforcement action cannot be taken for one month arrears unless the tenant is on a court order. Tenants new to Universal Credit are referred to the Money Smart team.

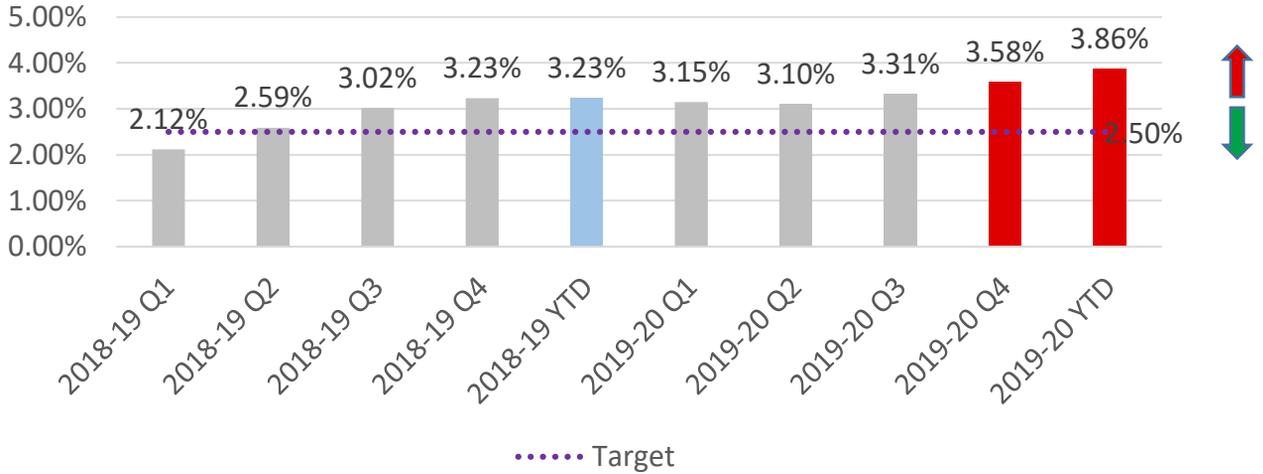
### % Tenants evicted as a result of rent arrears



There were three evictions in quarter four in February 2020 due to arrears amounting from over £2000 to over £4000. Referrals were made to Dovecotes Citizens Advice Wolverhampton (CAW) surgery for money advice and hardship payments were made. One tenant did not engage and abandoned the property before the eviction date.

## RENT MANAGEMENT

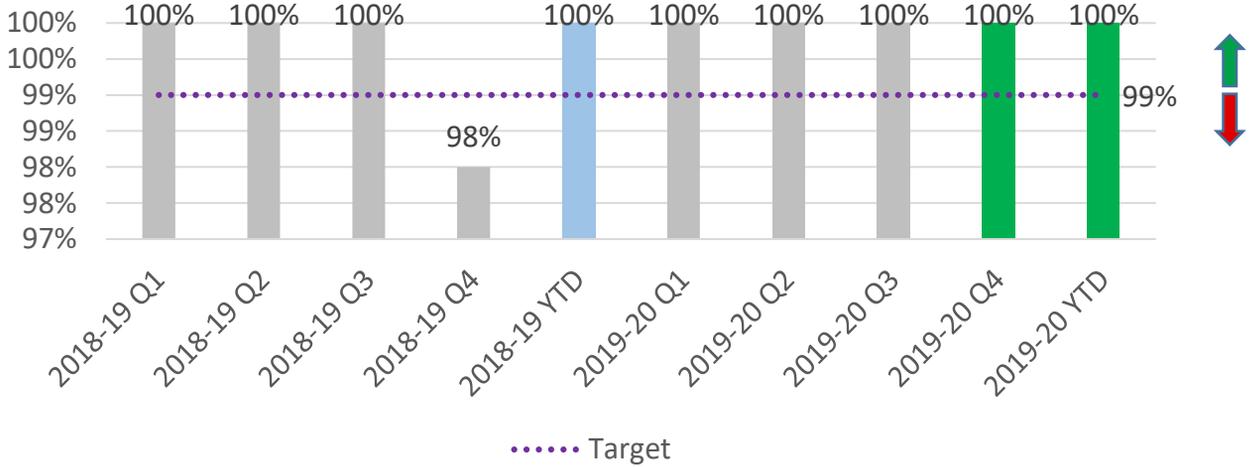
### Arrears as a % of the rent roll



Dovecotes TMO have enquired about direct payment of rent for tenants in arrears. However, as the criteria for universal credit clients require reasons of vulnerability in order to qualify for direct payments, it is not always possible to arrange them for some tenants.

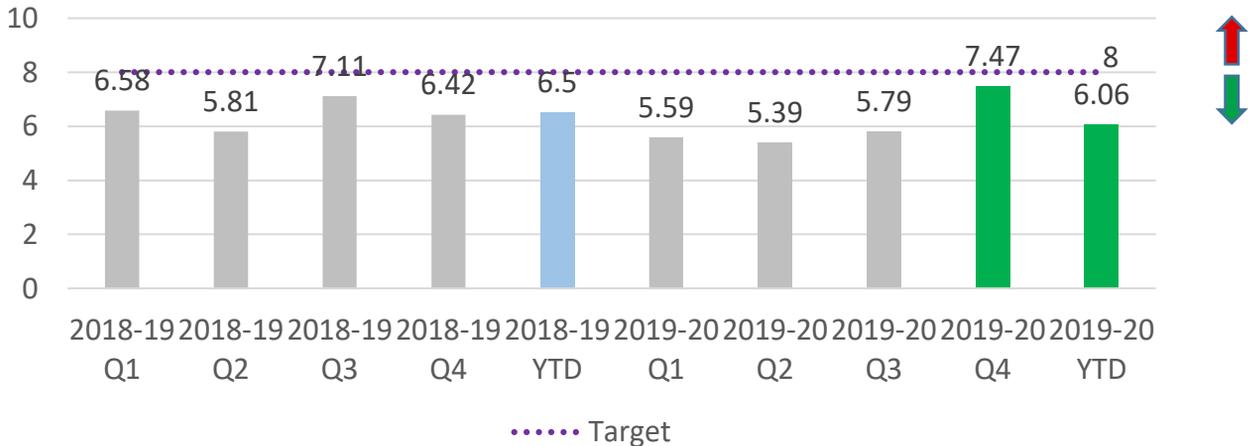
## REPAIRS MANAGEMENT

### % Rapid response repairs (same day)



Dovecotes TMO has been completing all Rapid Response repairs ahead of the 7 day Government target.

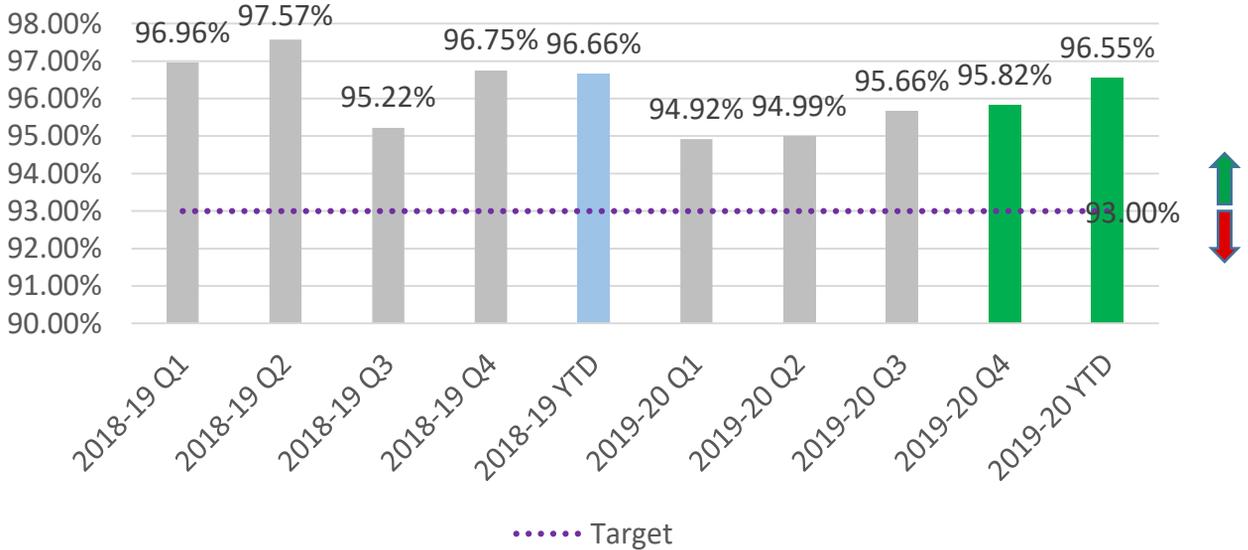
### Average number of calendar days to complete non-urgent repairs



Completion of non-urgent repairs continues to remain within target and has improved compared to the previous financial year.

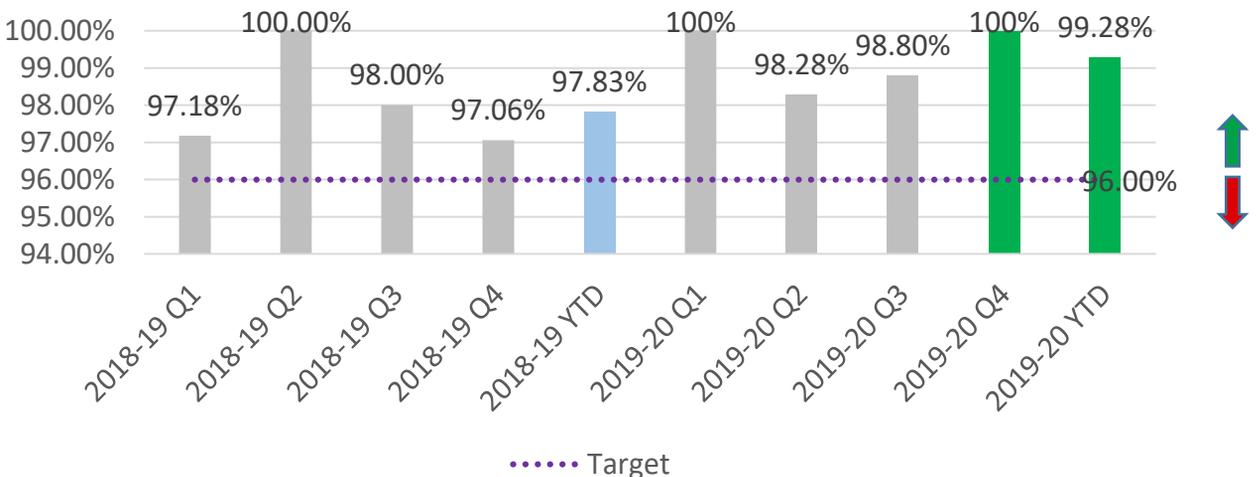
## REPAIRS MANAGEMENT

### % Responsive repairs- appointments made and kept



Quarter four performance for responsive repairs has stayed above the required target and Dovecotes TMO continues to perform well since quarter one of the previous financial year. Delays/cancellations may occur where a repairs operative may have overrun on a previous job, or arrived at a job earlier than expected.

