

Time 4.00 pm **Public Meeting?** YES **Type of meeting** Executive

Venue Online

Membership

Chair Cllr Louise Miles (Lab)
Vice-chair Cllr Ian Brookfield (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 two Councillors.

Information for the Public

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

Contact Dereck Francis, Democratic Services
Tel/Email 01902 555835 or dereck.francis@wolverhampton.gov.uk
Address Democratic Services, Civic Centre, 1st floor, St Peter's Square,
Wolverhampton WV1 1RL

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

Agenda

Part 1 – items open to the press and public

Item No. *Title*

MEETING BUSINESS ITEMS

- 1 **Apologies for absence**
- 2 **Declarations of interest**
- 3 **Minutes of the previous meeting** (Pages 5 - 12)
[To approve the minutes of the previous meeting as a correct record.]
- 4 **Matters arising**
[To consider any matters arising from the minutes.]

DECISION ITEMS (AMBER - DELEGATED TO THE CABINET (RESOURCES) PANEL)

- 5 **Revenue Budget Monitoring Quarter Three 2020-2021** (Pages 13 - 74)
[To provide a projection of the likely revenue outturn position for the General Fund and Housing Revenue Accounts, compared with the Council's approved revenue budgets for 2020-2021]
- 6 **Treasury Management Activity Monitoring Quarter Three 2020-2021** (Pages 75 - 98)
[To approve the Treasury Management Activity Monitoring Quarter Three 2020-2021 report]
- 7 **HR Policies: Support for Carers Policy** (Pages 99 - 124)
[To approve the revised Support for Carers Policy and guides]
- 8 **Supporting people who need us most by providing 500,000 meals to our City's food banks** (Pages 125 - 130)
[To approve food bank provision to support the most vulnerable families in the city]
- 9 **Adult Education Contract Review** (Pages 131 - 172)
[To consider the outcomes of a review of the Adult Education Services contract to ensure that it continues to meet service needs]
- 10 **Care and Support Provider Fee Review 2021-2022** (Pages 173 - 194)
[To approve a proposed increase for the Care and Support service areas and Direct Payment cost rate]

- 11 **Acquisition of Privately Owned Empty by Agreement or Compulsory Purchase: 4 Moathouse Lane East, Wednesfield, Wolverhampton, WV11 3BN**
(Pages 195 - 206)

[To take action to resolve the on-going issues surrounding a long-term empty property which has remained empty since 2012]

- 12 **Schedule of Individual Executive Decision Notices** (Pages 207 - 212)
[To note the summary of open and exempt executive decisions approved by cabinet members in consultation with employees]

- 13 **Exclusion of press and public**
[To pass the following resolution:

That in accordance with Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information on the grounds shown below.]

Part 2 - exempt items, closed to press and public

- | | | |
|----|---|--|
| 14 | Procurement Award of Contracts for Works, Goods, and Services (Pages 213 - 236)

[To approve the award of contracts for works, goods and services] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 15 | Approval to Cease Tenancies and Demolish Two Properties on Old Fallings Crescent to Enable Future Development (Pages 237 - 246)

[To approve the rehousing of existing tenants and the demolition of properties] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel Minutes - 17 February 2021
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Attendance

Members of the Cabinet (Resources) Panel

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

Employees

Tim Johnson	Chief Executive
Emma Bennett	Director of Children's and Adult Services
Ross Cook	Director of City Environment
John Denley	Director of Public Health
Richard Lawrence	Director of Regeneration
Claire Nye	Director of Finance
David Pattison	Director of Governance
Dereck Francis	Democratic Services Officer
Jaswinder Kaur	Democratic Services Manager

Part 1 – items open to the press and public

Item No. Title

- 1 **Apologies for absence**
Apologies for absence were submitted on behalf of Councillor Jasbir Jaspal.
- 2 **Declarations of interest**
Councillor Linda Leach declared a non pecuniary interest in item 5 (Business Rates Discretionary Relief) as she is a leaseholder.
- 3 **Minutes of the previous meeting**
Resolved:
That the minutes of the previous meeting held in 20 January 2021 be approved as a correct record and signed by the Chair.
- 4 **Matters arising**
There were no matters arising from the minutes of the previous meeting.

5 **Business Rates Discretionary Relief**

Councillor Louise Miles presented the report on the proposal to extend the Council's scheme for Business Rates Discretionary Relief for charitable and voluntary organisations with effect from 1 April 2021. In doing so she paid tribute to charities and voluntary organisations in the city for all that they do for the city and its residents, and particularly for the tremendous work they have done over last year in the face of the Covid-19 pandemic. She also drew to the Panel's attention the importance of the scheme as an important part of the Council's Equalities agenda in that the Council continued to support charities and voluntary organisations in the city in their work supporting the most vulnerable residents.

Resolved:

That the extension to the local Business Rates Discretionary Relief Policy in respect of charitable and voluntary organisations for one year from 1 April 2021 be approved.

6 **Nominations Agreement with Registered Housing Providers**

Councillor Jacqueline Sweetman presented the report on a proposal to adopt a revised Nominations Agreement with Registered Providers (RP) that provide social housing in the city. The revisions to the Agreement would bring it in line with approved changes to the Council's Allocations Policy.

Under Section 170 of the 1996 Housing Act, it is a requirement of RPs to co-operate with the Local Authority as much as is reasonable in offering accommodation to people with priority under the Local Authority's housing allocation scheme. This is achieved through a Nominations Agreement between the Local Authority and individual RPs offering affordable housing to let in the city which sets out the proportion of their properties that become available to let that are made available to the Council for applicants on the citywide housing register.

Resolved:

1. That the revised Agreement between the Council and Registered Providers of Social Housing for Nominations be approved.
2. That authority be delegated to the Cabinet Member City Assets and Housing, in consultation with the Director of City Environment to agree future revisions to the Nominations Agreement.

7 **Prescribed Alterations to Specialist Educational Provision**

Councillor Dr Michael Hardacre presented the report on the outcomes of Pre-publication Consultation and Representation on the proposed prescribed authorised alterations to specialist educational provision at St. Michael's CE (A) Primary School. It was proposed to implement the proposed prescribed alterations and establish a resource base for pupils with Social, Emotional and Mental Health needs at the school. In commending the report he added that the proposal was ensuring that Wolverhampton was in a position to provide the best possible education for all its children and especially those who have special educational needs.

Resolved:

1. That the proposed prescribed alteration to St Michael's CE (A) Primary School be approved.

2. That the capital allocation and the release of funds to establish new accommodation for a Resource Base at St Michael's CE (A) Primary School be approved.
3. That the outcomes of Pre-publication Consultation and Representation in relation to the proposed prescribed alterations to St Michael's CE (A) Primary School be received and noted.
4. That the Council entering into a Grant Agreement with St Michael's CE (A) Primary School be approved.
5. That the virement from the Special Provision Capital Fund to the St Michael's CE (A) Primary School Project to fund the establishment of a new Resource Base to cater for pupils with Social, Emotional and Mental Health difficulties be approved.
6. That the awarding of a grant to St Michael's CE (A) Primary School to fund the establishment of new accommodation be approved.

8 **Adult Education Traineeship Budget**

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

- Notified on 20 January 2021 of successful outcome of Education and Skills Funding Agency Traineeship bid.
- Proposed original timeline for start date for contracts is 1 February 2021. (This may be slightly delayed due to late notification of award.)
- Due to tight timeline between notification of award and contract start date it could not be put on the forward plan for February and March Cabinet (Resources) Panel (CRP) meeting would be too late.
- CRP approval to receive the associated budget is the first step to getting contracts signed and delivery in place.

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

Councillor Dr Michael Hardacre presented the report on a proposal for the Council to enter into the Contract for Services with the Education and Skills Funding Agency (ESFA) to deliver Traineeships to prepare young people in the city aged 16 to 24 (up to 25 for those with an Education Health Care Plan) for moving into work. The proposal would provide increased opportunities for young people in the city; provide valuable work experience employability skills; provide a pathway to employment; and form part of a wider offer to young people in Wolverhampton.

Resolved:

1. That the Council enters the Contract for Services with the Education and Skills Funding Agency (ESFA) to deliver Traineeships.

2. That the creation of supplementary revenue expenditure budgets up to £33,000 fully funded from income to support the Traineeships programme be approved.
3. That authority be delegated to the Cabinet Member for Education and Skills, in consultation with the Director of Regeneration, to annually approve entering into a Contract for Services with the ESFA for up to a further three years.
4. That it be noted that this contract is anticipated to generate up to £308,000 of income from the (ESFA) for the delivery of Traineeships.

9 **Acquisition of Privately Owned Empty Property by Agreement or Compulsory Purchase: 91 Griffiths Drive, Wolverhampton, West Midlands. WV11 2JW**

Councillor Jacqueline Sweetman presented the report on a proposal for the Council to acquire through negotiation or compulsory purchase, 91 Griffiths Drive, Wolverhampton. The property had been listed as awaiting probate since 2017 and offers of assistance to move matters forward voluntarily had not been progressed by the beneficiaries of the estate. A Notice requiring the estate to remedy the detrimental effect of the property had also not been fully complied with. The proposal was in support of the Council's Empty Property Strategy which aimed to bring long term empty properties back into use.

Resolved:

1. That the Director of City Environment be authorised to negotiate terms for the acquisition of the property 91 Griffiths Drive, Wolverhampton, WV11 2JW and, in default of that acquisition, give authority for a compulsory purchase order (CPO) to be made under Part II Section 17 Housing Act 1985 in respect of the property.
2. That expenditure for the potential acquisition of the property, with subsequent capital receipts being recycled within the Empty Property Strategy programme be approved.
3. That in the event that the property is improved and re-occupied to the satisfaction of the Director of City Environment, the withdrawal of the property from the CPO be authorised.
4. That following any acquisition, the Director of City Environment be authorised to dispose of the property on the open market on condition that the property is refurbished and re-occupied within six or 12 months (as appropriate to the scale of the works).
5. That the Director of Governance be authorised to:
 - a. Take all reasonable steps as soon as it is reasonably practical to secure the making, confirmation and implementation of the CPO including the publication and service of all Notices and the presentation of the Council's case at any Public Inquiry.

- b. Approve agreements with the owners of the property setting out the terms for the withdrawal of objections to the CPO, and/or making arrangements for re-housing or relocation of any occupiers.
- c. Approve the making of a General Vesting Declaration (the property is brought into Council ownership via this process).
- d. Approve the disposal of the whole and/ or parts of the property by auction, tender or private treaty.

10 **Schedule of Individual Executive Decision Notices**

Resolved:

That the summary of open and exempt individual executive decisions approved by the appropriate Cabinet Members following consultation with relevant employees be noted.

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 remaining items of business as they involve the likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

Part 2 - exempt items, closed to press and public

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

12 **Procurement Award of Contracts for Works, Goods, and Services**

Councillor Louise Miles presented for approval the report on the award of contracts for works, goods and services. She drew to the Panel's attention the exemption to the Contract Procedure Rules approved by the Head of Procurement and Director Finance for the period 1 to 31 December 2020.

Councillor Steve Evans drew to the Panel's attention the contract for a central management system to enhance savings from the conversion of street lighting to low energy Light Emitting Diode (LED) luminaries. The system would form part of the Council's Digital Transformation Programme and would provide remote dynamic street lighting control. He placed on record his thanks to officers involved in securing funding from the European Regional Development Fund budget for the contract.

Resolved:

1. That the award of the contract for Arthur Street bridge main works to Eurovia Infrastructure Limited T/A Eurovia Contracting North of Pioneer Close, Wath Upon Dearne, Rotherham, S63 7JZ for a duration of four months from 17 February 2021 to 16 June 2021 for a total contract value of £687,000 be approved.

2. That authority be delegated to the Cabinet Member for City Environment, in consultation with the Director of City Environment, to approve the award of a contract for a Fleet Management System when the evaluation process is complete.
3. That authority be delegated to the Cabinet Member for City Environment, in consultation with the Director of City Environment, to approve the award of a contract for streetlighting central management system when the evaluation process is complete.
4. That authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance, to approve the award of a contract for Asset Valuations when the evaluation process is complete.
5. That authority be delegated to the Cabinet Member for Children and Young People in consultation with the Director of Children's and Adult Services to approve the award of the contract for the Specialist Intensive Therapeutic Support service when the evaluation process is complete.
6. That authority be delegated to the Cabinet Member for City Assets and Housing, in consultation with the Deputy Chief Executive, to approve the award of a contract for Sandwiches and Food-to-Go when the evaluation process is complete.
7. That the exemptions to the Contract Procedure Rules approved by the Head of Procurement and Director of Finance from 1 to 31 December 2020 as set out in Appendix 1 to the report be noted.

13

49 & 51 School Lane, Bushbury - Structural condition and demolition.

Councillor Jacqueline Sweetman presented the report on the findings of a structural condition report of 51 School Lane, Bushbury and outbuildings and the impact of the findings on the adjoining property, 49 School Lane. Due to structural defects outlined in the structural condition report, it was proposed that both properties be demolished.

Resolved:

1. That the demolition of 49 and 51 School Lane, Bushbury and outbuildings due to the structural defects as outlined in paragraph 3 of the report be approved.
2. That the award of Home Loss and Disturbance payment to the tenants as outlined in paragraph 2.2 of the report and to pay 25% of the Home Loss payment in advance, when suitable alternative accommodation is offered and accepted be approved.

14

Appropriation of Bond House to the Housing Revenue Account

Councillor Jacqueline Sweetman presented an overview of the report on a proposal to appropriate Bond House from the General Fund to the Housing Revenue Account.

Resolved:

That the appropriation of Bond House from the General Fund to the Housing Revenue Account be approved.

15

New Park Village Redevelopment Programme - Private Owner Options

Councillor Jacqueline Sweetman presented the update report on progress made with the Ellerton Walk redevelopment scheme on New Park Village. Approval was sought to a range of recommendations that would support the delivery of the estate redevelopment.