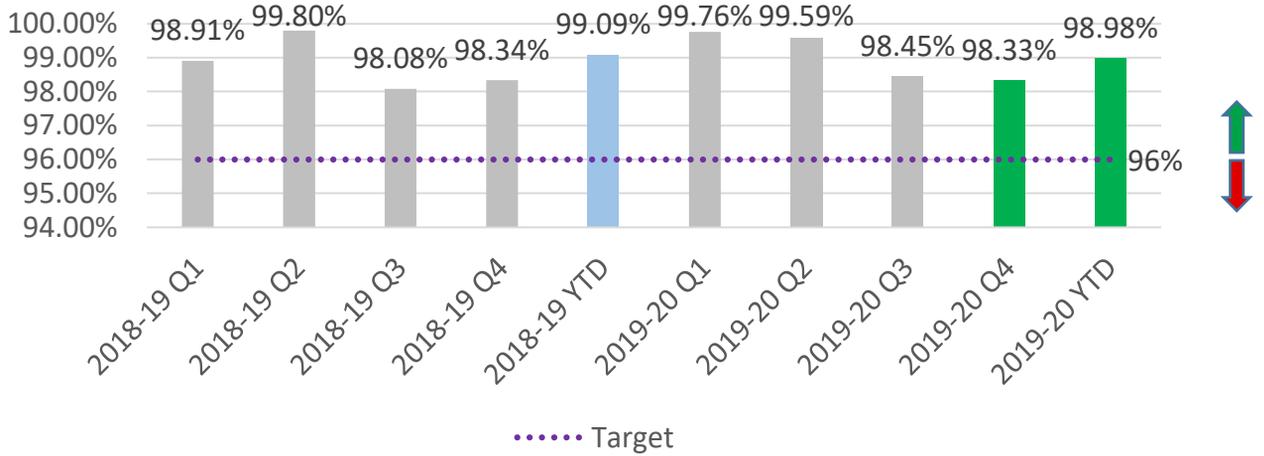
### % Emergency repairs completed on time



Emergency repairs are in most cases completed on the same working day and Dovecotes TMO remain above target.

## REPAIRS MANAGEMENT

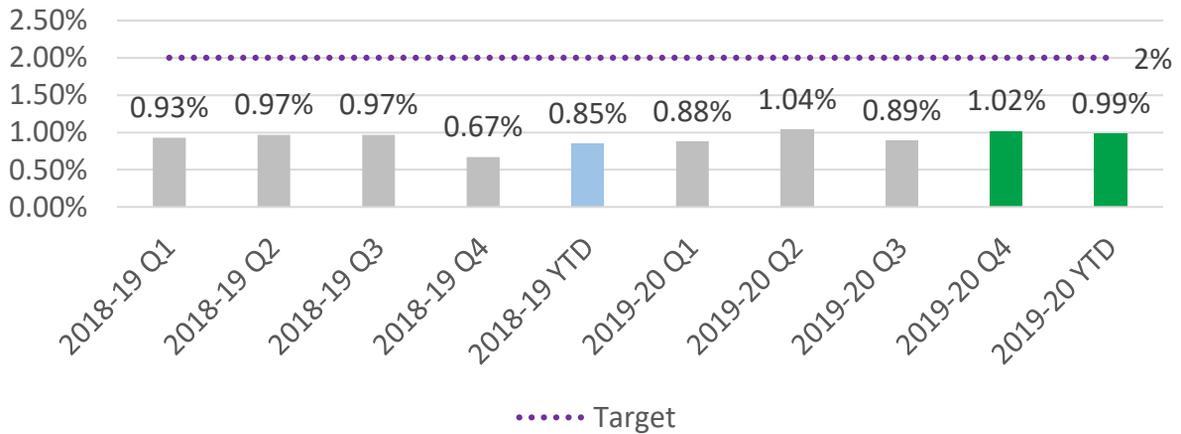
### % Routine repairs completed on time



Overall performance for routine repairs completed on time has been good remaining above target since quarter one of 2018-2019.

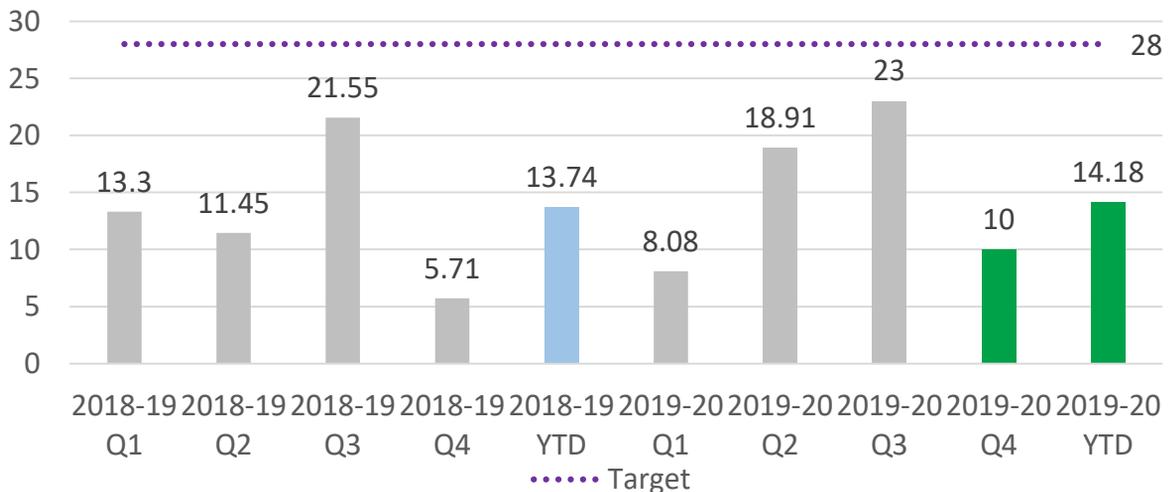
## VOIDS AND ALLOCATIONS

### Void loss as a % of the rent roll



With some fluctuations across the quarters, Dovecotes TMO performance continues to remain within the required target and has done since quarter one of 2018-2019.

### Average number of calendar days to re-let housing



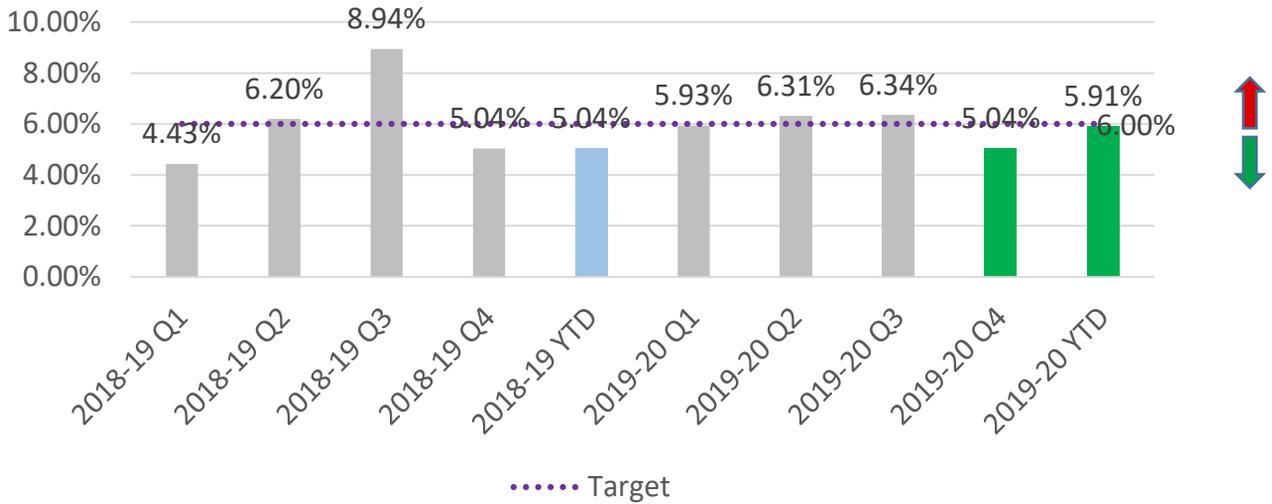
Performance for quarter four remains within target and shows improvement from quarter three.

# NEW PARK VILLAGE TENANT MANAGEMENT COOPERATIVE

This section sets out quarter four performance information for New Park Village Tenant Management Cooperative (TMC), during 2019-2020. New Park Village TMC has generally performed well, with 2 indicators being outside of target, 1 being within acceptable tolerance level and the remaining 6 indicators within target.

## RENT MANAGEMENT

### % Tenants with more than 7 weeks rent arrears

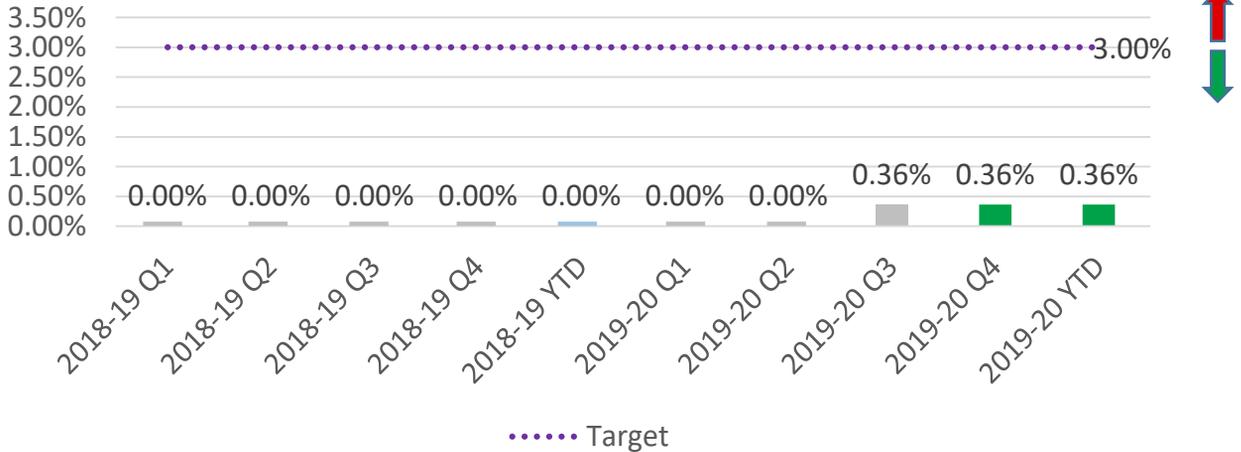


The percentage of tenants with more than seven weeks rent arrears has improved and sits within target for quarter four after difficulties over the Christmas period in quarter three.

# NEW PARK VILLAGE TENANT MANAGEMENT COOPERATIVE

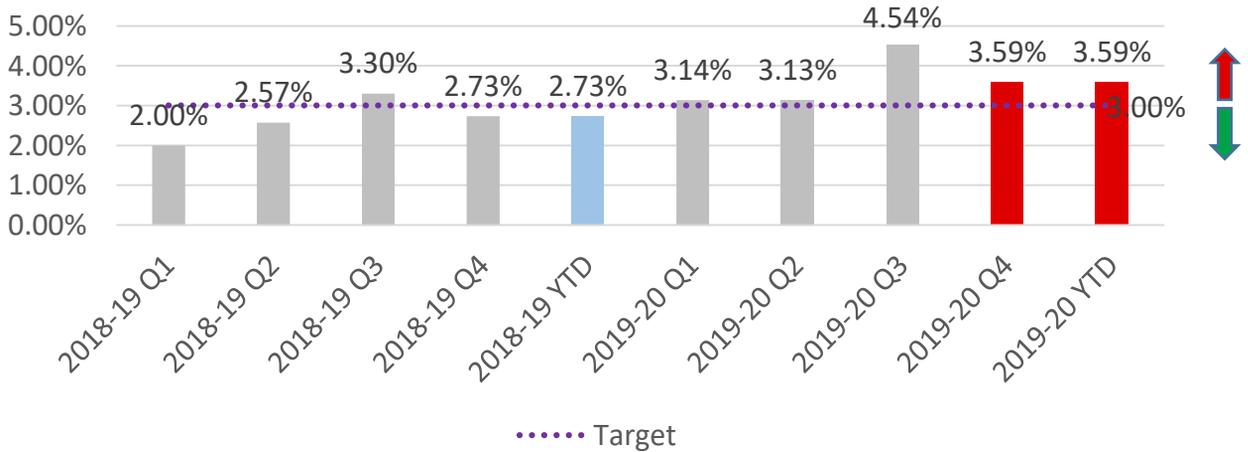
## RENT MANAGEMENT

### % Tenants evicted as a result of rent arrears



One tenant was evicted in February 2020 due to significant arrears. Support was offered.