Resolved:

1. That the phasing plan of the Ellerton Walk redevelopment area as set out in section 4.0 and Appendix 1 to the report be approved.
2. That the demolition of all housing and retail units as set out in the proposed phasing plan for the Estate as shown at Appendix 1 to the report be approved.
3. That all initial development project budget spend as outlined in paragraph 5 of the report be approved.
4. That the options as shown in Appendix 3 to be offered during negotiations with owners of leasehold and freehold properties within Ellerton Walk, Shawbury Road and Valley Road be approved.
5. That the process where owners wish to seek a second property valuation during the negotiation period be agreed.
6. That the making of a Compulsory Purchase Order (CPO) under Section 17 of the Housing Act 1985 as detailed in paragraph 7 and shown coloured pink on Appendix 3 to the report be approved.
7. That negotiations be entered into with the freeholder of commercial units as detailed in paragraph 7 of the report, with a view to acquiring the units to incorporate the land into the development site. If negotiations fail, the making of a Compulsory Purchase Order (CPO) under Part II, Section 17, Housing Act 1985 as shown coloured pink on Appendix 5 to the report be approved.
8. 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 purchases, including payment Home Loss and Disturbance payments, using the Land Compensation Act 1973 as a basis for compensation payments.
9. That replacement units of temporary accommodation within the Council housing stock as they are lost on the estate be approved.
10. That further Statutory Home Loss Compensation of £6500 (in any 12-month period), for each resident that has qualified previously for Statutory Home Loss Compensation be approved. This applies to residents who have already moved from one maisonette block to another suitable property on the estate (including those Maisonettes earmarked for demolition) so that it enables the speedy demolition and redevelopment of the estate.
11. That the Chief Legal Officer or other authorised officers be authorised to execute legal documentation to put the purchases into effect.

12. That authority be delegated to the Cabinet Member for City Assets and Housing in consultation with the Director of City Environment to approve any other agreements including deed of covenants, collateral warranties, assignments and such other ancillary agreements, including variations as may be deemed necessary to facilitate the redevelopment of the estate.
13. That the progression of a local lettings plan for this development for both temporary decanting and newbuild redevelopment on the estate be approved.
14. That it be noted that an Independent Tenant and Home Advisor for New Park Village Tenant Management Cooperative (NPV TMC) is being procured separately from this report. This is for the use for of NPV TMC and its residents as well as the Council to ensure that residents have access to impartial advice concerning all redevelopment matters on the estate.
15. That it be noted that further reports on the redevelopment proposals for the New Park Village Estate would be submitted to the Panel.

16 **Procurement - Mobile Lateral Flow Testing**

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

- As a result of the COVID-19 outbreak, it has been determined that a Mobile Lateral flow testing (MLTF) service is required. This provision will ensure additional capacity and accessibility to areas with limited current coverage. Due to the urgency of this requirement it has been agreed that the approval of the award cannot be delayed until the 17 March Cabinet (Resources) Panel.

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

Councillor Louise Miles presented the report on the award of a contract for Mobile Rapid Flow Testing. The contract was part of the Council's programme to control Covid-19 and the provision would ensure additional capacity and accessibility to areas with limited current coverage.

Resolved:

1. That authority be delegated to the Cabinet Member for Public Health and Wellbeing, in consultation with the Director of Public Health, to approve the award of a contract for Mobile Lateral Flow Testing once negotiations are complete.
2. That the virement of £597,000 from the Contained Outbreak Management Fund Grant to support the mobile lateral flow testing requirement be approved.

CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Revenue Budget Monitoring 2020-2021	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Tim Johnson, Chief Executive	
Originating service	Strategic Finance	
Accountable employee	Claire Nye	Director of Finance
	Tel	01902 550478
	Email	Claire.Nye@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	2 March 2021

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the use of £65,000 from the Regeneration Reserve to develop a business case for a hotel, including delivery and funding options, financial performance and disposal advice as detailed in paragraph 6.4.
2. Approve the contribution of £75,000 to the Regeneration Reserve for use on the development of the British Steel site in future years as detailed in paragraph 6.5.
3. Approve the use of £113,000 from the Efficiency Reserve to fund resources including a Manager, a Business Analyst and Developer to work on the Councillor Enquiries project as detailed at paragraph 6.6.

4. Approve the change of name of the 2020-2021 Budget Strategy Reserve to Future Years Budget Strategy Reserve to enable this reserve to hold funds to support the Budget Strategy in accordance with the approved medium-term financial strategy (MTFS) as detailed at paragraph 6.7.
5. Approve the establishment of supplementary expenditure budgets within the 2020-2021 approved budget as detailed in section 7.0 for grant funded expenditure.
6. Delegate authority to the Cabinet Member for Education and Skills, and the Cabinet Member for Children and Young People, in consultation with the Director of Children's Services to make payments in line with Government guidance and approve any necessary virements under the Winter Grants Scheme and Holiday Activities Programme.
7. Approve 20 virements totalling £5.8 million, for transfers within directorates, as detailed in Appendix 4.
8. Approve the write-off of two Non-Domestic Rates (NDR) debts totalling £23,696.34 as detailed in Appendix 5.
9. Approve the write-off of one Council Tax debt totalling £5,222.08 as detailed in Appendix 6.
10. Approve the write-off of one Housing debt totalling £6,105.80 as detailed in Appendix 7.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. The Council has once again managed its money well and delivered within budget. Overall, the General Fund projected outturn for 2020-2021 is currently forecast as a relatively small underspend of £507,000 (excluding the impact of Covid-19).
2. That it is anticipated that corporately held redundancy costs during 2020-2021 could be in the region of £1.5 million which can be met from efficiencies.
3. That a £10.1 million surplus on the Housing Revenue Account (HRA) is projected compared with a budgeted surplus of £10.8 million as shown at Table 20 and in detail at Appendix 3. The projected reduction to the surplus of £720,000 will reduce redemption of debt by £720,000.
4. That 34 sundry debt accounts totalling £6,278.52, as detailed in paragraph 10.3, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

5. That 981 council tax accounts totalling £346,464.49, as detailed in paragraph 10.5, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
6. That 27 Non-Domestic Rates (NDR) debts totalling £130,452.02, as detailed in paragraph 10.6, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
7. That eight housing benefit overpayments totalling £4,490.76 as detailed in paragraph 10.10, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
8. That two debts relating to Business Improvement District (BID) totalling £746.69, as detailed in paragraph 10.7 of this report, 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 provide Cabinet (Resources) Panel with a projection of the likely revenue outturn position for the General Fund and Housing Revenue Accounts when compared with the Council's approved revenue budgets for 2020-2021, and the projected financial implications of the Covid-19 pandemic.
- 1.2 This is the third report of this financial year detailing the likely outturn projection for 2020-2021.

2.0 Executive Summary

- 2.1 On 4 March 2020, the Council approved the net budget requirement for 2020-2021 of £248.2 million for General Fund services. This report details the likely outturn projections against this net budget requirement.
- 2.2 The City of Wolverhampton Council has a proven track record and reputation for well-planned and prudent financial management, built up over a number of years and supported by independent verification. Despite significant budget pressures as a result of Government grant funding reductions, the Council has continued to deliver essential services and the priorities that matter most to local residents.
- 2.3 On top of the financial and budget reduction challenges mentioned above, the Council has this year responded to the unprecedented impact of the Covid-19 global pandemic. This has meant refocusing the efforts of the organisation on supporting those in the city that need us most – especially the most vulnerable, supporting our NHS colleagues, helping struggling city businesses to survive and adapt to constantly changing operating restrictions, supporting our schools and young people and maintaining core, essential council services.
- 2.4 It is important to note that the 2020-2021 budget was prepared in advance of the start of the Covid-19 pandemic and, at the time of reporting to Council in March 2020, the full impact of the pandemic was not anticipated. Clearly, the impact on both council finances and its operating environment could not have been foreseen. What is now clear, however, is that the pandemic has significantly distorted the council's financial position and that there will be a 'covid cost' beyond the short-medium term.
- 2.5 It is not yet known how long the impact of the pandemic will last or what the level of future support will be. However, it is anticipated that pressures will continue to emerge in areas such as adult social care and public health and wellbeing.
- 2.6 Despite all of this uncertainty and 'distortion', the council has once again managed its money well and delivered within budget. Overall, the General Fund projected outturn for 2020-2021 is currently forecast as a relatively small underspend of £507,000 (excluding the impact of Covid-19).

- 2.7 This has been achieved as a result of disciplined financial management after the council delivered on its plan to tightly control spending as part of its wider strategy to protect essential services from further cuts in the future as far as possible. Measures include:
- £5.1 million has been contributed as planned to a Budget Strategy Reserve, as approved by Cabinet on 17 February 2021, to support the 2021-2022 budget. The 2021-2022 Budget and medium-term financial strategy (MTFS) 2021-2022 to 2023-2024 presented to Cabinet on 17 February 2021, recognised that the Council anticipated a net underspend in 2020-2021 and therefore proposed that the underspend would be transferred into a specific reserve to support the 2021-2022 budget strategy.
 - £5 million of capital receipts will not be drawn down – this is in line with the policy set out in the Budget Report approved by Cabinet on 19 February 2020. This stated that any efficiencies identified against the budgets held in the Corporate Contingency for Budget Growth, if not required, would be used to reduce the level of capital receipts flexibility utilised in 2020-2021.
 - Efficiencies identified from across the Council will be used in the first instance to fund redundancies.
- 2.8 The forecast outturn position for the Housing Revenue Account is a surplus of £10.1 million, compared to a budgeted surplus of £10.8 million. The projected reduction to the surplus of £720,000 will reduce the redemption of debt by £720,000.
- 2.9 An update on the General Fund budget risks is provided at section 8.0. Overall, the risk for 2020-2021 is currently assessed as Amber.
- 2.10 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 at this meeting. There are 20 General Fund virements that require approval in this report as detailed in Appendix 4. Any virements reflecting a change in management responsibility have been approved under delegation by the S151 Officer.
- 3.0 Summary Position**
- 3.1 Table 1 summarises the projected outturn position for 2020-2021. The most significant variances against the budget are reported on a service-by-service basis in section 4.0 and in detail in Appendix 1.

Table 1 – 2020-2021 General Fund Revenue Budget Projected Outturn

	Net Controllable Budget 2020-2021	Projected Outturn 2020-2021	Projected Variation	
	£000	£000	Over/(Under)	
			£000	%
Adult Services	68,205	69,596	1,391	2.04%
Children's Services and Education	53,546	50,257	(3,289)	(6.14%)
Public Health and Wellbeing	982	979	(3)	(0.31%)
City Environment	28,839	28,629	(210)	(0.73%)
City Assets and Housing	9,721	9,682	(39)	(0.40%)
Regeneration	6,229	6,049	(180)	(2.89%)
Finance	13,901	13,396	(505)	(3.63%)
Governance	9,744	9,331	(413)	(4.24%)
Strategy	8,552	7,614	(938)	(10.97%)
Chief Executive	184	184	-	-
Communications and External Relations	966	859	(107)	(11.08%)
Deputy Chief Executive	450	388	(62)	(13.78%)
Corporate Budgets	46,904	45,638	(1,266)	(2.70%)
Transfer to reserve to support Future Years Budget Strategy	-	5,114	5,114	-
Net Budget Requirement	248,223	247,716	(507)	(0.20%)
Council Tax (including Adult Social Care Precept)	(108,843)	(108,843)	-	-
Enterprise Zone Business Rates	(2,700)	(2,700)	-	-
Top Up Grant	(26,578)	(26,578)	-	-
Business Rates (net of WMCA growth payment and Collection Fund deficit)	(73,769)	(73,769)	-	-
New Homes Bonus	(1,614)	(1,614)	-	-
Section 31 Grant - Business Rates Support	(11,703)	(11,703)	-	-
Improved Better Care Fund	(12,947)	(12,947)	-	-
Winter Pressures and Social Care Grants - Adult Social Care	(3,727)	(3,727)	-	-
Additional Social Care Grant	(6,342)	(6,342)	-	-
Total Resources	(248,223)	(248,223)	-	-
Net Budget (Surplus) / Deficit	-	(507)	(507)	(0.20%)

4.0 General Fund Revenue Budget Monitoring: Service Analysis

Adult Services

- 4.1 A summary of the projected outturn against the Adult Services 2020-2021 revenue budget is provided in Table 2, whilst a detailed analysis is provided in Appendix 1.

Table 2 – 2020-2021 Revenue Budget Projected Outturn – Adult Services

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Adult Services	68,205	69,596	1,391	2.04%

- 4.2 Overall, a net overspend of £1.4 million (2.04%) is projected for the year against Adult Services. Whilst there continues to be an increased demand for packages for under-65s care, there have been in year reductions to previously forecast demand for over 65s. In part, this is due to the fact that a certain cohort, including those discharged from hospital, have been directed through health funded pathways. This will likely not be the case in 2021-2022. There has also been a reduction in demand for long term residential and nursing care due to the effects of Covid-19, and at this stage there is a great deal of uncertainty over the medium term effects of the pandemic. Covid-19 has also affected the ability of the service to deliver savings included in the 2020-2021 budget and so growth has been included in the 2021-2022 budget to account for this. During 2021-2022 work will be undertaken to understand the demand across Adult Services in order to inform the future service delivery model. The main factors contributing towards this overspend are as a result of:

1. A forecast overspend within Learning Disabilities Care Purchasing totalling £1.5 million as a result of additional demand for care packages. A project-managed programme to manage and prevent future demand in this area is being set up and will be overseen by the Transforming Adult Social Care Board.
2. A forecast overspend within Mental Health Assessment and Care Management and Physical Disabilities Care Purchasing totalling £457,000 and £254,000 respectively, as a result of additional demand for care packages.

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

3. An underspend is forecast within Director of Adult Services and additional monies totalling £158,000 as a result of one-off unfilled staff vacancies including the Director post.

4. An underspend is forecast within Quality Assurance and Policies totalling £100,000 as a result of unfilled staff vacancies.
5. An underspend is forecast within the Adults Safeguarding service totalling £263,000. This is in part due to the delay in the introduction of the new Deprivation of Liberty Safeguards legislation (Liberty Protection Safeguards (LPS)) which will require the forecast staffing costs to meet the new statutory duties required of the local authority, when LPS comes into effect in 2022. One-off efficiencies related to this has been included in the 2021-2022 budget.

Children's Services and Education

- 4.3 A summary of the projected outturn against the Children's Services and Education 2020-2021 revenue budget is provided in Table 3, whilst a detailed analysis is provided in Appendix 1.