### Arrears as a % of the rent roll

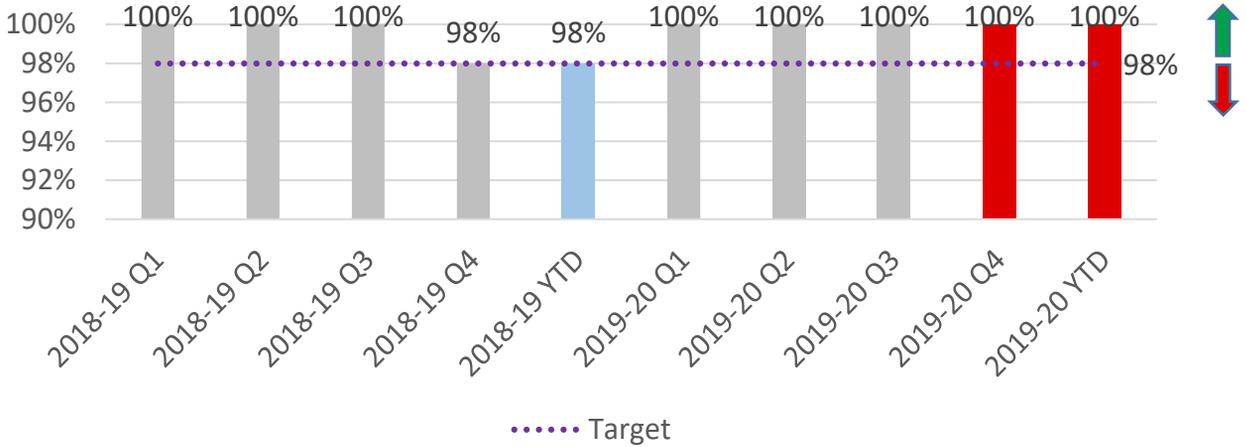


Rent arrears show some improvement from the previous quarter and an increase in quarter four may be somewhat attributed to the onset of Covid-19 and its impact.

Support is provided to tenants through referrals to Citizens Advice Bureau, the Refugee and Migrant Centre and food banks; New Park Village TMC also run a job club every Tuesday to encourage tenants back into work where possible; this service is currently suspended due to Covid-19.

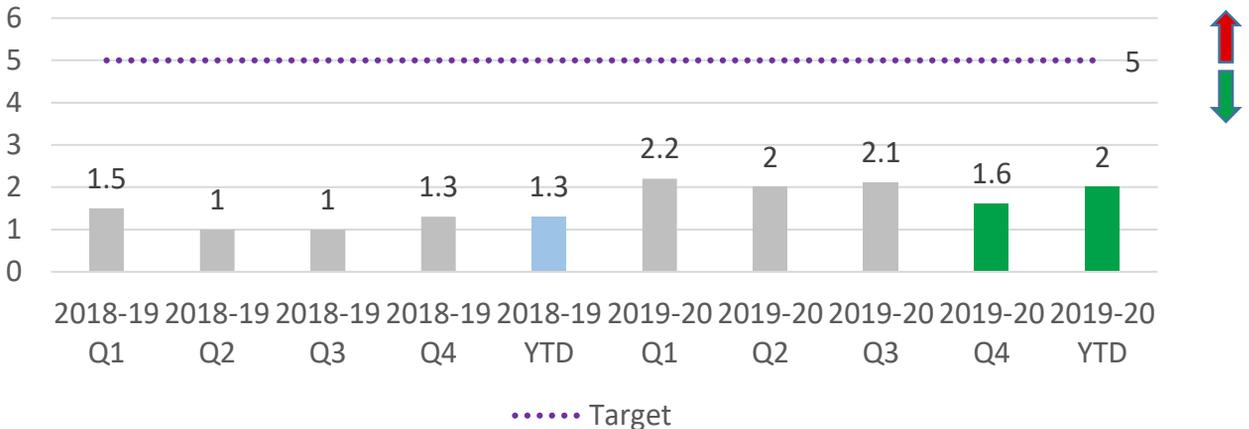
## REPAIRS MANAGEMENT

### % Rapid response repairs within Government time limits



Performance continues to remain at a high standard for rapid response repairs, increasing back to 100% since quarter one 2019-2020 after a slight decline.

### Average number of calendar days to complete non-urgent repairs

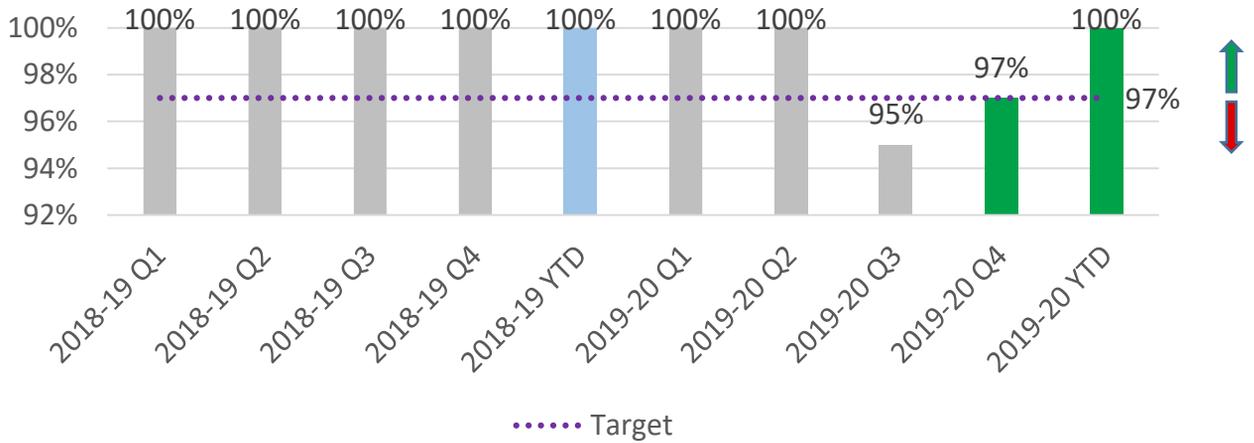


The time to complete non-urgent repairs remains well within the required target level, despite a small rise this financial year.

# NEW PARK VILLAGE TENANT MANAGEMENT COOPERATIVE

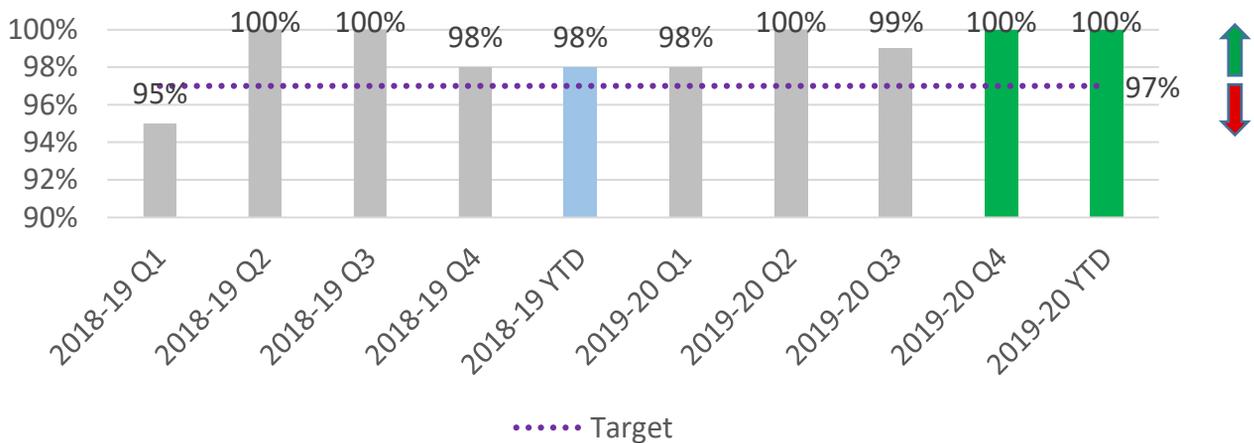
## REPAIRS MANAGEMENT

### % Emergency repairs completed on time



During quarter four, one emergency repair was completed in two days.

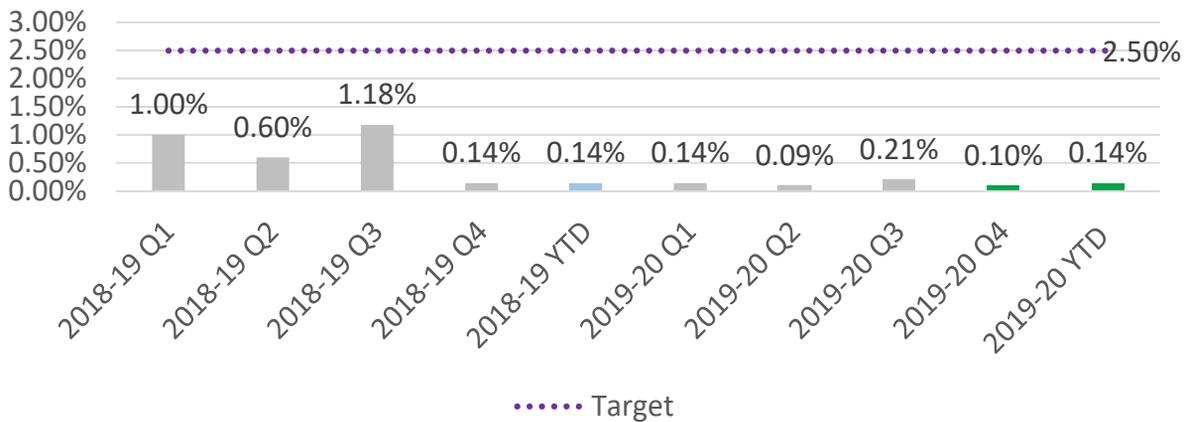
### % Routine repairs completed on time



Routine repairs performance remains above target for quarter four.

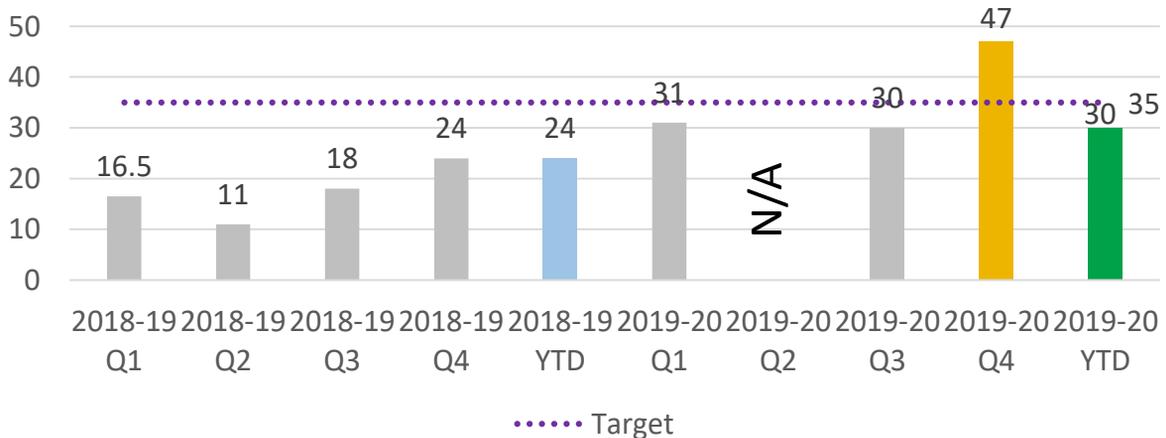
## VOIDS AND ALLOCATIONS

### Voids loss as a % of the rent roll



Void loss performance remains strong with only 0.10% void loss for quarter four.