Table 3 – 2020-2021 Revenue Budget Projected Outturn – Children's Services and Education

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Children's Services and Education	53,546	50,257	(3,289)	(6.14%)

- 4.4 Overall a net underspend of £3.3 million (-6.14%) is projected for the year against Children's Services and Education. This position is due to strong financial management, and work is underway to identify ongoing savings. Work is also being undertaken to model the longer-term financial effects of the pandemic on this service. Children's Services have been on a significant transformation journey over the last five years, overseen by the Transforming Children's Services programme. During this time a number of programmes and projects have been delivered that have achieved significant and positive changes for children and young people living and learning in Wolverhampton. Successes have included more efficient and effective processes and systems, improvements in the quality of practice of front-line work, efficiencies leading to savings or cost avoidance and ultimately improved outcomes for our most vulnerable children and young people. The continued underspend across Children's Services is a direct impact of this transformation work, whilst ensuring the right support is offered to children and families at the right time. The main factors contributing towards this are:
 1. An underspend is forecast within the Children and Young People in Care service totalling £1.1 million as a result of reductions against placement budgets. The projected forecast underspend against the placement budgets

has continued to improve as a result of the robust oversight and management of demand across the service. As a result, the budget growth included in the MTFs has been removed for 2021-2022 and the level of funding for 2021-2022 is forecast to be sufficient to meet any growth in demand.

2. An underspend is forecast within the Strengthening Families service totalling £1.3 million as a result of one-off staffing vacancies partially offset by agency costs. A review of the support offer from Strengthening Family Hubs has been undertaken ensuring that the early help offer is responsive to the needs of our children and families. As a result, vacancies are currently being filled. In addition, work is ongoing to identify in year and ongoing savings particularly related to Section 17 budgets where tight management has realised a reduction in spend.
3. An underspend is forecast within the Director of Children's Service totalling £382,000 as a result of a one-off saving against the emotional health and wellbeing contract. This is currently being re-tendered and due to start April 2021. There are further reductions in professional and consultancy fees and supporting functions across the service. A savings target has been included in the 2021-2022 budget to reflect ongoing efficiencies.
4. An underspend is forecast within the Safeguarding service totalling £128,000 predominately due to staffing vacancies. Reduced costs associated with remote working and other associated staffing costs has also made a contribution. These have been identified as in-year efficiencies. Recruitment plans are in place through a recruitment drive to fill vacant posts prior to 2021-2022.
5. An underspend is forecast within the Specialist Support service totalling £105,000. Most of the underspend relates to one-off staffing vacancies, other staff related-costs and a reduction in spend on outings. These have been identified as in-year efficiencies. Recruitment plans are in place through a recruitment drive to fill vacant posts prior to 2021-2022.
6. An underspend is forecast within Youth Offending Service totalling £132,000 as a result of one off staffing vacancies and posts are due to be recruited to shortly.

Public Health and Wellbeing

- 4.5 A summary of the projected outturn against the Public Health and Wellbeing 2020-2021 revenue budget is provided in Table 4, whilst a detailed analysis is provided in Appendix 1.

Table 4 – 2020-2021 Revenue Budget Projected Outturn – Public Health and Wellbeing

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Public Health and Wellbeing	982	979	(3)	(0.31%)

- 4.6 Overall a net underspend of £3,000 (-0.31%) is projected for the year against Public Health and Wellbeing. The forecast income for WV Active has been significantly reduced in 2020-2021 as centres have been unable to open and the re-opening will be phased. This loss of income is currently being monitored against the Covid-19 grants.

City Environment

- 4.7 A summary of the projected outturn against the City Environment 2020-2021 revenue budget is provided in Table 5, whilst a detailed analysis is provided in Appendix 1.

Table 5 – 2020-2021 Revenue Budget Projected Outturn – City Environment

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
City Environment	28,839	28,629	(210)	(0.73%)

- 4.8 Overall a net underspend of £210,000 (-0.73%) is projected for the year against City Environment. The main factors contributing towards this underspend are as a result of:
1. An underspend is forecast within Environmental Services totalling £195,000 as a result of vacancies held pending a service restructure which will be implemented in 2021-2022.
 2. An underspend is forecast within Fleet Services totalling £267,000 as a result of underspends and efficiencies on staffing, vehicle related costs and additional income received which is partly offset by an overspend on professional costs.
 3. An underspend is forecast within the Operation and Maintenance of Existing Network area totalling £110,000 mainly as a result of one-off vacancies held pending a restructure which will be implemented in 2021-2022.

- An underspend is forecast within Transportation service totalling £279,000 as a result of route efficiencies made and additional grant income received during the year.

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

- An overspend is forecast within Waste and Recycling service totalling £160,000 as a result of overspends on security, professional fees, repairs and maintenance.
- An overspend is forecast within Waste Commercial services totalling £314,000 primarily as a result of additional disposal costs due to price increases on these contracts. This is offset by reduction in employee costs and increased trade waste rebate. Growth has been included the 2021-2022 budget to take account of this cost pressures across the waste contracts.
- An overspend is forecast with Markets totalling £220,000 mainly due to security costs incurred on market sites. The 2021-2022 budget includes growth in recognition of these cost pressures.

City Assets and Housing

- A summary of the projected outturn against the City Assets and Housing 2020-2021 revenue budget is provided in Table 6, whilst a detailed analysis is provided in Appendix 1.

Table 6 – 2020-2021 Revenue Budget Projected Outturn – City Assets and Housing

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
City Assets and Housing	9,721	9,682	(39)	(0.40%)

- Overall a net underspend of £39,000 (-0.40%) is projected for the year against City Assets and Housing. The main factors contributing towards this underspend are:

- An underspend is projected within the Cleaning service totalling £221,000 which reflects additional income generated.
- An underspend is forecast within Corporate Asset Management totalling £290,000 which reflects efficiencies generated as a result of proactive management of business rates costs, particularly those relating to disposals and eligible exemptions.

These underspends are partially offset by forecast overspends within the following service:

3. An under recovery of income is forecast within the Estates and Valuations service totalling £112,000 due to reduced income relating to ground leases and vacant commercial rental units.
4. An overspend is forecast within the Housing service totalling £511,000 due to increased demand for homelessness provision generally. This is mitigated by reduced costs in Private Sector Housing due to staff vacancies and additional forecast income from Licencing and Civil Penalties. Growth has been included in the 2021-2022 budget to take account of the cost pressures in temporary accommodation.

Regeneration

- 4.11 A summary of the projected outturn against the Regeneration 2020-2021 revenue budget is provided in Table 7, whilst a detailed analysis is provided in Appendix 1.

Table 7 – 2020-2021 Revenue Budget Projected Outturn – Regeneration

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Regeneration	6,229	6,049	(180)	(2.89%)

- 4.12 Overall a net underspend of £180,000 (-2.89%) is projected for the year against Regeneration. The main factors contributing towards this underspend are:

1. An underspend is forecast within Visitor Economy totalling £246,000 reflecting staffing vacancies as a result of a restructure. This will be used to contribute to one off budget efficiencies in financial year 2021-2022.

This forecast underspend is partially offset by forecast overspend within the following service:

2. An overspend is forecast within City Planning service totalling £110,000 as a result of planning income targets not being met.
3. An overspend is forecast within City Development service totalling £148,000 as a result of costs associated with increasing development work which will support the relight the city objectives.

Finance

- 4.13 A summary of the projected outturn against the Finance 2020-2021 revenue budget is provided in Table 8, whilst a detailed analysis is provided in Appendix 1.

Table 8 – 2020-2021 Revenue Budget Projected Outturn – Finance

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Finance	13,901	13,396	(505)	(3.63%)

- 4.14 Overall a net underspend of £505,000 (-3.63%) is projected for the year against Finance. The main factors contributing towards this underspend are:

1. An underspend is forecast within Audit Services totalling £278,000 as a result of unfilled staff vacancies held across Audit and Insurance Teams. Two posts have been transferred over into two new apprenticeship posts, which will be recruited to shortly. One employee is currently on secondment. In the short term work has been re-assessed and re-arranged, with the focus on Covid related and high risk areas, until these posts are filled. Audit Committee has been provided with regular updates on the internal audit workplan.
2. An underspend is forecast for the Central Corporate Budgets totalling £581,000 due to significant reductions in enhanced pension costs and bank charges, combined with other lesser underspends against a range of corporate budgets. The 2021-2022 budget incorporates savings to recognise these on-going efficiencies.
3. An underspend is forecast within Revenues and Benefits Service totalling £160,000 due to budget efficiencies across the service including a reduction in postal and printing costs.
4. An underspend is forecast within The Hub totalling £202,000 as a result of unfilled staff vacancies held across Payroll Services and Banking and Payments Team due to being unsuccessful in recruiting to vacancies in the last year. Recruitment to vacant positions is now being prioritised with a view to bringing the team up to capacity in the next financial year.

The forecast underspends are partially offset by a forecast overspend within the following service:

5. An overspend is forecast against Housing Benefits and Payment Subsidy totalling £730,000 as a result of increased demand for homelessness

provision. Growth has been included in the 2021-2022 budget to take account of this cost pressure.

Governance

- 4.15 A summary of the projected outturn against the Governance 2020-2021 revenue budget is provided in Table 9, whilst a detailed analysis is provided in Appendix 1.

Table 9 – 2020-2021 Revenue Budget Projected Outturn – Governance

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Governance	9,744	9,331	(413)	(4.24%)

- 4.16 Overall a net underspend of £413,000 (-4.24%) is projected for the year against Governance mainly due to Legal services income being significantly more than predicted. It is proposed that these greater levels of income will be used to fund additional resource to ensure the Council delivers on the Fairness and Inclusion agenda, including additional project management on a number of matters including Rainbow Quarter.

Strategy

- 4.17 A summary of the projected outturn against the Strategy 2020-2021 revenue budget is provided in Table 10, whilst a detailed analysis is provided in Appendix 1.

Table 10 – 2020-2021 Revenue Budget Projected Outturn – Strategy

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Strategy	8,552	7,614	(938)	(10.97%)

- 4.18 Overall a net underspend of £938,000 (-10.97%) is projected for the year against Strategy. The main factors contributing towards this underspend are:
1. An underspend is forecast within ICTS totalling £773,000. This is as a result of unfilled staff vacancies in year pending a restructure totalling £520,000 and the alignment of licencing contract costs to the year in which they relate.

2. An underspend is forecast within Policy and Strategy totalling £136,000 as a result of one-off efficiencies due to unfilled vacancies which are currently being recruited to.

Chief Executive

- 4.19 A summary of the projected outturn against the Chief Executive 2020-2021 revenue budget is provided in Table 11, whilst a detailed analysis is provided in Appendix 1.

Table 11 – 2020-2021 Revenue Budget Projected Outturn – Chief Executive

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Chief Executive	184	184	-	0.00%

- 4.20 Overall a breakeven position is projected for the year against the Chief Executive budget.

Communications and External Relations

- 4.21 A summary of the projected outturn against the Communications and External Relations 2020-2021 revenue budget is provided in Table 12, and in Appendix 1.

Table 12 – 2020-2021 Revenue Budget Projected Outturn – Communications and External Relations

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Communications and External Relations	966	859	(107)	(11.08%)

- 4.22 Overall a net underspend of £107,000 (-11.08%) is projected for the year against Communications and External Relations mainly as a result of unfilled vacancies and reduced campaign spend due to the primary focus of the team on Covid-19 related emergency response communications.

Deputy Chief Executive

- 4.23 A summary of the projected outturn against the Deputy Chief Executive 2020-2021 revenue budget is provided in Table 13, whilst a detailed analysis is provided in Appendix 1.

Table 13 – 2020-2021 Revenue Budget Projected Outturn – Deputy Chief Executive

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Deputy Chief Executive	450	388	(62)	(13.78%)

4.24 Overall a net underspend of £62,000 (-13.78%) is projected for the year against Deputy Chief Executive.

Corporate Budgets

4.25 A summary of the projected outturn against the Corporate Budgets 2020-2021 revenue budget is provided in Table 14, whilst a detailed analysis is provided in Appendix 1.

Table 14 – 2020-2021 Revenue Budget Projected Outturn – Corporate Budgets

	2020-2021 Controllable Budget £000	2020-2021 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Corporate Budgets	46,904	50,752	3,848	8.20%

4.26 Overall a net overspend of £3.8 million (8.20%) is projected for the year against Corporate Budgets, after the transfer of £5.1 million to reserves to support the 2021-2022 budget strategy, as approved by Full Council on 3 March 2021. The main factors contributing towards this are:

1. An underspend in the region of £2.4 million is forecast against the Treasury Management budget due to a reduced borrowing need in-year arising as a result of rephasing 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.
2. In addition to this, it is also anticipated that there will be an underspend against the Central Provision for Auto-enrolment and Pay Award costs totalling £1.1 million in 2020-2021. This corporate budget efficiency was identified in the 2021-2022 Budget and MTFS 2021-2022 to 2023-2024 report which was presented to Cabinet on 17 February 2021. In that report it was proposed that the net underspend in 2020-2021 be transferred into a specific reserve to support the 2021-2022 budget strategy, whilst the ongoing efficiency be removed from the from the 2021-2022 budget.

3. In the 2020-2021 Budget and MTFs 2020-2021 to 2023-2024 report presented to Cabinet on 19 February 2020 and Full Council on 4 March 2020, it was recognised that during the 2020-2021 budget setting process, a number of emerging pressures had been identified and continue to be kept under review. In order to be prudent and recognise these budget pressures, a Corporate Contingency budget for growth in 2020-2021 was established. In December 2020, Cabinet were informed that due to the pandemic the operation of the Council had been disrupted and similarly the budget. As a result of this, the Corporate Contingency budget for growth, which includes £3.0 million for Corporate Landlord, has not been required in full. Therefore it is currently projected that there will be an underspend against Corporate Budgets and Adjustments totalling £4.2 million as a result of anticipated budget efficiencies against corporate contingencies, which also includes the provision for business rates expenditure increases for Council buildings.
 4. As detailed in points 1-3 above, it is anticipated that there will be underspends against the Treasury Management budget, Corporate contingencies and other corporate budgets in 2020-2021. The Budget Report approved by Cabinet on 19 February 2020 and Full Council on 4 March 2020, stated that any efficiencies identified against budgets held in the Corporate Contingency for Budget Growth, if not required, would be used to reduce the level of capital receipts flexibility utilised in 2020-2021. Therefore, the underspends identified will mitigate the need to use the capital receipt flexibility used for revenue transformational activity in 2020-2021 by £5.0 million.
 5. Further to this, it is anticipated that corporately held redundancy costs during 2020-2021 could be in the region of £1.5 million. It is anticipated that the projected budget efficiencies identified will enable the Council to meet this cost without calling on reserves.
 6. In accordance with the 2021-2022 budget strategy approved by Full Council on 3 March 2021, as a result of the forecast corporate budget efficiencies, reduction in the use of corporate contingencies and one-off forecast underspends across other Directorates, it is proposed that £5.1 million be transferred into a specific reserve to support the 2021-2022 budget strategy.
- 4.27 It is important to note that this financial year is exceptional, the operation of the Council has been disrupted and similarly the budget. We are robustly managing the financial impact of Covid with the additional grants that have been allocated. At the same time, we are managing our finances very tightly, monitoring budget pressures carefully and creating opportunities wherever possible to help mitigate the pressures in this year and over the medium term, ensuring that we can continue to deliver key council and city priorities.