### Average number of calendar days to re-let housing



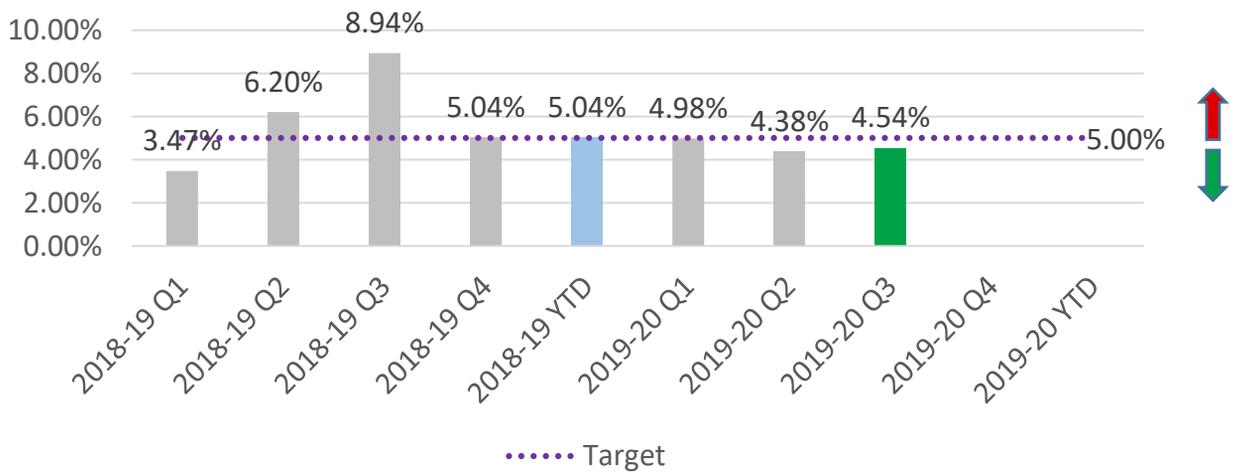
The increase in re-let time in quarter four was due to awaiting asbestos removal from 1 void property and 1 void clearance delay over the Christmas period.

# SPRINGFIELD HORSESHOE HOUSING MANAGEMENT COOPERATIVE

Springfield Horseshoe Housing Management Cooperative (HMC) is monitored against nine performance indicators. Unfortunately, due to redeployment of Springfield Horseshoe staff, not all data was attainable for all indicators and a further update will be provided in quarter one 2020-21.

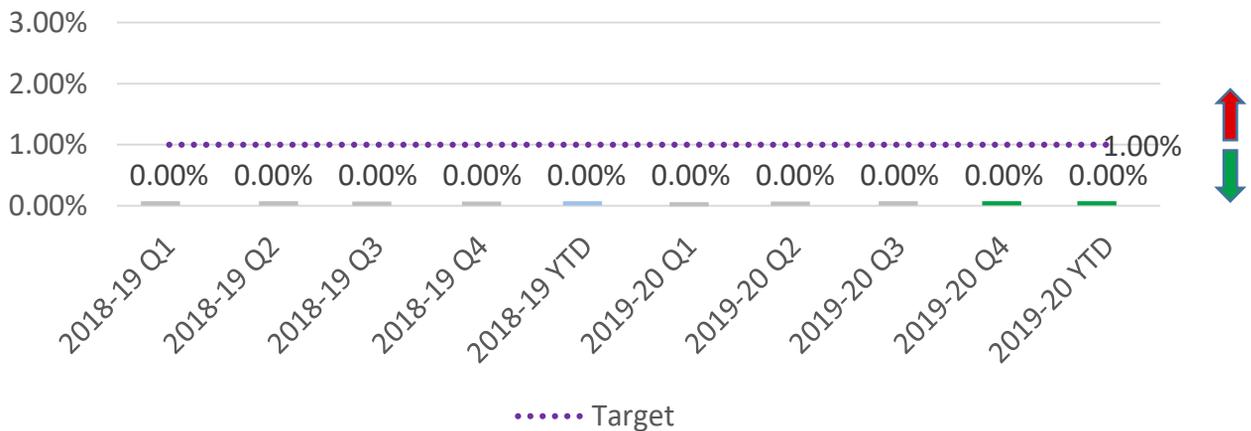
## RENT MANAGEMENT

### % Tenants with more than 7 weeks rent arrears



Data to be confirmed next quarter.

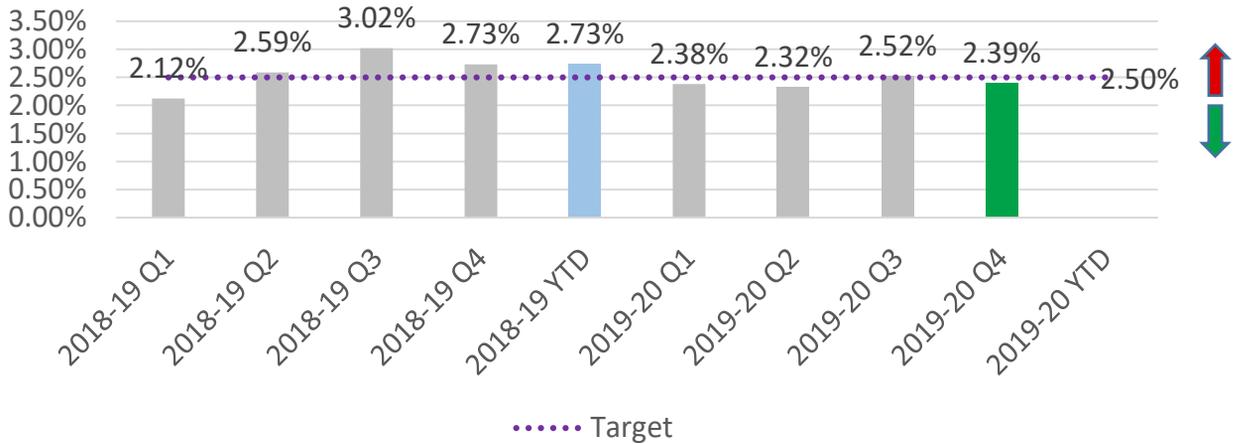
### % Tenants evicted as a result of rent arrears



Springfield Horseshoe HMC continues to have no evictions due to rent arrears since quarter one 2018-2019.

## RENT MANAGEMENT

### Arrears as a % of the rent roll



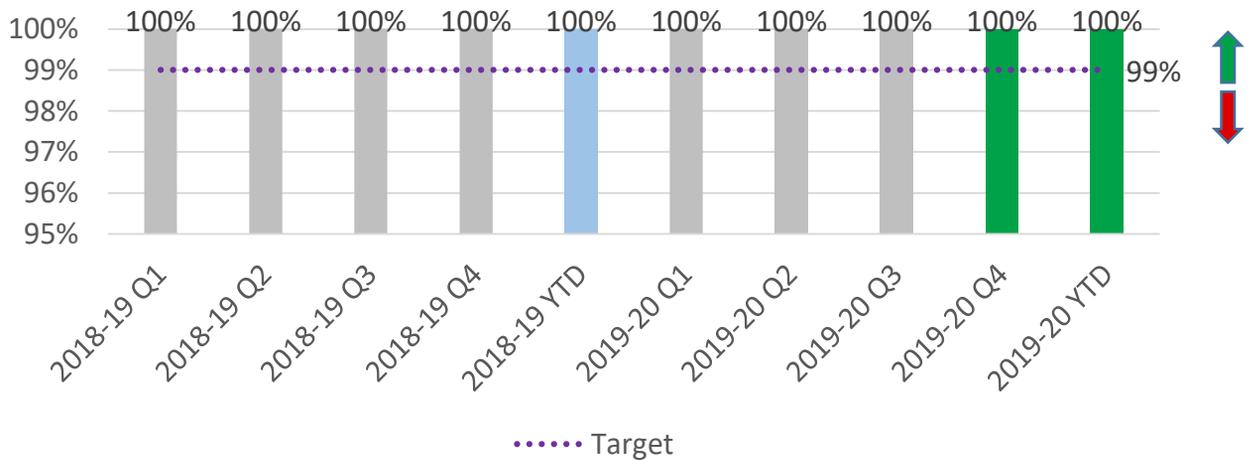
Performance for quarter four remains in target.

Wolverhampton Homes continue to support Springfield Horseshoe HMC with their arrears collection, due to short term resource issues. The improved performance is evident on how well the partnership is working. It is not known for how long this additional support is required and the partnership will continue to be monitored by Housing Strategy.

# SPRINGFIELD HORSESHOE HOUSING MANAGEMENT COOPERATIVE

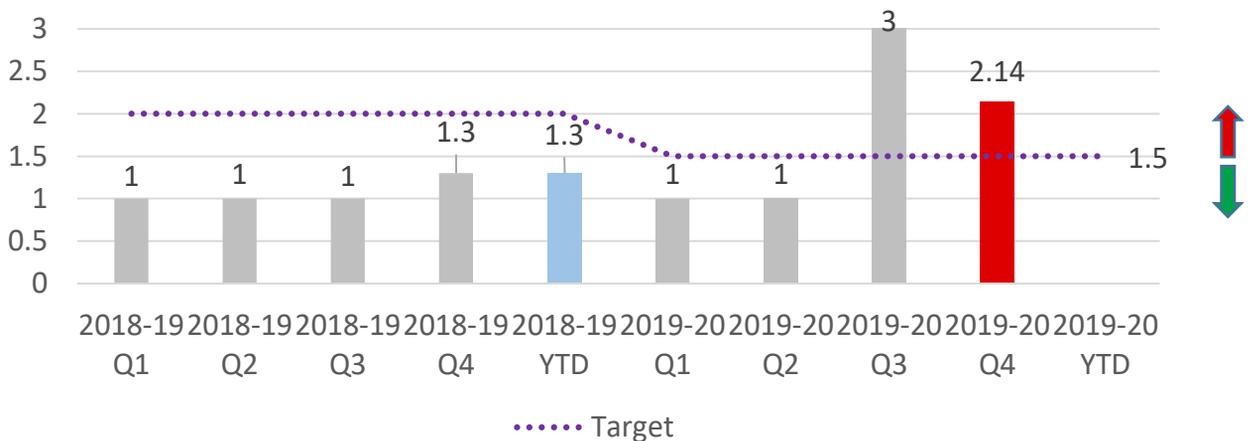
## REPAIRS MANAGEMENT

### % Rapid response repairs completed within time



Performance continues to remain at a high standard for rapid response repairs, remaining at 100% since quarter one 2018-2019.