5.0 Covid-19 Pandemic

- 5.1 Since the 2020-2021 budget was set in March 2020, the World Health Organisation categorised Covid-19 as a global pandemic. At the time of reporting to Council on 4 March 2020, the full impact of Covid-19 was not anticipated and the impact on both the finances and operating environment could not have been foreseen. The financial implications of the pandemic have significantly distorted the 2020-2021 budget.
- 5.2 The Council has been awarded a number of one-off grants to support the cost implications of the pandemic in 2020-2021, including £25.5 million of Covid-19 Emergency Grant funding. The council can also apply for funding to part fund the loss of non-commercial income. The Council has received £2.2 million to-date for losses for the period of April to July. Grant funding for the period of September to March is estimated to be in the region of £3.6 million, however, this will be subject to grant claims. It is important to note that this is not confirmed income and is subject to change. In addition, a number of one-off grants have been awarded to support specific activity such as supporting rough sleepers, additional enforcement, support to children and families through the Winter Grants Scheme, provision of emergency food and essential supplies to vulnerable groups and funding to support test and trace and for contained outbreak management. A full list of grants awarded to the Council to-date during the Covid-19 pandemic are detailed below:

Table 15 – Covid-19 One-off Grants

Grant	Allocation £000
General Grants	
Covid 19 Emergency Grant (2020-2021 allocation)	25,547
Sales, Fees and Charges (first claim)	2,208
Total general Grants	27,755
Grants with conditions / criteria	
Contained Outbreak Management Fund	6,056
Council Tax Hardship Fund	3,272
Test and Trace (outbreak control)	1,920
Winter Grants Scheme	1,431*
Covid 19 Workforce Capacity Fund	688
Covid Community Champions	475
Emergency Food and Essential Supplies	394
Active Travel Scheme (revenue and capital)	347
Home to School Transport	273
Reopening of the High Street	235
Rough Sleepers (2 tranches announced to date)	209
Enforcement Surge Funding	174
Clinically Extremely Vulnerable Individuals	127
Community Testing Programme	88

Grant	Allocation £000
Wellbeing for Education Return Grant	37
Total grants with conditions / criteria	15,726
Grants passported to third parties	
Business Support Grants	86,169
Infection and Prevention Grant	6,228
Adult Social Care Rapid Testing	768
Catch Up Premium	774
Test and Trace Self Isolation Support Payments	913
Financial Support for Schools	56
Total grants passported to third parties	94,908
Total Covid-19 grants	138,389

*This grant will be spent over two financial years 2020-2021 and 2021-2022

- 5.3 Under the Council's emergency decision-making powers, a range of short term initiatives have been implemented including: the distribution of food parcels to the city's most vulnerable residents, temporary accommodation for rough sleepers, additional financial support for adult social care providers and the procurement of additional personal protective equipment for key staff and partners.
- 5.4 All of these short-term new initiatives required additional investment and have been funded to-date by the grants received from Central Government.
- 5.5 In addition to the short-term initiatives, a number of services were suspended in response to Government requirements. Income streams have been adversely affected from the loss of fees and charges for services, such as car parking, leisure and cultural services.
- 5.6 The Council has played a proactive, leading role in responding to the Covid-19 emergency. Some of the new initiatives implemented to support the City's residents and businesses may continue to require ongoing financial support. As the situation evolves and restrictions continue to ease, some of the new initiatives will cease entirely, ease or will transition into different services which will require continued financial support to ensure recovery.
- 5.7 The Council has carefully managed the allocation of these grants; considering evidence when drawing up a response to the pandemic to ensure that the right response is delivered at the right level to support our residents and businesses. In order to ensure the Council can continue to deliver our ReLight priorities any efficiencies identified against the Covid-19 Emergency Grant for 2020-2021 will be carried forward to support the ongoing challenges we face over the medium term. The allocation of this grant will be approved in line with the existing approved delegation, which is delegated to the Cabinet Member for Resources, in consultation with the Director of Finance.

5.8 Our current projections demonstrate that the estimated grant funding for Wolverhampton will be sufficient to meet the immediate revenue cost pressures and loss of income, including the delivery of budget reduction targets in 2020-2021. However, it is important to note, that the financial implications detailed below are subject to change and do not include the full cost of recovery work, the full costs associated with the road map out of lockdown or the costs of living with covid.

5.9 The table below shows the current projections of the cost implications which are being funded from the general Covid-19 Emergency Grant and the Sales, Fees and Charges grant. As detailed in Table 15, the Council has also been awarded a number of other grants to support specific activity such as the provision of emergency food and essential supplies to vulnerable people, additional enforcement, and test and trace provision, this expenditure is not included in the table below. Expenditure against these grants are in line with allocations and criteria set for these grants.

Table 16 - Projected Financial Implications of Covid-19 in 2020-2021

	2020-2021 £000
Expenditure including recovery costs	14,774
Loss of Income	11,431
Budget Reduction and Income Generation targets at risk	1,107
Total potential impact for 2020-2021	27,312
Provision for expenditure on the road map out of lockdown, recovery and living with covid	442
Total Potential Impact	27,754
Confirmed Grant Funding	
Covid-19 Emergency Grant (general)	25,547
Sales, Fees and Charges income (first claim)	2,207
Total Confirmed Government Grant Funding	27,754

- 5.10 In addition to the costs above, Covid-19 has had an impact on development of capital projects. Given the unprecedented circumstances, there has understandably been some delay on capital projects due to the pandemic. The Council continues to assess the potential implications of Covid-19 on the wider capital programme in terms of delivery timescales and increase in costs. Any additional costs on the capital programme will result in an increase in the Treasury Management revenue budget. The joint meeting of Cabinet and Cabinet (Resources) Panel on 23 June 2020, received a report on the Covid-19 impact on the Capital Programme. In order to be prudent, additional capital budget has been built into the Capital Programme to cover potential risks associated with the Covid-19 pandemic. The potential annual revenue impact could be up to £430,000 per year, the impact of this will not be seen until after 2020-2021.
- 5.11 The rates of Covid-19 infection in Wolverhampton, regionally and nationally have fallen significantly since the second wave. In addition, the Covid-19 vaccination programme is being rolled out with good uptake from across the City. That said, it is clear the vaccine will not eliminate the presence of the Covid-19 infection in our communities for the foreseeable future. Therefore, it is highly likely that Covid-19 will remain endemic in our population, so as we 'Relight our City' we need to do so safely, living with Covid-19 present in our city.
- 5.12 Looking forward, 'Living with Covid' will need to have in place; a robust health protection function with the ability to respond quickly to any future outbreaks; a fit for purpose community testing programme that continues to reach into traditionally low uptake communities; an effective contact tracing service to compliment and add value to the national programme; and an increasing role in supporting the local NHS in the equitable roll out of the national Covid-19 Vaccination Programme. This activity will need to be supported, partly through the core Public Health Grant allocation, but also through the continued use of the Covid Specific grant funding. This approach will be outlined in the refreshed Local Outbreak Control Plan which will be published in April 2021.
- 5.13 There will be longer term implications for the Council's operating model, as the scale of the change post-Covid-19 will place new expectations and demands on service delivery in 2020-2021 and future years. At this stage it has not been possible to fully quantify the potential impact of Covid-19 over the medium term. It is anticipated that pressures will emerge in many areas particularly in relation to adult social care, public health and wellbeing and income generating services.
- 5.14 The HRA has also seen a reduction in income due to the pandemic. The current projections are currently show a reduction in income of £1.1 million from rent and service charges. In the first national lockdown, work could not be undertaken to refurbish and prepare void properties in order for them to be re-let. Whilst these works are now being carried out, to ensure safe working practices it is taking longer to turn around void properties for re-let resulting in lost income. The Council has not received any grant from Central Government to support the impact of Covid in the HRA.

6.0 Reserves and Balances

- 6.1 Following a review of the reserves position during 2019-2020, the Council's General Fund balance was increased by £3.0 million to a total value of £13.0 million. The level of reserve is approximately 5% of the 2020-2021 net budget which is in line with recommended best practice.
- 6.2 In addition to the General Fund balance, the Council also holds a number of earmarked reserves. Earmarked reserves balances that have been set aside by the Council to fund future estimated liabilities and planned expenditure at the end of 2019-2020 was £35.4 million. The Council is also 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 at the end of 2019-2020 was £29.2 million.

Transfers to/from Earmarked Reserves

- 6.3 Approval is sought for a number of transfers to/from earmarked reserves, as set out in the following paragraphs.

6.4 Regeneration Reserve

Approval is sought from this meeting for the use of £65,000 from the Regeneration Reserve to develop a business case for a hotel, including delivery and funding options, financial performance and disposal advice.

- 6.5 Approval is sought from this meeting to contribute £75,000 to the Regeneration Reserve for use on the development of the British Steel site in future years.

6.6 Efficiency Reserve

Approval is sought from this meeting for the use of £113,000 from the Efficiency Reserve to fund resources including a Manager, a Business Analyst and Developer to work on the Councillor Enquiries project.

6.7 2020-2021 Budget Strategy Reserve

Approval is sought from this meeting to change the name of the 2020-2021 Budget Strategy Reserve to Future Years Budget Strategy Reserve to enable this reserve to hold funds to support the Budget Strategy in accordance with the approved MTFS.

7.0 Changes to Grant Funded Expenditure

- 7.1 It is not always possible to reflect all grant funded expenditure in the budget approved by Full Council prior to the start of the financial year. This is due to late notification from grant awarding bodies of grant amounts, use of historic grants and proactive grant applications during the year.

7.2 Approval is sought from Cabinet (Resources) Panel to establish supplementary budgets within the 2020-2021 approved budget as set out in Table 17, and in accordance with the grant terms and conditions. This will have no effect on the Council's net revenue budget as the expenditure is fully funded from the grant.

Table 17 – Grant Approval sought from this Panel

Grant Name	Description of the Activities this grant will fund	Awarding Body	Expenditure 2020-2021 £000
Public Sector Decarbonisation Grant	A scheme delivered by Salix finance will support energy efficiency improvement works on Council assets, delivering Carbon savings and contribute to Councils climate change agenda	Department for Business, Energy and Industrial Strategy (BEIS)	140
Reading friends	Reading befriending programme to connect people who are lonely and isolated.	National Lottery - The Reading Agency	10
Local Heritage List Grant	Updating historic environment records for the Black Country.	MHCLG	70
Celebrating Age	Activities to specifically address loneliness & social isolation due to Covid-19	Arts Council England	30
Towns fund - Revenue Grant	To progress the Towns Fund application	MHCLG	120
Holiday Activities Programme	To provide free places at holiday clubs in the Easter, Summer and Christmas school holidays 2021.	Department of Education	1,871*
Winter Grant Scheme	An extension to the Winter Grant Scheme to provide direct assistance to vulnerable households and families with children particularly affected by the pandemic	Department of Works and Pensions	369*
Black Country Fostering Project	To improve life chances for children and young people in care, through greater placement choice and stability	Department of Education	78

*Grant will be spent over two financial years – 2020-2021 and 2021-2022

8.0 General Fund Budget Monitoring – Risk Management

8.1 The overall level of risk associated with the budget 2020-2021 is assessed as Amber. As detailed in paragraph 2.6 it is forecast that the Council will have a small underspend of £507,000 in 2020-2021, after the planned contribution to reserves. It is important to note however, that the Council has budget reductions to deliver and income to achieve over the medium term, notwithstanding the impact of the Covid-19 pandemic. An additional

risk has been incorporated into the Risk Register for Covid-19. The main areas of risk are summarised in the table at Appendix 2.

9.0 Revenue Budget Monitoring – Schools’ Budgets

9.1 Maintained schools are required to submit budget plans detailing their expected income and planned spending levels at two points in the year; 31 May and 31 October. Table 18 shows the schools’ actual end of year balances for 2019-2020 and the latest projected balances in those submitted budget plans for 2020-2021.

Table 18 – Projected Movement on Schools’ Balances 2020-2021

Sector	Balances as at 31 March 2020 Surplus / (Deficit) £000	Forecast Use of Balances in 2020-2021 Surplus / (Deficit) £000	Forecast Balances as at 31 March 2021 Surplus / (Deficit) £000
Secondary	(1,547)	850	(697)
Primary	4,342	(176)	4,166
Junior	191	12	203
Infant	132	101	233
Nursery	1,211	(567)	644
Special	1,100	(5)	1,095
Pupil Referral Units	915	(558)	357
Total	6,344	(343)	6,001

Schools with Surplus Balances

- 9.2 At the end of 2019-2020 maintained schools had balances of £6.3 million. 20 schools were identified as having balances above recognised thresholds detailed in the local scheme (5% for secondary schools and 8% for primary, special and nursery schools).
- 9.3 All schools that have balances above these criteria are being requested to provide plans for their intended use. Local Authority Officers will scrutinise these plans and will be having meetings with the headteachers of these schools. A decision will then be made whether any of these schools will be moved forward into the arbitration process as detailed below and an update on this will be included in the 2020-2021 Revenue Budget Outturn report to Councillors.
- 9.4 The Scheme for Financing Schools establishes an arbitration process to review the Authority’s decision and determine if, and to what level, any excess balances should be recovered.

Schools in a deficit balance position

9.5 As part of its overview of schools in deficit, a Schools at Financial Risk Board (SFR) chaired by the Head of School Business & Support Services, reviews the financial information from schools in deficit to evaluate the financial position of the schools. The chair of Schools Forum is also a member of the board. The current position of schools that had anticipated a deficit position at the end of 2020-2021 is as follows:

Table 19 – Schools with anticipated deficits in 2020-2021

Name	Actual Balance at end of 2019-2020 Surplus / (Deficit) £000	Anticipated Balance at end of 2020-2021 Surplus / (Deficit) £000	Status
St Matthias	(687)	105	A licensed deficit and recovery plan have been agreed with the school and progress is as planned.
The King's Church of England	(1,068)	(818)	Licensed deficit application has been received and approved. The school are currently in breach of their licensed deficit and enhanced work is continuing with the school to identify further cost reductions.
St Paul's CofE (A) Primary	29	(9)	The authority is working with the school and monitoring their financial situation. Licensed deficit application may be necessary.
Penn Hall Special School	-	(293)	Penn Hall's financial position is being monitored. A licensed deficit application is required to support this deficit.
Phoenix Nursery	(8)	(44)	Phoenix Nursery has fluctuating pupil numbers. A licensed deficit will be required if the deficit outturn is as forecast.
Windsor Nursery	42	(3)	A licensed deficit will be required if the deficit outturn is as forecast.
Braybrook Centre	69	(17)	A licensed deficit will be required if the deficit outturn is as forecast.

Deficits Following Sponsored Academy Conversion

9.6 The schools surplus or deficit balance on conversion to academy status usually transfers at the same time. However, where the conversion is directed by the Department for Education (DfE) through a sponsorship arrangement any deficit remaining must be met

by the local authority's General Fund. On 17 December 2019, Cabinet approved the use of £300,000 from the Budget Contingency Reserve to meet the conversion costs of St Patrick's RC Primary. This school converted on 1 March 2020 and the deficit following final determination was £157,189, which is substantially less than the agreed from reserve.

- 9.7 The Local Government Association (LGA) has stated that this policy is unfair on local authorities. However, DfE have said that academies are a vital part of the plan for transforming education and that the accumulated deficits for sponsored academies must be met by local authorities.

10.0 Debt Write Offs

- 10.1 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, steps would be taken to pursue the debt, despite the debt having been written off.

Sundry Debtors

- 10.2 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.
- 10.3 Overall, 34 debt write offs totalling £6,278.52 have been incurred. All have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedures Rules.

The Collection Fund

- 10.4 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 rates (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.
- 10.5 **Council Tax** – Overall, 982 debt write offs totalling £351,686.57 have been incurred. All but one valued at £5,222.08 in total, which require approval of Cabinet (Resources) Panel (see Appendix 6), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
- 10.6 **Non-Domestic Rates (NDR)** – Overall, 29 debt write offs totalling £154,148.36 have been incurred. All but two valued at £23,696.34 in total, which require approval of Cabinet (Resources) Panel (see Appendix 5), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

- 10.7 In addition to this, the Director of Finance has approved the write off of two debts relating to the Business Improvement District (BID) totalling £746.69, in accordance with the Council's Financial Procedure Rules.

Housing Benefits

- 10.8 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.
- 10.9 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.
- 10.10 Overall, nine overpayments totalling £10,596.56 have been incurred. All but one valued at £6,105.80 in total, which require approval of Cabinet (Resources) Panel (see Appendix 7), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

11.0 Housing Revenue Budget Monitoring

- 11.1 Table 20 shows the latest forecast revenue outturn against budget for the Housing Revenue Account (HRA). The forecast outturn position for the year is a surplus of £10.1 million, compared to a budgeted surplus of £10.8 million. The projected reduction to the surplus of £720,000 will reduce redemption of debt by £720,000.

Table 20 – Housing Revenue Account Projected Outturn 2020-2021

	Budget	Projected Outturn	Projected Variation
	£000	£000	£000
Total income	(96,518)	(95,422)	1,096
Total expenditure	67,056	67,362	306
Net cost of HRA services	(29,462)	(28,060)	1,402
Interest payments etc.	10,917	10,235	(682)
Contribution to capital financing	7,707	7,707	-
(Surplus)/deficit before transfers to/from reserves and provision for redemption of debt	(10,838)	(10,118)	720
<i>Allocation of (surplus)/deficit</i>	10,838	10,118	(720)
Provision for redemption of debt			
Balance for the year	-	-	-

- 11.2 Income from rents and service charges is forecast to be £1.1 million lower than budgeted, due to loss of income resulting from the impact of Covid-19. The budget assumed a lower loss of income due to empty properties than has been achieved to date. This started with being unable to relet homes during the initial lockdown period and then the need for Covid safe working practices increasing turnaround times.
- 11.3 Expenditure on repairs and maintenance is forecast to be £491,000 higher than the budget. The budget included assumptions for leaseholder contributions to major repairs on high rise estates but these have not yet been incurred due to rephasing of programmes.
- 11.4 Expenditure on rents, rates and taxes is £298,000 higher than the budget, this includes some back dated council tax on empty properties, and properties being empty for longer as referred to in 11.2 above. Expenditure on depreciation is £219,000 above the budget. This is due to the number of properties due to be depreciated being higher than anticipated due to the forecast for the number of right-to-buy sales being revised.
- 11.5 The provision for increase in bad debt is anticipated to be £600,000 less than budgeted for, based on current levels of arrears. Budget assumptions were prudent, due to the continued roll out of universal credit.

11.6 Expenditure on loan interest payable is forecast to be £746,000 lower than budgeted for. This is because of slippage on the HRA capital programme due to Covid-19.

12.0 Evaluation of alternative options

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

13.0 Reason for decisions

13.1 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 Cabinet (Resources) Panel. Contribution to and from reserves also requires the approval from Cabinet (Resources) Panel. The write-offs, virements and use of reserve requests detailed in this report which seek the approval of Cabinet (Resources) Panel are all considered to be prudent in the opinion of the Director of Finance and the Cabinet Member for Resources.

14.0 Financial Implications

14.1 The financial implications are discussed in the body of the report.
[MH/08032021/S]

15.0 Legal Implications

15.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. It is a legal requirement under s25 of the Local Government Act 2003 to set a balanced budget and monitor the financial position throughout the year.
[TS/08032021/W]]

16.0 Equality Implications

16.1 This report provides details of the projected outturn for 2020-2021. The necessary equalities analysis formed part of the 2020-2021 budget setting process.

17.0 All other implications

17.1 The Covid implications are details in the body of the report.

18.0 Schedule of Background Papers

18.1 [2020-2021 Final Budget and Medium Term Financial Strategy 2020-2021 to 2023-2024, report](#) to Cabinet, 19 February 2020.

18.2 [Budget 2020-2021 and Medium Term Financial Strategy 2020-2021 to 2023-2024, report](#) to Full Council, 4 March 2020.

- 18.3 [Reserves, Provisions and Balances 2019-2020, report](#) to Cabinet, 8 July 2020.
- 18.4 [Revenue Budget Outturn 2019-2020, report](#) to Cabinet, 8 July 2020.
- 18.5 [Draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024, report](#) to Cabinet, 29 July 2020.
- 18.6 [Revenue Budget Monitoring 2020-2021, report to Cabinet \(Resources\) Panel](#), 29 July 2020.
- 18.7 [Draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024, report](#) to Cabinet, 11 November 2020.
- 18.8 [Draft Budget and Medium Term Financial Strategy 2021-2022 to 2023-2024, report](#) to Cabinet, 17 February 2021.

19.0 Appendices

- 19.1 Appendix 1 – Revenue Budget Monitoring
- 19.2 Appendix 2 – General Fund Budget Risks 2020-2021.
- 19.3 Appendix 3 – Housing Revenue Account Budget Monitoring
- 19.4 Appendix 4 – General Fund Budget Virements
- 19.5 Appendix 5 – Non-Domestic Rates (NDR) Write-offs
- 19.6 Appendix 6 – Council Tax Write-offs
- 19.7 Appendix 7 – Housing Benefits Write-offs

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
Adult Services						
Adults Assessment and Care Management	5,267	5,185	(82)	(1.56%)	(166)	
Better Care Fund	-	-	-	-	-	
Carer Support	831	829	(2)	(0.24%)	(2)	
Community Financial Support	1,548	1,483	(65)	(4.20%)	(52)	
Community Support	547	547	-	-	(2)	
Director of Adults services and Additional Monies	(6,913)	(7,071)	(158)	2.29%	(3)	Underspend relates to one-off staffing vacancies including the Director post.
Emergency Duty Team	320	323	3	0.94%	-	
Independent Living Service	1,851	1,829	(22)	(1.19%)	(73)	
Adults Safeguarding	1,238	975	(263)	(21.24%)	(230)	The underspend in Adult Safeguarding is in part due to the delay in the introduction of new Deprivation of Liberty Safeguards legislation (Liberty Protection Safeguards) which will require the forecast staffing costs to meet the new statutory duties required of the LA, when LPS comes in in 2022. One-off efficiencies related to this has been included in the 2021-2022 budget.
Learning Disabilities Care Purchasing	22,484	23,938	1,454	6.47%	1,634	An overspend is forecast due to additional demand for care packages. A project-managed programme to manage and prevent future demand in this area is being set up and will be overseen by the Transforming Adult Social Care Board.
Learning Disability Provider	5,158	5,153	(5)	(0.10%)	(230)	
Mental Health Assessment & Care Management	5,329	5,786	457	8.58%	304	An overspend is forecast due to additional demand for care packages.
Older People Care Purchasing	20,329	20,347	18	0.09%	3	Budgets have been realigned to address a reduction to in-year demand for long term residential and nursing placements due to Covid-19.
Older People Provider Services	3,533	3,447	(86)	(2.43%)	(28)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Physical Disabilities Care Purchasing	4,784	5,038	254	5.31%	173	An overspend is forecast due to additional demand for care packages.
Quality Assurance and Policies	367	267	(100)	(27.25%)	(100)	An underspend is forecast due to one-off unfilled staffing vacancies.
Strategic Commissioning	1,532	1,520	(12)	(0.78%)	(76)	
Total Adult Services	68,205	69,596	1,391	2.04%	1,152	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
Children's Services						
Children & Young People In Care	31,324	30,193	(1,131)	(3.61%)	(1,198)	The projected forecast underspend against placement budgets has continued to improve as a result of the robust oversight and management of demand across the service. As a result, the budget growth included in the MTFs has been removed for 2021-2022 and the level of funding for 2021-2022 is forecast to be sufficient to meet any growth in demand.
Director of Children's Services	999	617	(382)	(38.24%)	(242)	The underspend is forecast as a result of one-off savings against the emotional health and wellbeing contract, which is currently being re-tendered and due to start April 2021. In addition, there are further reductions in professional and consultancy fees and supporting functions across the service. A savings target has been included for this service in 2021-2022 to reflect ongoing efficiencies.
Head of Children's Improvement	1,734	1,661	(73)	(4.21%)	31	
Headstart	-	-	-	-	-	
Regional Adoption Agency	-	-	-	-	-	
Safeguarding	737	609	(128)	(17.37%)	-	The projected underspend relates predominantly to staffing vacancies with further reductions due to lower than anticipated in year other staffing costs associated with remote working. These have been identified as in-year efficiencies. Recruitment plans are in place through a recruitment drive to fill vacant posts prior to 2021-2022.
Social Inclusion & Play Service	-	-	-	-	-	
Strategic Commissioning – Childrens	1,532	1,521	(11)	(0.72%)	(76)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Specialist Support	3,799	3,694	(105)	(2.76%)	(149)	The underspend relates to one off staffing vacancies, other staff related costs and a reduction in spend on outings. These have been identified as in-year efficiencies. Recruitment plans are in place through a recruitment drive to fill vacant posts prior to 2021-2022.
Strengthening Families	10,979	9,705	(1,274)	(11.60%)	(751)	Projected underspend due to one-off staffing vacancies, partially offset by agency costs. A review of the support offer from Strengthening Family Hubs has been undertaken and as a result vacancies are currently being filled. In addition, work has been completed to identify in year and ongoing savings particularly related to Section 17 budgets where tight management has realised a reduction in spend.
Youth Offending	1,135	1,003	(132)	(11.63%)	(81)	The underspend relates to one off staffing vacancies and post are due to be recruited to shortly.
Central Education	(1,213)	(1,213)	-	-	-	
Director of Education	82	60	(22)	(26.83%)	-	
Early Years	295	292	(3)	(1.02%)	(3)	
Inclusion Support	1,187	1,177	(10)	(0.84%)	(7)	
School Improvement	964	882	(82)	(8.51%)	(89)	
School Organisation	273	327	54	19.78%	56	
Schools	-	-	-	-	-	
Special Educational Needs	(281)	(271)	10	3.56%	-	
Children's Services and Education	53,546	50,257	(3,289)	(6.14%)	(2,509)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Public Health and Wellbeing						
Business Continuity & Emergency Planning	5	5	-	-	-	
Commissioning	-	-	-	-	-	
Community Safety & Community Cohesion	191	188	(3)	(1.57%)	(20)	
Covid-19 (Public Health 1)	25	25	-	-	-	
Healthier Places Service	-	-	-	-	-	
Healthy Ageing	-	-	-	-	-	
Healthy Life Expectancy	-	-	-	-	-	
Leisure Services	761	761	-	-	-	
Public Health Business Management	-	-	-	-	-	
Starting and Developing Well	-	-	-	-	-	
System Leadership	-	-	-	-	-	
Total Public Health and Wellbeing	982	979	(3)	(0.31%)	(20)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
City Environment						
Bereavement Services	(2,091)	(2,145)	(54)	2.58%	40	
Black Country Transport	32	32	-	-	-	
City Events	386	425	39	10.10%	46	
Coroners Service	223	226	3	1.35%	-	
Customer Services	1,819	1,853	34	1.87%	126	
Director of City Environment	206	163	(43)	(20.87%)	-	
Energy and Sustainability	119	77	(42)	(35.29%)	68	
Environmental Services	6,243	6,048	(195)	(3.12%)	(170)	The underspend is due to vacancies held pending a service restructure which will be implemented in 2021-2022
Fleet Services	1,855	1,588	(267)	(14.39%)	(318)	The underspend relates to savings on staffing, hire of vehicles, vehicle related costs and additional income received. This is partly offset by an overspend on professional costs.
Highways Maintenance	1,572	1,607	35	2.23%	-	
Landscaping	31	23	(8)	(25.81%)	-	
Licensing	276	276	-	-	-	
Markets	(611)	(391)	220	(36.01%)	21	The overspend is due to security costs incurred on market sites. The 2021-2022 budget includes growth in recognition of these cost pressures.
Operation & Maintenance of Existing Network	980	870	(110)	(11.22%)	(127)	The underspend is due to vacancies held pending a service restructure which will be implemented in 2021-2022.
Parking Services	(2,942)	(2,942)	-	-	-	
Public Protection	1,929	1,868	(61)	(3.15%)	(145)	
Register Office	(55)	(28)	27	(49.09%)	1	
Street Lighting	2,871	2,888	17	0.59%	227	
Transportation	5,468	5,189	(279)	(5.10%)	-	An underspend is forecast due to route efficiencies made and additional grant income received during the year.