### Average number of calendar days to complete non-urgent repairs

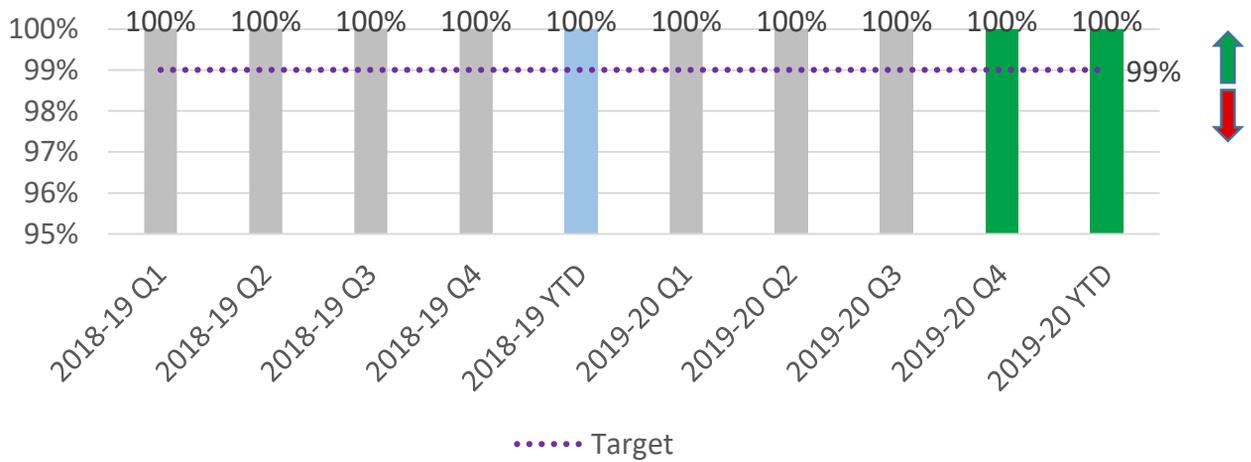


Most of Springfield Horseshoe TMC's repairs were completed within 1-2 days. However, due to a minority of repairs taking up to four days to complete, the average number of calendar days was out of target at 2.14 days, although this was an improvement on the previous quarter.

# SPRINGFIELD HORSESHOE HOUSING MANAGEMENT COOPERATIVE

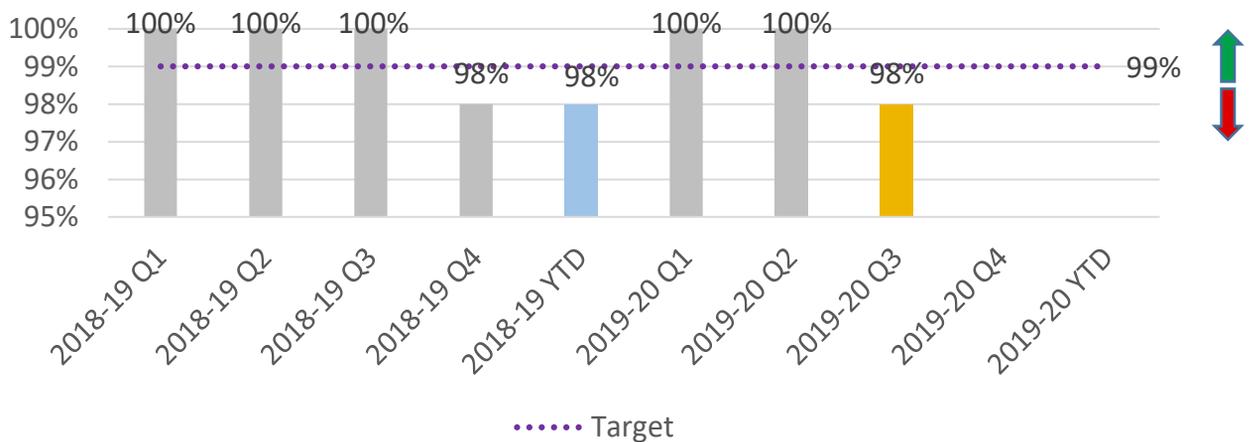
## REPAIRS MANAGEMENT

### % Emergency repairs completed within time



Performance continues at a high standard for emergency repairs, remaining consistently at 100% across the reporting period.

### % Routine repairs completed within time

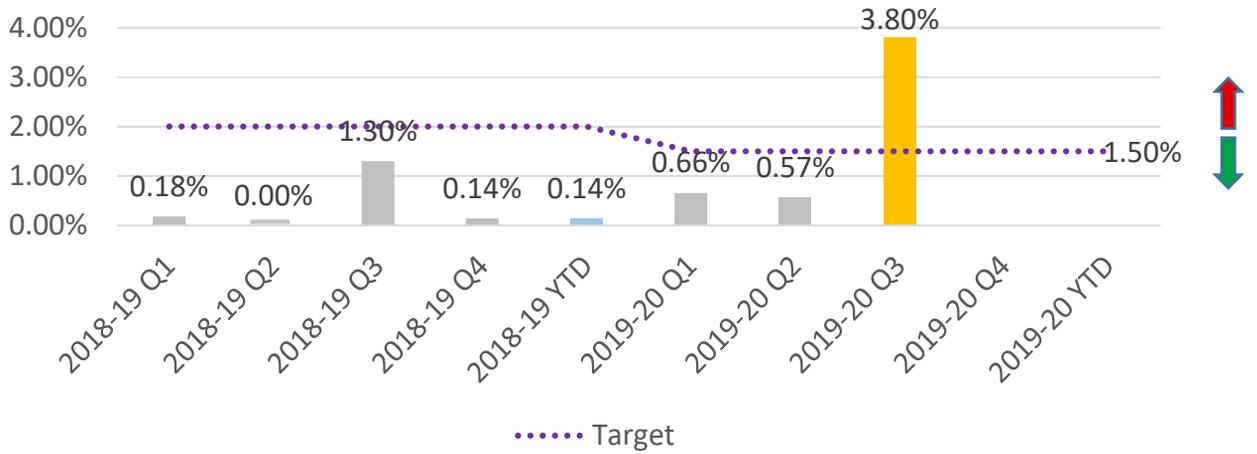


Data to be confirmed next quarter.

# SPRINGFIELD HORSESHOE HOUSING MANAGEMENT COOPERATIVE

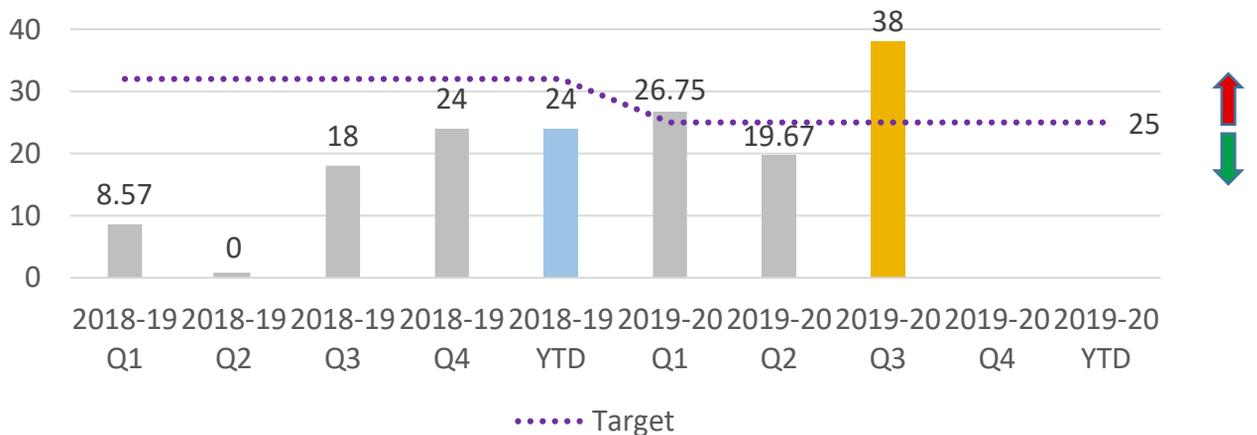
## VOIDS AND ALLOCATIONS

### Void loss as a % of the rent roll



Data to be confirmed next quarter.

### Average number of calendar days to re-let housing



Data to be confirmed next quarter.

# CLIENT RELATIONSHIP MANAGING REPORT

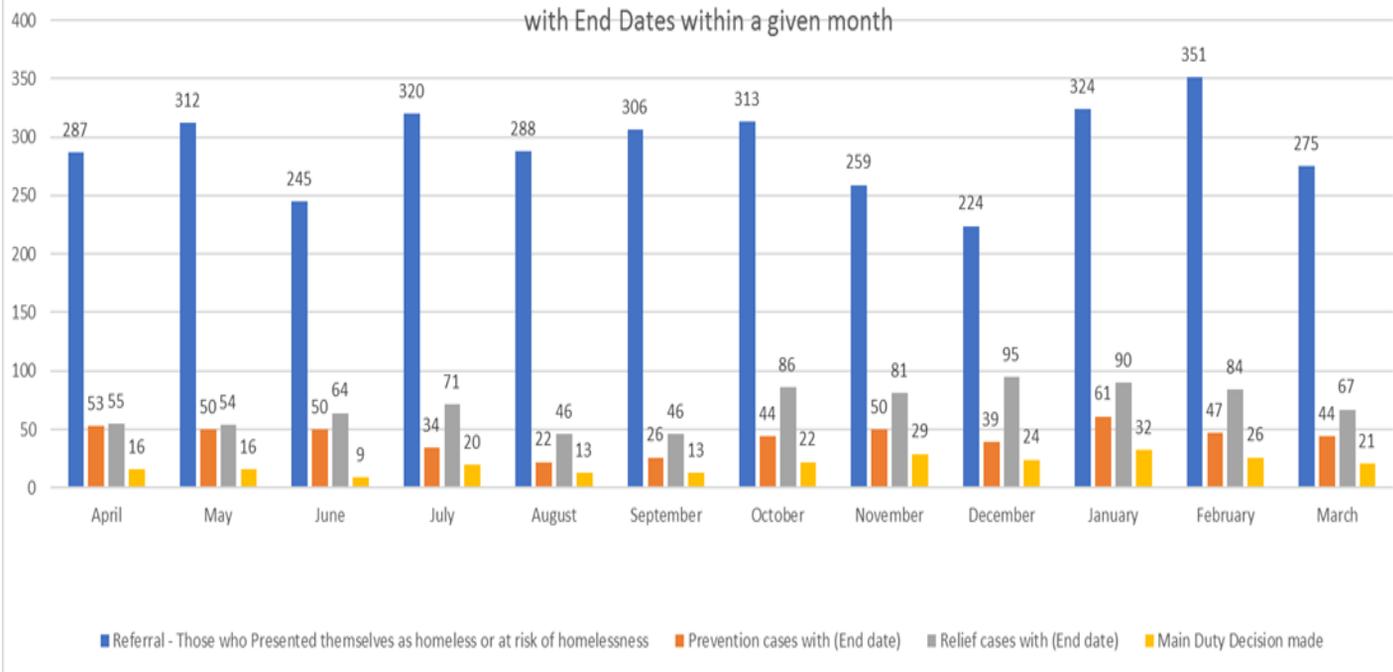
## QUARTER FOUR – JANUARY-MARCH 2020

### 2. HOMELESSNESS SERVICES

**Please Note:**

- The following charts were created to indicate the number of those who presented themselves as homeless or at risk of homelessness within a given month.
- Indicated are those that were assessed under the Homelessness Reduction Act (HRA) 2017 and application initiated and received an initial decision of being owed either a Prevention duty under HRA or Relief duty under HRA with no prevention.
- No Prevention or Relief duty under HRA as at the time of reporting, but the client may re-approach and become one of the statistics at a later stage.