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Waste and Recycling	5,952	6,112	160	2.69%	306	The overspend is as a result of increased costs on security, professional fees, repairs and maintenance.
Waste Commercial Services	4,576	4,890	314	6.86%	441	The forecast cost pressure is as a result of the additional costs of waste disposal contracts. This is offset by reduction in employee costs and increased trade waste rebate. Growth has been included the 2021-2022 budget to take account of this cost pressures across the waste contracts.
Total City Environment	28,839	28,629	(210)	(0.73%)	516	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
City Assets and Housing						
Project and Works Team – Capital Programmes	94	101	7	7.45%	(5)	
Catering	(84)	(111)	(27)	32.14%	-	
Cleaning	1,433	1,212	(221)	(15.42%)	(382)	The projected underspend reflects additional income generated.
Corporate Asset Management	7,974	7,684	(290)	(3.64%)	(568)	The projected underspend reflects efficiencies generated from the ongoing proactive management of business rates costs, particularly those relating to disposals and eligible exemptions.
Corporate Landlord Support	164	120	(44)	(26.83%)	(40)	
Estates and Valuations	(4,182)	(4,070)	112	(2.68%)	253	The projected overspend reflects reduced income relating to ground leases and vacant commercial rental units.
Facilities Management	1,148	1,154	6	0.52%	35	Due to the impact of Covid 19 on Community Association's finances, and consistent with many Council income stream, Community Association rents and other charges have not been actively pursued this financial year. Conversations are starting to take place, however, it should be noted that some Community Associations may need additional time and support to pay what is owed.
Head of Corporate Landlord	97	4	(93)	(95.88%)	(48)	The post continues to be held vacant pending a forthcoming restructure and the projected underspend reflects this.
Project and Works Team – Maintenance Programme	1,983	1,983	-	0.00%	-	
Housing	1,094	1,605	511	46.71%	670	A forecast overspend is due to increased demand for homelessness provision generally. This is mitigated by reduced costs in Private Sector Housing due to

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
						staff vacancies and additional forecast income from Licencing and Civil Penalties. Growth has been included in the 2021-2022 budget to take account of this cost pressure in temporary accommodation.
Total City Assets and Housing	9,721	9,682	(39)	(0.40%)	(85)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Regeneration						
Adult Education	(300)	(300)	-	-	-	
City Development	524	672	148	28.24%	-	An overspend is forecast due to costs associated with increasing development work which will support relight the city objectives.
City Planning	779	889	110	14.12%	114	An overspend is forecast as a result of planning income targets not being met.
Director Regeneration	412	412	-	-	-	
Enterprise	651	624	(27)	(4.15%)	121	
Land and Property Investment Support	-	-	-	-	-	
Local Economy	1,572	1,479	(93)	(5.92%)	(96)	
Service Director City Economy	-	-	-	-	-	
Skills	1,520	1,448	(72)	(4.74%)	92	
Visitor Economy	1,071	825	(246)	(22.97%)	(315)	The underspend reflects staffing vacancies as a result of a restructure. This will be used to contribute to one off budget efficiencies in financial year 2021-2022.
Total Regeneration	6,229	6,049	(180)	(2.89%)	(84)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
Finance						
Audit Services	1,821	1,543	(278)	(15.27%)	(285)	The underspend is forecast as a result of unfilled staff vacancies held across Audit and Insurance Teams. Two posts have been transferred over into two new apprenticeship posts, which will be recruited to shortly. One employee is currently on secondment. In the short term work has been re-assessed and re-arranged, with the focus on Covid related and high risk areas, until these posts are filled. Audit Committee has been provided with regular updates on the internal audit workplan.
Central Corporate Budgets	3,920	3,339	(581)	(14.82%)	(461)	An underspend is forecast due to significant reductions in enhanced pension costs and bank charges, combined with other lesser underspends against a range of corporate budgets. The 2021-2022 budget incorporates savings to recognise these on-going efficiencies.
Commercial Services	155	141	(14)	(9.03%)	-	
Director of Finance	159	159	-	-	-	
Housing Benefit Payments & Subsidy	48	778	730	1520.83%	713	An overspend is forecast as a result of increased demand for homelessness provision. Growth has been included in the 2021-2022 budget to take account of this cost pressure.
Procurement Services	785	785	-	-	(238)	
Revenues & Benefits	2,617	2,457	(160)	(6.11%)	(49)	An underspend is forecast within Revenues and Benefits Service totalling £160,000 due to budget efficiencies across the service including a reduction in postal and printing costs.
Strategic Finance	2,748	2,748	-	-	-	
The Hub	1,648	1,446	(202)	(12.96%)	(66)	The underspend is forecast as a result of unfilled staff vacancies held across Payroll Services and Banking and Payments Team due to being

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
						unsuccessful in recruiting to vacancies in the last year. Recruitment to vacant positions is now being prioritised with a view to bringing the team up to capacity in the next financial year.
Total Finance	13,901	13,396	(505)	(3.63%)	(386)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Governance						
Director of Governance	134	139	5	3.73%	-	
Deputy Director of People and Change	60	60	-	-	-	
Governance Services	2,634	2,611	(23)	(0.87%)	(52)	
Legal Services	2,040	1,814	(226)	(11.08%)	(115)	The forecast underspend is due income being significantly more than predicted. It is proposed that these greater levels of income will be used to fund additional resource to ensure the Council delivers on the Fairness and Inclusion agenda, including additional project management on a number of matters including Rainbow Quarter.
Business Change	2,847	2,755	(92)	(3.24%)	(57)	
Health and Safety	109	32	(77)	(70.64%)	-	
Human Resources	1,720	1,720	-	-	-	
Ward Funds	200	200	-	-	-	
Total Governance	9,744	9,331	(413)	(4.24%)	(224)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
Strategy						
ICTS	6,190	5,417	(773)	(12.49%)	(238)	An underspend is projected as a result of unfilled staff vacancies in year pending totalling £520,000 a restructure and the alignment of licencing contract costs to the year in which they relate.
Insight and Performance	760	768	8	(1.05%)	12	
Policy and Strategy	215	79	(136)	(63.26%)	(79)	An underspend is projected that reflects one-off efficiencies due to unfilled vacancies which are currently being recruited to.
Service Development	80	93	13	16.25%	(8)	
Organisational Development	1,167	1,117	(50)	(4.28%)	(20)	
Strategy	140	140	-	-	-	
Total Strategy	8,552	7,614	(938)	(10.97%)	(333)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
Chief Executive						
Chief Executive	184	184	-	-	-	
Total Chief Executive	184	184	-	-	-	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Communications and External Relations						
Communications	966	859	(107)	(11.08%)	(53)	The projected underspend is mainly as a result of unfilled vacancies and reduced campaign spend due to the primary focus of the team on Covid-19 related emergency response communications.
Total Communications and External Relations	966	859	(107)	(11.08%)	(53)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021	Net Controllable Forecast 2020-2021	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2	Reason for Variance Q3
	£000	£000	£000	%	£000	
Deputy Chief Executive						
Deputy Chief Executive	197	194	(3)	(1.52%)	-	
Digital Transformation Programme	88	51	(37)	(42.05%)	-	
Service Improvement	165	143	(22)	(13.33%)	(2)	
Total Deputy Chief Executive	450	388	(62)	(13.78%)	(2)	

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
Corporate Budgets						
Corporate Budgets	(5,570)	(2,287)	3,283	(58.94%)	1,642	It is currently projected that there will be an underspend against Corporate Budgets and Adjustments (As per Corporate Adjustments line below) totalling £4.2 million as a result of anticipated budget efficiencies against corporate contingencies, which also includes the provision for business rates expenditure increases for Council buildings.
Corporate Adjustments	3,692	1,179	(2,513)	(68.07%)	146	The Budget Report approved by Full Council on 4 March 2020, stated that any efficiencies identified against budgets held in the Corporate Contingency for Budget Growth, if not required, would be used to reduce the level of capital receipts flexibility utilised in 2020-2021. Therefore, the underspends identified will mitigate the need to use the capital receipt flexibility used for revenue transformational activity in 2020-2021 by £5.0 million.
Treasury Management	36,835	34,463	(2,372)	(6.44%)	(1,785)	An underspend is forecast against the Treasury Management budget due to a reduced borrowing need in-year arising as a result of rephasing 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.
Underspend transferred to Reserve	-	5,114	5,114	-	3,164	In accordance with the 2021-2022 budget strategy approved by Full Council on 3 March 2021, as a result of the forecast corporate budget efficiencies, reduction in the use of corporate contingencies and one-off forecast underspends across other Directorates, it is proposed that £5.1 million be

General Fund Revenue Budget Monitoring – Service Analysis

Service/Budget	Net Controllable Revised Budget 2020-2021 £000	Net Controllable Forecast 2020-2021 £000	Net Controllable Variance 2020-2021 Q3		Net Controllable Variance 2020-2021 Q2 £000	Reason for Variance Q3
			£000	%		
						transferred into a specific reserve to support the 2021-2022 budget strategy.
Redundancies	-	1,472	1,472	-	-	It is anticipated that corporately held redundancy costs during 2020-2021 could be in the region of £1.5 million. It is anticipated that the projected budget efficiencies identified will enable the Council to meet this cost without calling on reserves.
Apprenticeship Levy	495	511	16	3.23%	-	
West Midlands Transport Levy	10,309	10,306	(3)	(0.03%)	(3)	
Environment Agency Levy	76	76	-	-	-	
Birmingham Airport – Rent	(69)	(82)	(13)	18.84%	-	
Central Provision for Auto-enrolment and Pay Award Costs	1,136	-	(1,136)	(100.00%)	(1,136)	It is anticipated that there will be an underspend against the Central Provision for Auto-enrolment and Pay Award costs in 2020-2021. This corporate budget efficiency was identified in the 2021-2022 Budget and MTFS 2021-2022 to 2023-2024 report which was presented to Cabinet on 17 February 2021. In that report it was proposed that the net underspend in 2020-2021 be transferred into a specific reserve to support the 2021-2022 budget strategy, whilst the ongoing efficiency be removed from the from the 2021-2022 budget.
Total Corporate Budgets	46,904	50,752	3,848	8.20%	2,028	

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General Fund Budget Risks 2020-2021

Risk	Description	Level of Risk
Medium Term Forecasting	Risks that might materialise as a result of the impact of non-pay inflation and pay awards, uptake of pension auto enrolment, and National Living Wage.	Amber
Service Demands	Risks that might materialise as a result of demands for statutory services outstretching the available resources. This particularly applies to adults and childrens social care.	Red
	Risks that might materialise as a result of demands for non-statutory services outstretching the available resources.	Amber
Identification of Budget Reductions	Risks that might materialise as a result of not identifying budget reductions due to limited opportunity to deliver efficiencies.	Amber
Budget Management	Risks that might materialise as a result of the robustness of financial planning and management, in addition to the consideration made with regards to the loss of key personnel or loss of ICTS facilities	Green
Transformation Programme	Risks that might materialise as a result of not delivering the reductions incorporated into the budget and not having sufficient sums available to fund the upfront and one-off costs associated with delivering budget reductions and downsizing the workforce.	Amber
Reduction in Income and Funding	Risks that might materialise as a result of income being below budgeted levels, claw back of grant, or increased levels of bad debts.	Amber
	The risk of successful appeals against business rates.	
Third Parties	Risks that might materialise as a result of third parties and suppliers ceasing trading or withdrawing from the market.	Amber

General Fund Budget Risks 2020-2021

Risk	Description	Level of Risk
Government Policy	Risks that might materialise due to structural uncertainties including the impact of exiting the European Union.	Red
	Risks that might materialise as a result of changes to Government policy including changes in VAT and taxation rules.	Red
Covid 19	Risk that the financial implications of Covid 19 including the Council's recovery will exceed the grant allocations awarded by Government and place further financial pressures on the council financial position.	Red

Housing Revenue Account Revenue Outturn 2020-2021

	2020-2021 Budget £000	2020-2021 Forecast Outturn £000	2020-2021 Forecast Variance £000
Income			
Gross rents – dwellings	(89,740)	(88,678)	1,062
Gross rents – non dwellings	(537)	(554)	(17)
Charges to tenants for services and facilities	(6,241)	(6,190)	51
Total income	(96,518)	(95,422)	1,096
Expenditure			
Repairs and maintenance	26,230	26,721	491
Supervision and management	20,168	20,066	(102)
Rents, rates and taxes	350	648	298
Increase in provision for bad debts	2,000	1,400	(600)
Depreciation of fixed assets	18,308	18,527	219
Total expenditure	67,056	67,362	306
Net cost of HRA services	(29,462)	(28,060)	1,402
Interest payable	10,996	10,250	(746)
Interest and investment income	(79)	(15)	64
Contribution to capital financing	7,707	7,707	-
(Surplus)/deficit before transfers to/from reserves and provision for	(10,838)	(10,118)	720
Allocation of (surplus)/deficit			
Provision for redemption of debt	10,838	10,118	(720)
Balance for the year	-	-	-

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General Fund Budget Virements

From		To		£000	Reason for Virement
Division	Service	Division	Service		
Finance	The Hub	Finance	The Hub	50	Creation of posts in Payroll Services funded by income.
Finance	Audit Services	Governance	Health and Safety	372	Transfer of net controllable/non controllable income budget from Risk Management and Insurance to Health and Safety as part of the transfer of health and safety functions to Governance.
Governance	Business Change	Governance	Business Change	40	Establishing administrative posts in the Business Support Unit funded by income.
Governance	Business Change	Strategy	Business Change	65	Transfer of Programme Manager post from Corporate Programmes Team to Policy and Strategy.
Governance	Business Change	Governance	Deputy Director of People and Change	60	Transfer of budget to Deputy Director of People and Change Service to reflect changes to structure.
Governance	Governance Services	Governance	Governance Services	23	Increase in Information Governance employee budget linked to budget transfer.
Children's Services	Director of Children's Services	Children's Services	Children & Young People In Care	51	Transfer of budget to fund new post within Children and Young People in Care.
City Assets & Housing	Housing	Corporate Accounts	Corporate Accounts	57	Superannuation and pay award adjustments.
City Assets & Housing	Housing	City Assets & Housing	Housing	308	Creation of housing first expenditure budget funded from income.
City Assets & Housing	Housing	City Assets & Housing	Housing	600	Uplift of Syrian resettlement budget funded from government grant.
Strategy	Service Development	City Assets & Housing	Housing	105	Movement of Telecommunications Mast budget from Housing to Digital Infrastructure to support the wider Digital programme.
Regeneration	Enterprise	Regeneration	Enterprise	563	Establishment of budgets to reflect new grant for Aim4Gold.
Education and Skills	Inclusion Support	Education and Skills	Inclusion Support	70	Establishment of budgets to reflect LAC Pupil Premium ESFA allocation December 2020.
Public Health & Wellbeing	Public Health Business Management	Public Health & Wellbeing	Starting and Developing Well	350	Re-alignment of budgets to fund Public Health contracted activities.

General Fund Budget Virements

From		To		£000	Reason for Virement
Division	Service	Division	Service		
Public Health & Wellbeing	Public Health Business Management	Children's Services	Head of Children's Improvement	100	Public Health contribution towards #YES project.
Adult Services	Director of Adults services and Additional Monies	Public Health & Wellbeing	Community Safety & Community Cohesion	65	Transfer of staffing budgets to reflect restructure.
Regeneration	Skills	Public Health & Wellbeing	Community Safety & Community Cohesion	57	Transfer of staffing budgets to reflect restructure.
Finance	Revenues & Benefits	Finance	Revenues & Benefits	833	Reallocation of Housing Benefit Payment budgets to reflect mid-year forecasts.
Adult Services	Learning Disabilities Care Purchasing	Adult Services	Learning Disability Provider	500	Realignment of budgets to reflect updated forecast demand.
Adult Services	Older People Care Purchasing	Adult Services	Learning Disabilities Care Purchasing	1,500	Realignment of budgets to reflect updated forecast demand.

**Non-Domestic Rates (NDR) Write Offs to be approved by
Cabinet (Resources) Panel**

Account Ref	Write-off Reason	Write-Off Amount £
5047062	Recovery Prohibited By Statute	13,517.39
5117464	Unable to Trace	10,178.95
	Total	23,696.34

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Council Tax Write Off to be approved by Cabinet (Resources) Panel

Account Reference Number	Write-off Reason	Write off Amount £
61234678193	Recovery Prohibited by Statute	5,222.08
	Total	5,222.08

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Housing Benefit Write Off to be approved by Cabinet (Resources) Panel

Claim	Write-off Reason	Write off Amount £
118986	Deceased (no estate)	6,105.80
	Total	6,105.80

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Treasury Management Activity Monitoring Quarter Three 2020-2021		
Decision designation	AMBER		
Cabinet member with lead responsibility	Councillor Louise Miles Resources		
Key decision	Yes		
In forward plan	Yes		
Wards affected	All Wards		
Accountable Director	Tim Johnson, Chief Executive		
Originating service	Strategic Finance		
Accountable employee	Claire Nye	Director of Finance	
	Tel	01902 550478	
	Email	Claire.Nye@wolverhampton.gov.uk	
Report to be/has been considered by	Strategic Executive Board	1 March 2021	
	Our Council Scrutiny Panel	TBC	

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. That the Council is continuing to operate within the Prudential and Treasury Management Indicators approved by Council, and also within the requirements set out in the Council's approved Treasury Management Strategy for 2020-2021.
2. That revenue underspends of £2.4 million for the General Revenue Account and £800,000 for the Housing Revenue Account (HRA) are forecast from treasury management activities in 2020-2021, 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.
3. That two of the three credit rating agencies have downgraded the UK's credit rating. If the remaining credit rating agency follows suit the Director of Finance will lower the minimum sovereign rating in the Annual Investment Strategy in line with the delegated authority approved by Council on 17 July 2020.

1.0 Purpose

- 1.1 This report provides a monitoring and progress report on treasury management activity for the third quarter of 2020-2021 and highlights the revised Prudential Indicators which were approved by Council on 3 March 2021.

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 [here](#).

- 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 receives quarterly reports throughout the year to monitor performance against the strategy and Prudential Indicators that have previously been approved by Council.
- 2.5 The Council continues to use Link Group as its treasury management advisors throughout 2020-2021. 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.
- 2.6 On 1 February 2021 CIPFA announced two consultations on proposed changes to the Treasury Management Code and the Prudential Code. This is to reflect the changing environment in treasury management and following recommendations from the Public Accounts Committee. Both consultations will close on 12 April 2021 with the results published towards the end of 2021-2022 and full adoption expected from 2022-2023. The Council will review the consultations in detail and consider any potential impact it may have and report back to Councillors as and when required.

3.0 2020-2021

- 3.1 The forecast outturn for treasury management activities in 2020-2021 compared to budget is shown in Table 1.

Table 1 – Treasury management budget and forecast outturn 2020-2021

	Approved Budget £000	Forecast Outturn £000	Variance at Quarter three £000
General Revenue Account	36,835	34,463	(2,372)
Housing Revenue Account	10,923	10,123	(800)
Total	47,758	44,586	(3,172)

- 3.2 Overall, underspends of £2.4 million for the General Revenue Account and £800,000 for the HRA are projected for the year 2020-2021.
- 3.3 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 caused by Covid-19, it is likely that the outturn forecast will be subject to change during the financial year.
- 3.4 The forecast underspend will be considered more fully and in context of the whole General Fund budget in the 'Revenue Budget Monitoring 2020-2021' report also on the agenda for this meeting.
- 3.5 The Council's strategy is to continue to use cash balances to finance capital expenditure rather than external borrowing. Borrowings are actively managed to achieve savings wherever possible.
- 3.6 Appendix 1 to this report shows the revised Prudential and Treasury Management Indicators over the medium term period. These indicators are the same figures as those seen by Cabinet on 17 February 2021 and approved by Council on 3 March 2021 except for 'PI 6 – Estimates and actual ratio of financing costs to net revenue stream'. This indicator has been updated for revised interest rates received by the Council since the Cabinet report was published.

4.0 Borrowing forecast for 2020-2021

- 4.1 The main source of borrowing for local authorities is the Public Works Loan Board (PWLB). During 2019-2020, HM Treasury increased the margin that applies to new loans from the PWLB by one percentage point and undertook a consultation on the future lending terms. This was in response to an increase in borrowing by local authorities to buy commercial assets primarily for yield. On 25 November 2020, the Chancellor announced the conclusion of the consultation, resulting in the one percentage point increase being removed. However, the PWLB will no longer lend to local authorities that intend to buy commercial assets primarily for yield. The Council does not believe this restriction will affect its capital investment programme and its ability to access PWLB.

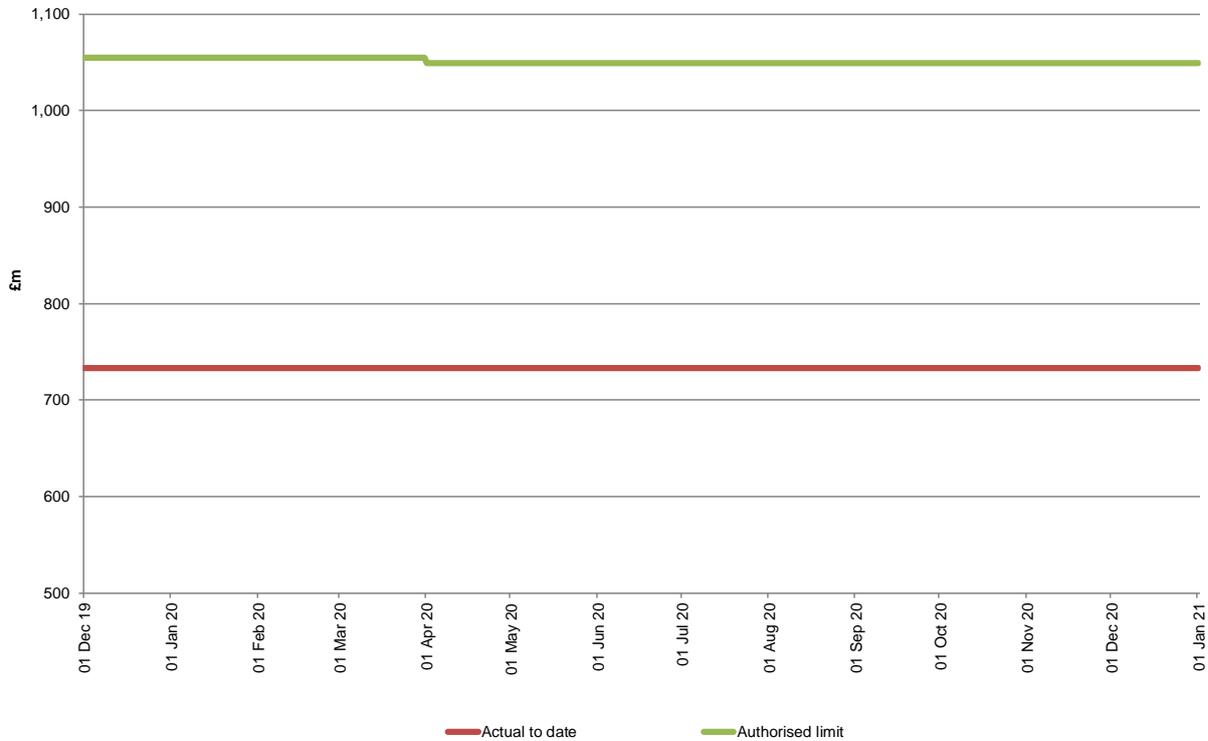
- 4.2 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.
- 4.3 Table 2 shows the average rate of interest payable in 2019-2020 and forecast for 2020-2021.

Table 2 – Average interest rate payable in 2019-2020 and 2020-2021

	2019-2020 Actual	2020-2021 Forecast
Average Interest Rate Payable	3.74%	3.76%

- 4.4 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.
- 4.5 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 2 to this report shows the maturity profile of external borrowing.
- 4.6 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. Appendix 3 to this report includes the Link Group interest rate forecast for quarter three 2020-2021 which forecasts that interest rates across all periods will slowly increase up to March 2024. The Director of Finance will continue to keep actual and forecast rates under close review.
- 4.7 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



4.8 The level of borrowing at 31 December 2020 is £732.9 million, appendix 4 to the report shows a summary of this position. During quarter three no new loans or repayments have occurred, £12.5 million of existing borrowing is due to be repaid in quarter four.

4.9 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 £60.9 million, as shown in appendix 5. 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.

5.0 Investment forecast for 2020-2021

5.1 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.

5.2 Table 3 shows the total amount of surplus funds invested as at 30 September 2020 and 31 December 2020.

Table 3 – Total amounts invested 2020-2021

	30 September 2020	31 December 2020
	£000	£000
Business Reserve Accounts	293	7,815
Money Market Funds	3,150	13,000
Total invested	3,443	20,815
Average cash balance for the year to date	29,918	28,605

- 5.3 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access.
- 5.4 The Council's cash flow balance for the third quarter of the current financial year has moved between a low of £12.9 million and a maximum of £44.0 million. The average cash balance for the quarter being £28.7 million.
- 5.5 Table 4 shows the budgeted average rate of interest receivable in 2020-2021 and the forecast for the year.

Table 4 – Average interest rate receivable in 2020-2021

	2020-2021 Budget	2020-2021 Forecast
Average Interest Rate Receivable	0.70%	0.15%

- 5.6 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. With the current uncertainties it is increasingly difficult to forecast future investment rates that could be achieved, in order to be prudent, a lower rate is forecast based on the decreasing rates achieved up to 31 December 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.
- 5.7 In recent months there has been some discussion in the financial market regarding negative interest rates, which encourages lending and discourages investments. This has not impacted on our investments.
- 5.8 The last monitoring report highlighted that Fitch and Moody's (two of the three credit rating agencies) had downgraded the UK's sovereign rating from AA to AA-, or equivalent, 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 other credit rating agency

(Standard & Poors) had kept their UK sovereign rating equivalent to AA the Annual Investment Strategy did not require amendment. If they did also downgrade the UK's sovereign rating, the Council's bank account provider, National Westminster Bank plc, would no longer have met the current approved minimum sovereign rating. Therefore, to ensure that National Westminster Bank plc remained on the lending list, in the event that the UK sovereign rating was downgraded by Moody's and Standard & Poors, delegation was sought to enable the minimum sovereign rating to be lowered by the Director of Finance in a timely manner. This delegation hasn't been utilised in quarter three, however, if Standard & Poors do also downgrade the rating, the Director of Finance will be required to use the delegated authority to lower the minimum sovereign rating in the Annual Investment Strategy.

- 5.9 While investment rates continue to be below long term borrowing rates, the Council can minimise its overall net treasury costs in the short term by continuing to avoid new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external borrowing (this is referred to as internal borrowing).
- 5.10 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, investments have been placed for shorter durations.
- 5.11 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 6 to this report shows the Council's current specified investments lending list.
- 5.12 In quarter three 2020-2021 the Director of Finance has not been required to use her discretion to temporarily exceed any upper limits with approved counter-parties.

6.0 Evaluation of alternative options

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

7.0 Reasons for decisions

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

8.0 Financial implications

- 8.1 The financial implications are discussed in the body of this report.
[SH/26022021/L]

9.0 Legal implications

- 9.1 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.
- 9.2 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.
- 9.3 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/19022021/F]

10.0 Equalities implications

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

11.0 All other Implications

- 11.1 During the year, due to Covid-19, there has been re-phasing of the capital programme which reduces the borrowing need in year. This is to reflect new timescales for completing projects to take into account work starting again on sites and any social distancing measures which may be required. In addition, the Council is monitoring its cash balances to see how the economic impact of Covid-19 is affecting the cash that it receives from local taxpayers. Any pressure in this area may have a negative impact on the Council's cash flow balances which may require borrowing to be undertaken sooner than planned to temporarily fund revenue costs.
- 11.2 As highlighted in the last monitoring report, 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 two of the three rating agencies have reduced the UK's rating, if the remaining third agency follows 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.

- 11.3 The Council has agreed variations to loans provided to the Council's wholly owned housing company, WV Living. There is no detrimental impact on the Council's budget over the medium term, however it will impact on short term cash balances.