Number of Approaches plus Prevention, Relief and Main Duty cases with End Dates within a given month



- Towards the end of quarter four, there was a fall in approaches due to the worldwide COVID 19 outbreak. During this lockdown period, Wolverhampton Homes have continued their services offering all forms of housing advice and Prevention and Relief assistance.
- As can be seen, the numbers of initial Prevention and Relief cases stay comparable and in fact increased from previous months, with officers still providing their services working alongside other emergency services during this period within CO-VID 19 protocols.
- The increased numbers of Relief cases were mainly resolved by the use of emergency homelessness accommodation on a nightly basis, by working in conjunction with Hotel and Private accommodation providers under the government legislation of procurement of their services for the sole purpose of homelessness accommodation only. This has helped to resolve emergency housing for Homelessness cases including those facing street homelessness.

The Homelessness Reduction Act which came into force from April 2018, has placed legal duties on local authorities in regards to homelessness, irrespective of their priority need status, as long as they are eligible for assistance.

Homeless services are delivered by Wolverhampton Homes on behalf of the Council, with residents provided with support in a number of ways to help ensure they keep their home.

The Housing Strategy team monitor Wolverhampton Homes' performance in the delivery of homelessness services as part of a service level agreement appended to the management agreement with the Council.

**Average Decision Time**

Average decision time taken will now be broken down between: main duty cases, relief cases and prevention cases.

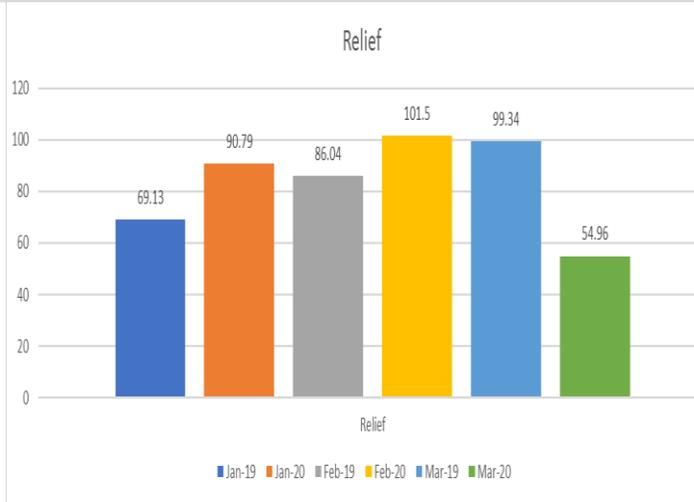
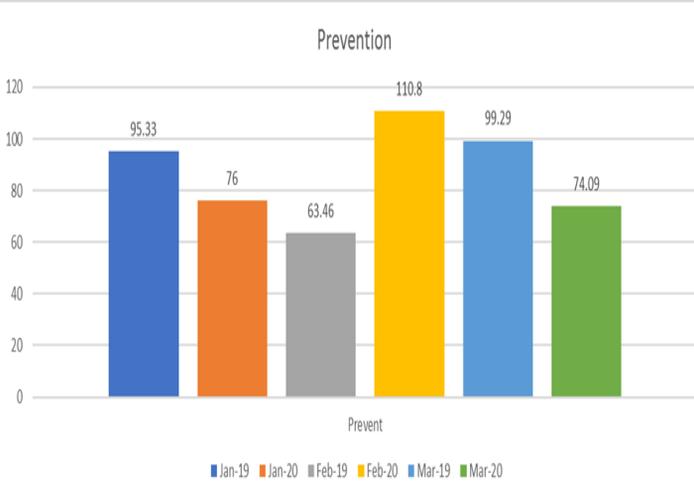
**Main** –The main housing duty is a duty to provide temporary accommodation until such time as the duty is ended.

**Relief** – A local authority must take reasonable steps to help the applicant secure that accommodation becomes available for at least six months.

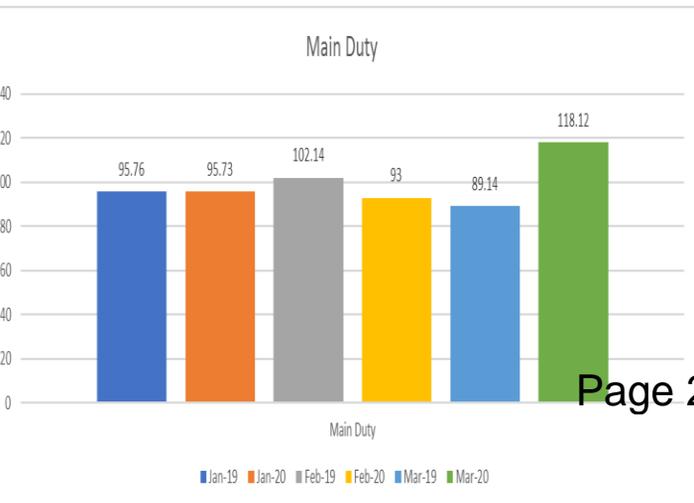
**Prevention** – A local authority must take reasonable steps to help the applicant secure that accommodation does not cease to be available for her/his occupation.

**Average Decision Time taken in Days For All Prevention Cases**

**Average Decision Time taken in Days For All Relief Cases**



**Average Decision Time taken in Days For All Main Duty Cases**

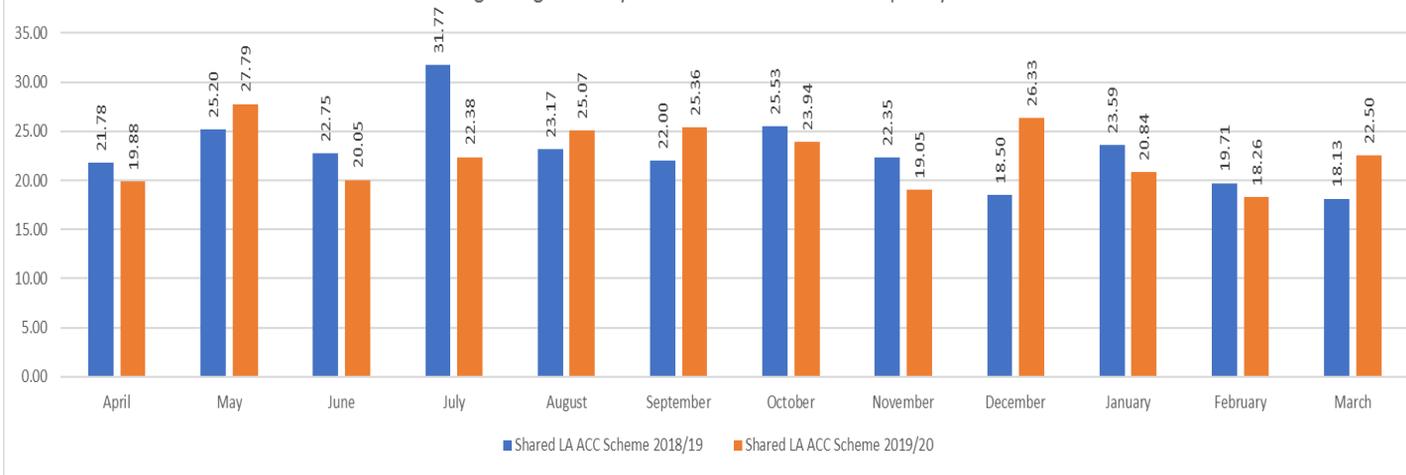


# Families placed in Shared Local Authority Accommodation

At present there are **058 self-contained** Council temporary accommodation units managed by Wolverhampton Homes and up to 16 shared facility spaces at The Whitehouse family hostel.

Charges for temporary accommodation and collection of housing benefit are maximised where customers are means tested for charges and can be claimed back in full.

Average Length of stay for families in LA Shared Temporary Accommodation



Due to larger numbers of families approaching, there was an increase in the average length of stay for families placed within shared Local Authority temporary accommodation.

As can be seen, a steady rise was seen over the first three quarters with a slight drop off during QTR 4 2020.

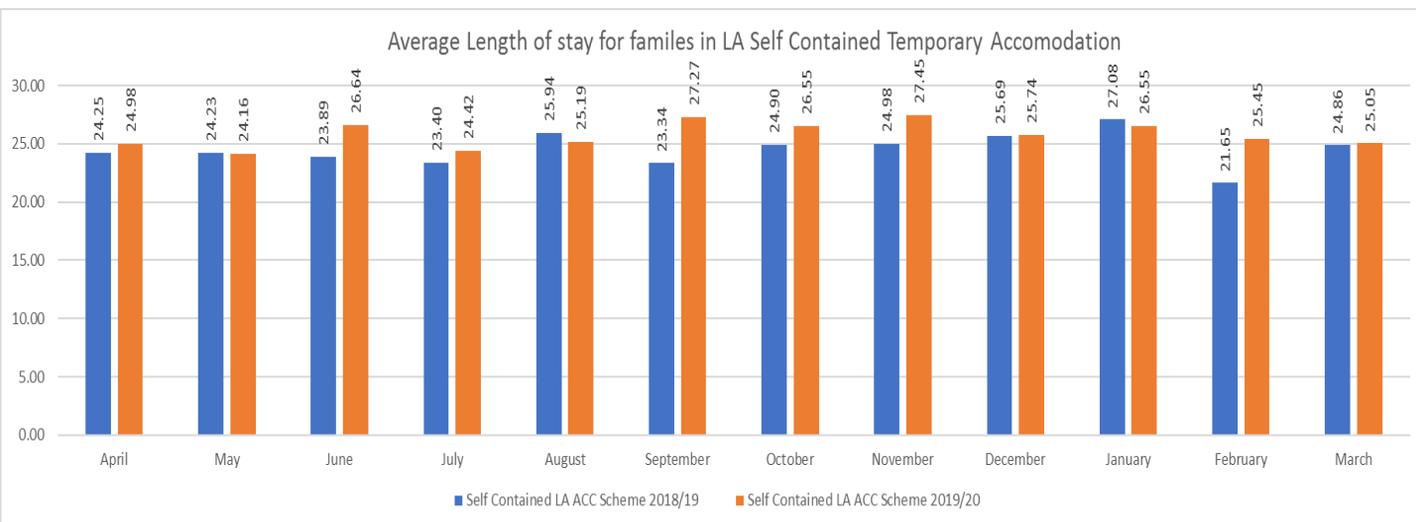
The 19/20 yearly overall average length of stay was 10.45 weeks in comparison to 9.72 weeks for year 18/19.

This shared accommodation is no longer being used as of the end of March 2020, with families being placed within self contained accommodation either within our own housing stock or utilising Privately Let, self-contained accommodation on a nightly paid basis.

The breakdown comparison can be seen below, highlighted in yellow

	2018/19	2019/20	Difference in %
Number of Families placed in self-contained LA accommodation	170	155	-9.67%
Number of Nights	15865	18122	14.22%
Average number of weeks	13.33	16.70	25%
Number of Families placed in shared LA accommodation	73	60	-21.66%
Number of Nights	4460	4393	-1.52%
Average number of weeks	9.72	10.45	7.51%

# Families placed in Self contained Local Authority Accommodation



With the preparation of the ceasing of shared accommodation; especially during March with the CO-VID 19 outbreak, families have been moved into either LA Self-contained housing stock or Privately Let self-contained accommodation on a nightly paid basis. The numbers of families and length of stay within LA self contained accommodation show a rise due to all available stock being fully utilised.

The 19/20 yearly overall average length of stay was 16.70 weeks in comparison to 13.33 weeks for year 18/19.

The breakdown comparison can be seen below, highlighted in yellow.

	<b>2018/19</b>	<b>2019/20</b>	<b>Difference in %</b>
Number of Families placed in self-contained LA accommodation	170	155	<b>-9.67%</b>
Number of Nights	15865	18122	<b>14.22%</b>
Average number of weeks	<b>13.33</b>	<b>16.70</b>	<b>25%</b>
Number of Families placed in shared LA accommodation	73	60	<b>-21.66%</b>
Number of Nights	4460	4393	<b>-1.52%</b>
Average number of weeks	<b>9.72</b>	<b>10.45</b>	<b>7.51%</b>

## All Homeless Applications and Outcomes during April to March 2019-2020

### **Reason for Homelessness**

Domestic Abuse	223
End of private rented tenancy	394
End of social rented property	065
Eviction from supported housing	014
Family no longer willing or able to accommodate	376
Fire flood or other emergency	007
Friends unable/unwilling to accommodate	107
Left HM Forces	004
Required to leave accommodation provided by Home Office as asylum support	070
Left institution with no accommodation available	030
Mortgage repossession	006
Non-racially motivated-other motivated violence or harassment	020
Other	232
Property disrepair	008
Racially motivated violence or harassment	002
Relationship with partner ended (non-violent breakdown)	155
Not Stated	025
<b>Total</b>	<b>1738</b>

# CLIENT RELATIONSHIP MANAGING REPORT

## QUARTER FOUR – JANUARY-MARCH 2020

### 3. HOME IMPROVEMENT AGENCY

Part of Wolverhampton Homes' Operational Delivery Plan is to review and implement a fit for purpose Home Improvement Agency that supports residents to live independently in their own home, optimising the successful take up of grant, loans and the effective delivery of services that support independent living.

The objective of reporting key performance indicators in housing assistance is to support people to remain in their homes and communities, avoid unnecessary admission to hospital or return home from hospital to a safe place with access to support in the event of an emergency.

The Home Improvement Agency is made up of the following services, which have been delegated by the Council to Wolverhampton Homes to deliver:

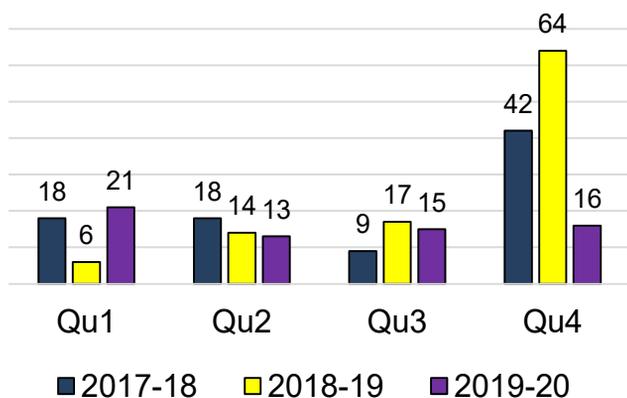
- Affordable Warmth
- Housing Assistance
- Independent Living Service

As part of a extensive review of Housing Assistance provision provided through the Home Improvement Agency, a new set of KPIs has been developed which will report on more specific and relevant performance indicators. These new KPIs will be available to report on quarter 4 2019-2020 setting a performance baseline and allowing for refreshed performance monitoring going into 2020-2021.

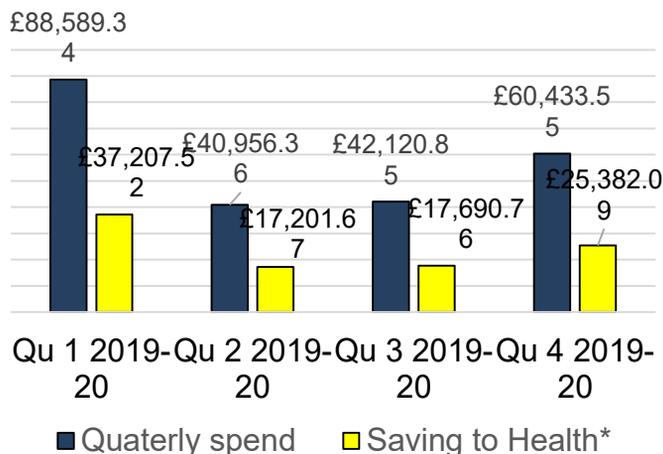
# AFFORDABLE WARMTH

Affordable Warmth Assistance provides energy efficiency measures for vulnerable people on low income and at risk of chronic cold/damp related illnesses.

## Number of Cases



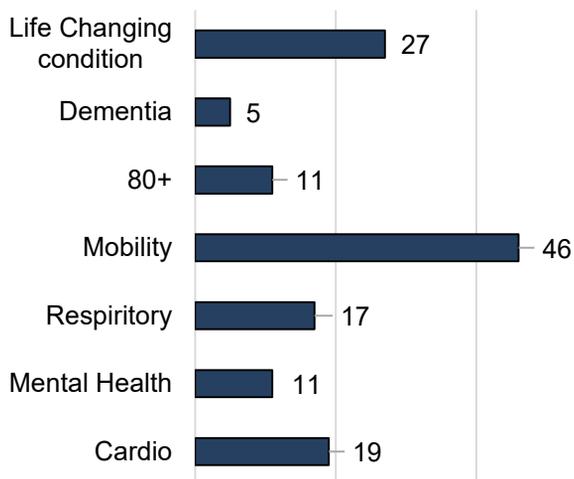
## Quarterly Spend vs Savings to NHS



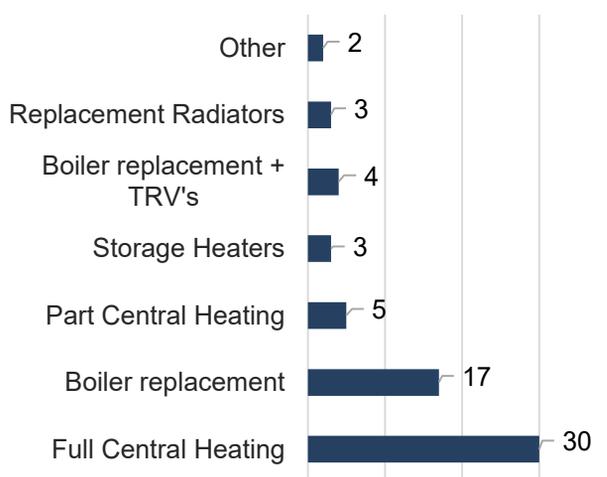
YTD Spend: £232,108

YTD Saving to Health: £97,482

## Client Health Condition

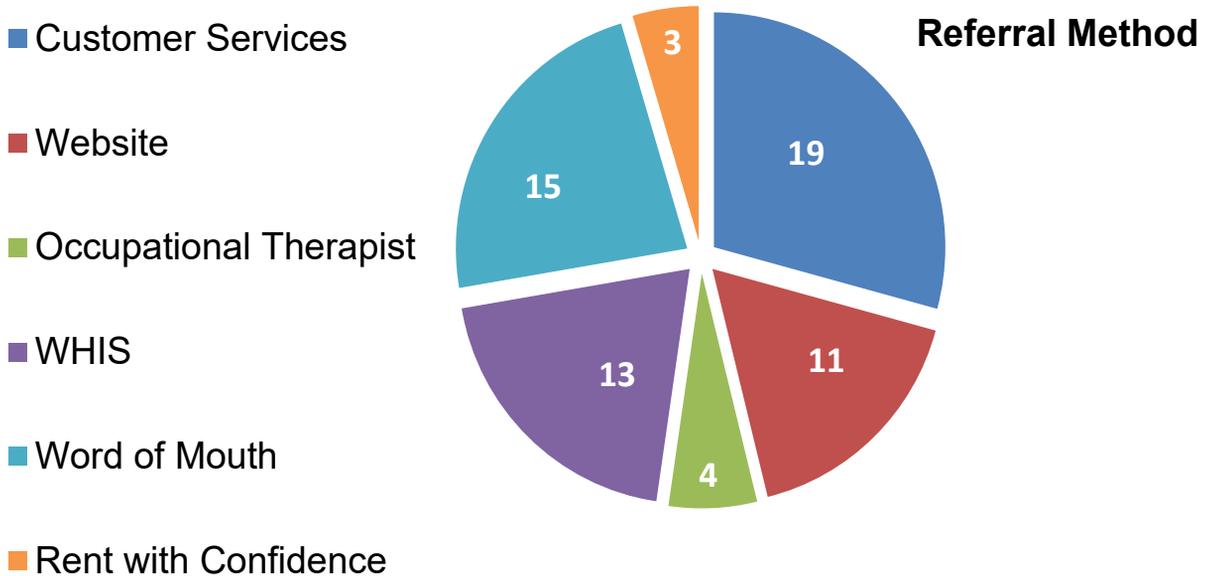
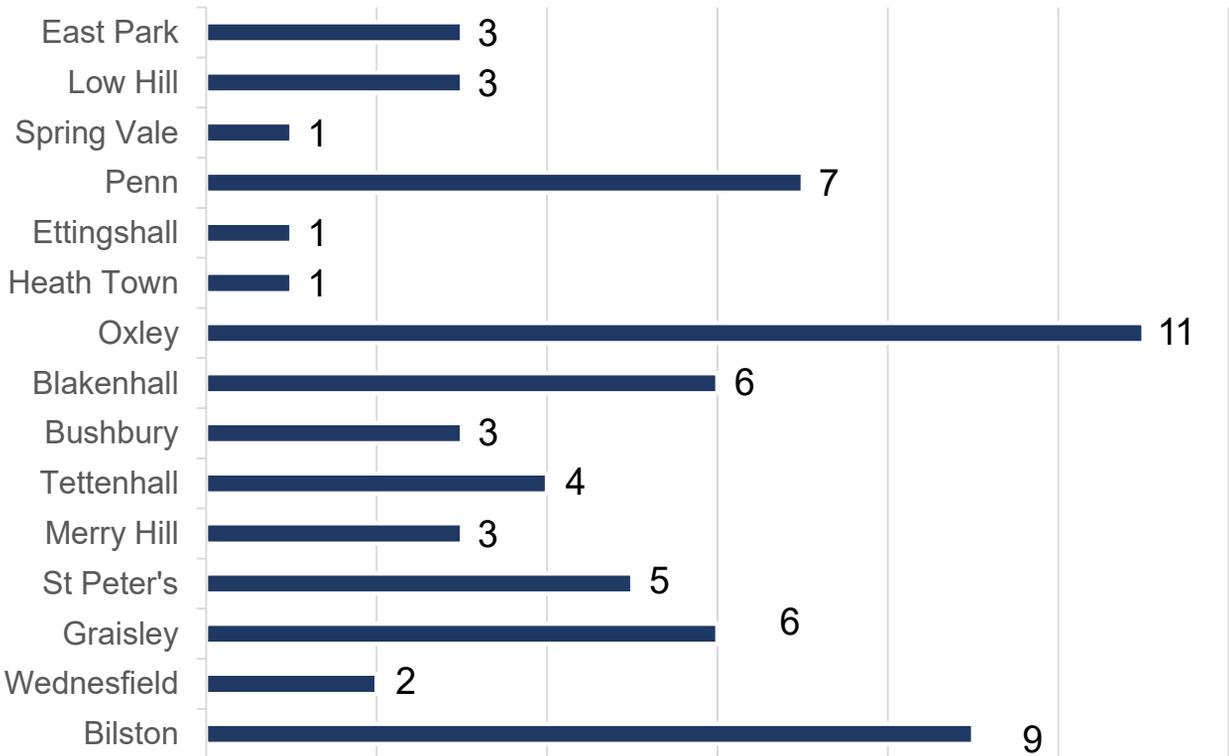


## Types of Works



Quarter 4 delivery was lower than in previous years due to delays in finalising a new management framework.

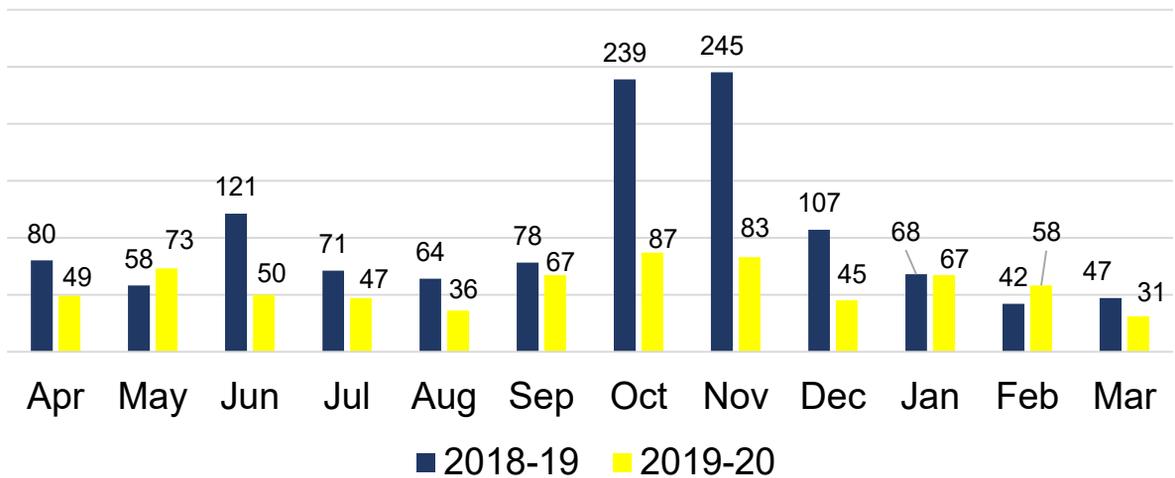
## Cases per area in Wolverhampton



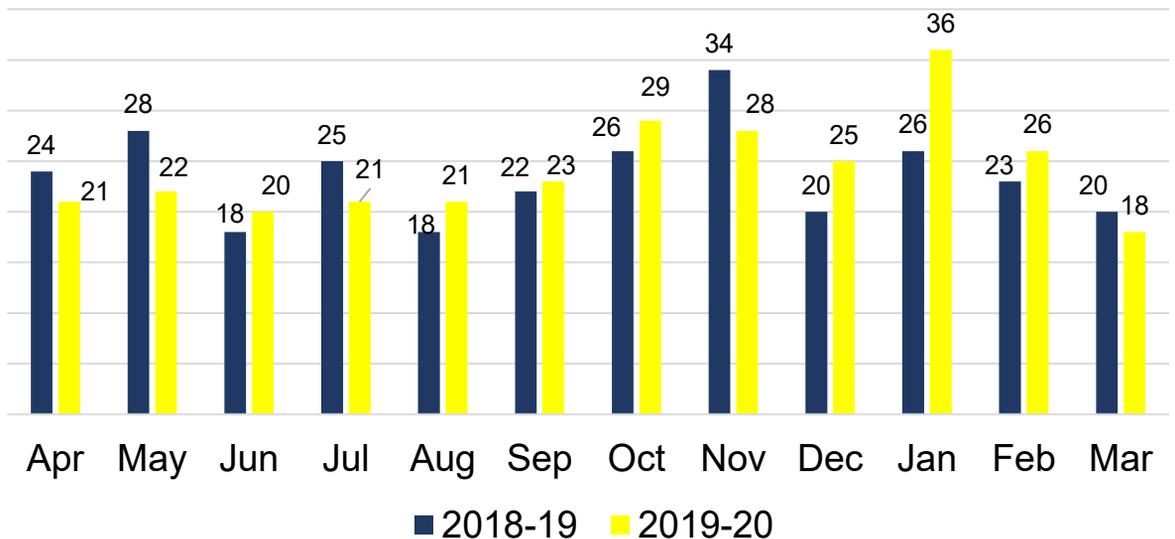
# HOUSING ASSISTANCE

Housing Assistance - Wolverhampton Home Improvement Service provides grants and loans to home owners to address hazards in their homes, making them safe and allowing them to continue living there. They also provide assistance to residents in all tenures who are victims of domestic abuse, making their homes secure.

## Housing Assistance Referrals



## Safe Home Referrals

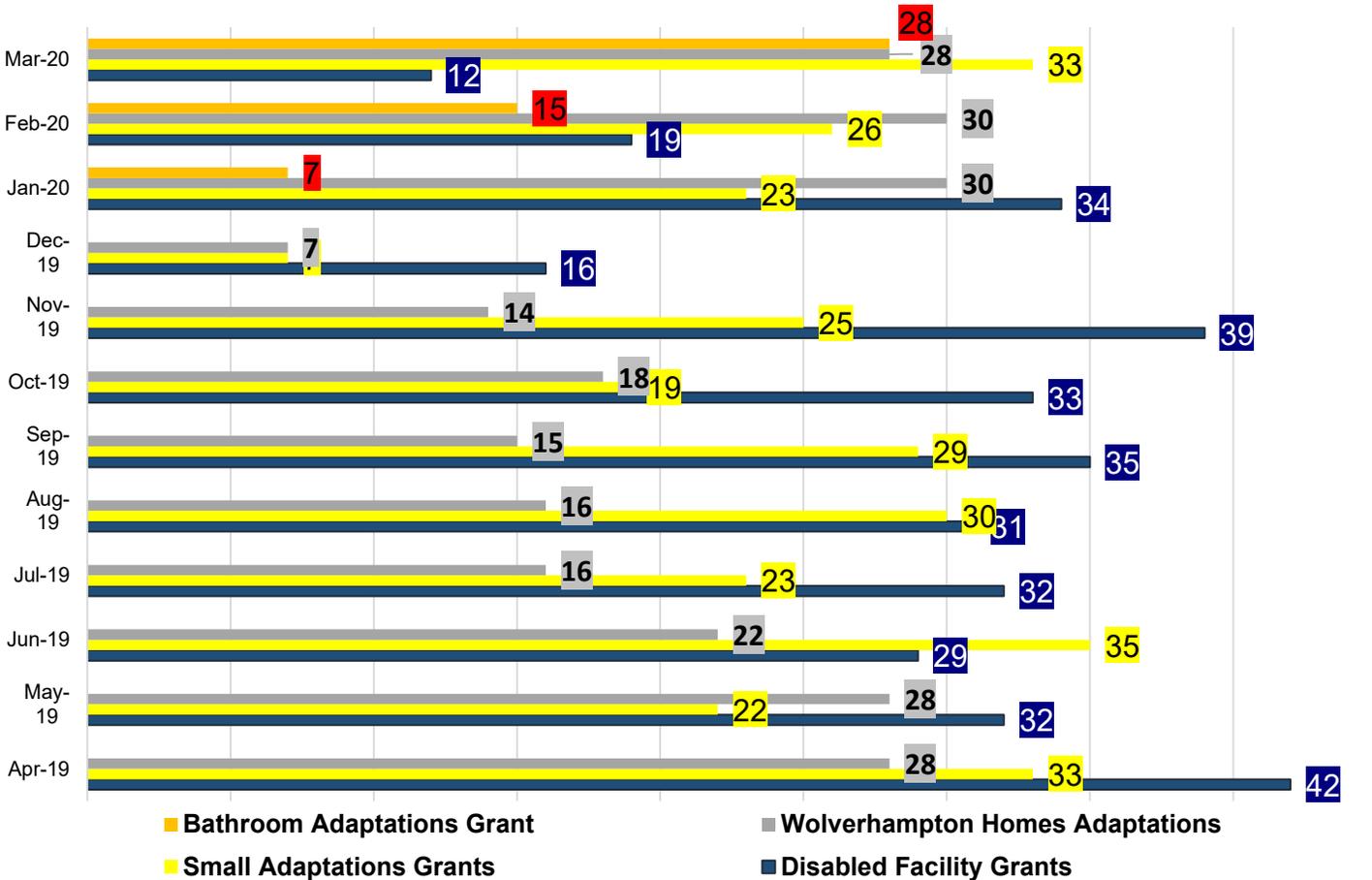


# INDEPENDENT LIVING

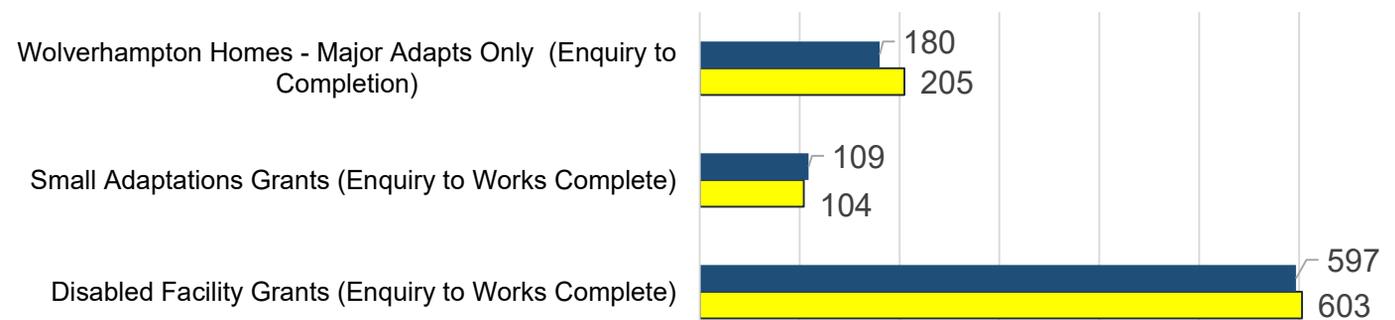
Major adaptations made by Wolverhampton Homes include level access showers, stairlifts, ramps, extension and through floor lifts.

The priorities are given by the Occupational Therapy team and they reflect the relative urgency of the adaptation in terms of the need of the client.

## Service Demand

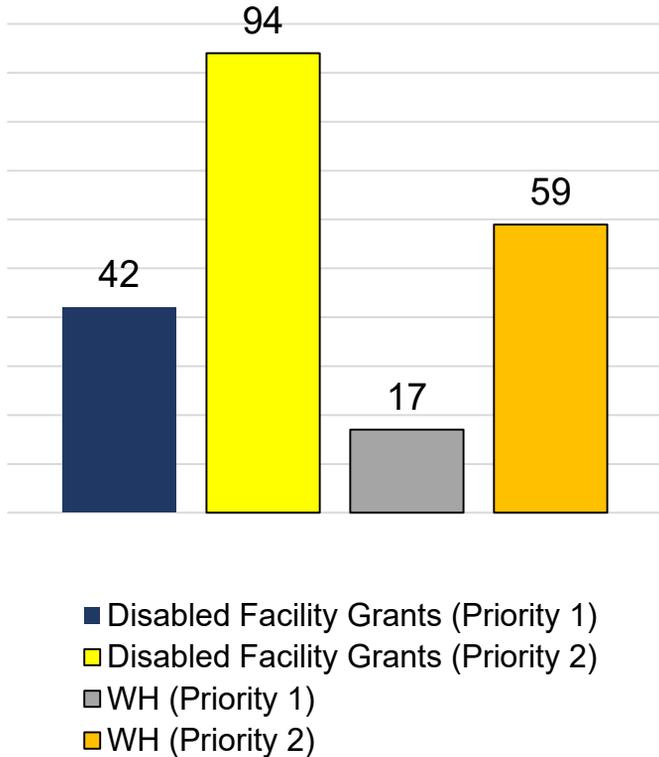


## Timeliness



# INDEPENDENT LIVING

## Inspections to be completed



## Expenditure (£m) - Mar 20



There is a backlog of cases due to increasing referrals, an increase in the number of more complex cases taking additional time at all stages and the introduction of the Bathroom Adaptation Grant increasing the number of people eligible for the grant.

Plans to address the backlog, include short term increases in resources, and a further review after Covid-19 in order for Wolverhampton Homes to ensure a sustainable approach.

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