12.0 Schedule of background papers

- 12.1 Cabinet, 19 February 2020 – [Treasury Management Strategy 2020-2021](#)
- 12.2 Cabinet, 8 July 2020 – [Treasury Management – Annual Report 2019-2020 and Activity Monitoring Quarter One 2020-2021](#)
- 12.3 Individual Executive Decision Notice, 29 October 2020 – Amendment to Loan to WV Living
- 12.4 Cabinet, 11 November 2020 – [Treasury Management Activity Monitoring – Mid Year Review 2020-2021](#)
- 12.5 Cabinet, 17 February 2021 – [Treasury Management Strategy 2021-2022](#)

13.0 Appendices

- 13.1 Appendix 1 – Prudential and Treasury Management Indicators
- 13.2 Appendix 2 – Borrowing maturity profile
- 13.3 Appendix 3 – Link interest rate forecasts
- 13.4 Appendix 4 – Borrowing type, borrowing and repayments
- 13.5 Appendix 5 – Disclosure for certainty rate
- 13.6 Appendix 6 – Lending list

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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 quarter three capital budget monitoring 2020-2021 report.

	Approved by Council 4 March 2020			Approved by Council 3 March 2021		
	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
General *	168,620	56,009	15,474	96,395	173,116	32,264
HRA	79,708	82,828	83,790	49,386	95,287	86,260
	248,328	138,837	99,264	145,781	268,403	118,524
* 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.	27,257	10,000	10,000	17,710	23,057	10,000

PI 2 - Estimates and actual capital financing requirement General and HRA.

The capital financing requirement measures the authority's underlying need to borrow for a capital purpose.

	Approved by Council 4 March 2020			Approved by Council 3 March 2021		
	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
General *	740,334	730,838	710,618	692,048	754,006	728,584
HRA	297,250	335,264	376,117	267,213	316,385	357,387
	1,037,584	1,066,102	1,086,735	959,261	1,070,391	1,085,971
* 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.	26,399	15,078	14,670	20,138	23,789	15,744
Movement in capital financing requirement represented by:						
New borrowing for capital expenditure	127,037	65,759	63,075	65,412	145,604	60,572
Less minimum revenue provision/voluntary minimum revenue provision	(33,118)	(37,241)	(42,442)	(32,323)	(34,474)	(44,992)
Movement in capital financing requirement	93,919	28,518	20,633	33,089	111,130	15,580

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 (PFI). This is a self determined level reviewed and set each budget setting cycle.

	Approved by Council 3 March 2021		
	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000
Borrowing	1,049,311	1,086,578	1,121,741
Other Long Term Liabilities	87,249	79,626	81,928
Total Authorised Limit	1,136,560	1,166,204	1,203,669
Forecast External Debt as at 31 December 2020	863,551	1,004,740	1,044,320
Variance (Under) / Over Authorised limit	(273,009)	(161,464)	(159,349)
Authorised limit for commercial activities / non-financial investments included in the above figures			
Authorised Limit	45,893	47,014	45,874
Forecast External Debt as at 31 December 2020	41,317	45,874	45,874
Variance (Under) / Over Authorised limit	(4,576)	(1,140)	0

Prudential Indicators (PI) required by The Prudential Code

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. This is a self determined level reviewed and set each budget setting cycle.

	Approved by Council 3 March 2021		
	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000
Borrowing	1,018,328	1,050,255	1,107,444
Other Long Term Liabilities	85,247	79,626	79,928
Total Operational Boundary Limit	1,103,575	1,129,881	1,187,372
Forecast External Debt as at 31 December 2020	863,551	1,004,740	1,044,320
Variance (Under) / Over Operational Boundary Limit	(240,024)	(125,141)	(143,052)
Operational boundary for commercial activities / non-financial investments included in the above figures			
Total Operational Boundary Limit	43,867	45,874	45,874
Forecast External Debt as at 31 December 2020	41,317	45,874	45,874
Variance (Under) / Over Operational Boundary Limit	(2,550)	0	0

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			Approved by Council 3 March 2021		
	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2022-2023 Forecast £000
Forecast Capital Financing Requirement at end of Second Year	1,086,737	1,102,383	1,102,383	1,085,972	1,102,955	1,102,955
Gross Debt	1,032,794	1,063,389	1,084,023	863,551	1,004,740	1,044,320
Capital Financing Requirement Greater than Gross Debt	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 General and HRA.

	Approved by Council 4 March 2020			Updated quarter three		
	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast
General *	14.9%	18.1%	17.9%	13.9%	14.6%	18.8%
HRA	30.3%	30.9%	31.8%	29.4%	29.5%	29.7%
* 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.	0.9%	0.9%	0.8%	1.0%	1.0%	1.0%

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 3 March 2021		
	2020-2021 Limit £000	2021-2022 Limit £000	2022-2023 Limit £000
Upper limit for more than 365 days	35,000	35,000	35,000
Actual and Forecast Invested at 31 December 2020	-	-	-
Variance (Under) / Over Limit	(35,000)	(35,000)	(35,000)

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

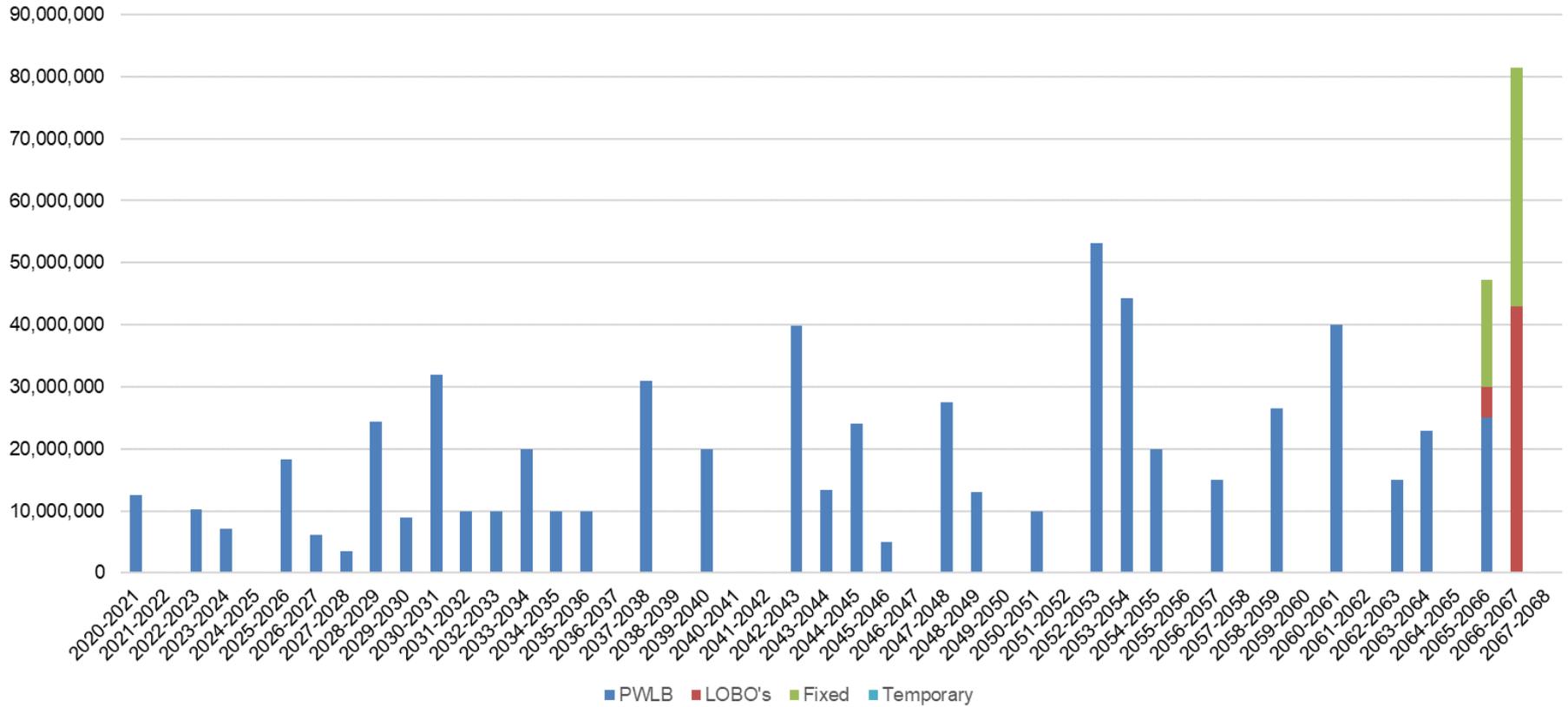
These limits relate to the % of fixed and variable rate debt maturing.

	Approved by Council 3 March 2021		Approved by Council 3 March 2021
	Upper Limit	Lower Limit	2020-2021 Forecast Borrowing
Under 12 months	25%	0%	-
12 months and within 24 months	25%	0%	1.31%
24 months and within 5 years	40%	0%	3.25%
5 years and within 10 years	50%	0%	9.61%
10 years and within 20 years	50%	0%	14.21%
20 years and within 30 years	50%	0%	24.79%
30 years and within 40 years	50%	0%	25.49%
40 years and within 50 years	50%	0%	21.34%
50 years and within 60 years	50%	0%	-

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Borrowing Maturity Profile at 31 December 2020

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Link interest rate forecasts

The Council's treasury advisor, Link Group, provided the following forecasts on 8 February 2021 (PWLB rates are certainty rates, gilt yields plus 80bps):

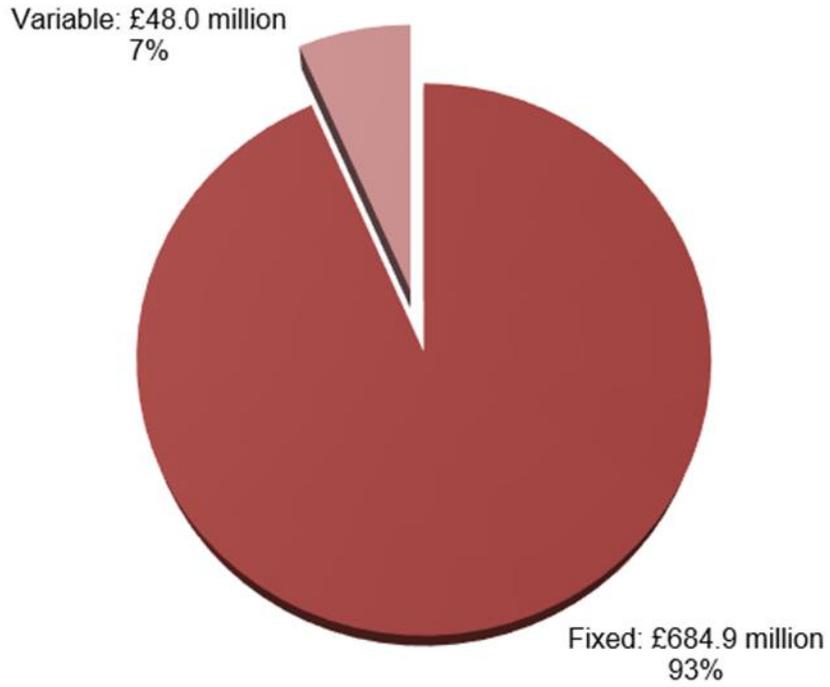
Link Group Interest Rate View		8.2.21											
	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	0.90	0.90	0.90	0.90	1.00	1.00	1.10	1.10	1.10	1.20	1.20	1.20	1.20
10 yr PWLB	1.30	1.30	1.30	1.30	1.40	1.40	1.50	1.50	1.50	1.60	1.60	1.60	1.60
25 yr PWLB	1.90	1.90	1.90	1.90	2.00	2.00	2.10	2.10	2.10	2.20	2.20	2.20	2.20
50 yr PWLB	1.70	1.70	1.70	1.70	1.80	1.80	1.90	1.90	1.90	2.00	2.00	2.00	2.00

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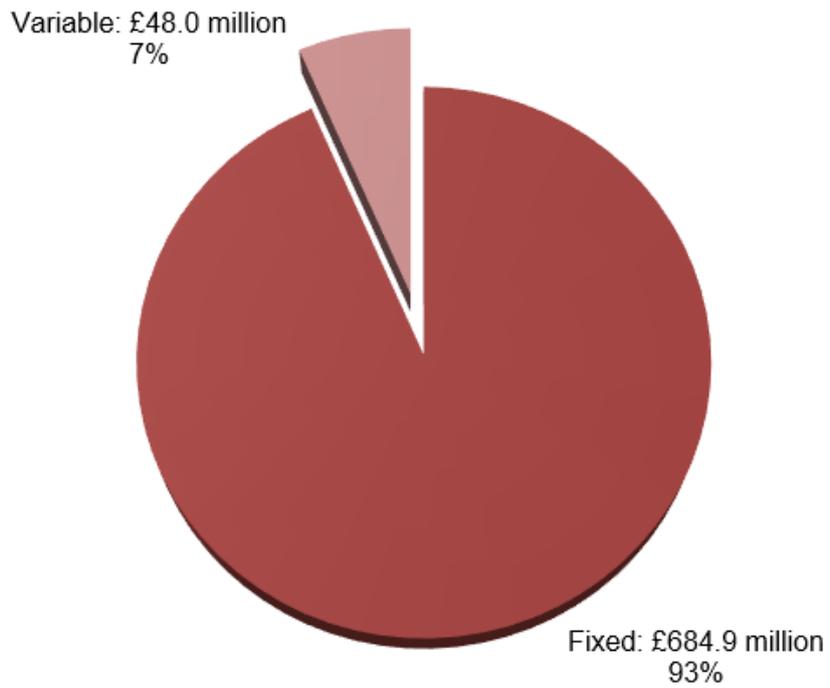
Borrowing: Graphical Summary

Borrowing by Type

As at 30 September 2020



As at 31 December 2020



Borrowing and Repayments in 2020-2021

	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
2020-2021 Borrowing						
PWLB Fixed Maturity:						
No activity in quarter 3						
Sub total for PWLB			-			-
Temporary Loans:						
No activity in quarter 3						
Sub total for Temporary Loans			-			-
Grand total borrowing						
			-			-

	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
2020-2021 Repayments						
PWLB Fixed Maturity:						
No activity in quarter 3						
Sub total for PWLB			-			-
Temporary Loans:						
No activity in quarter 3						
Sub total for Temporary Loans			-			-
Grand total repayments						
			-			-
Net movement						
			-			-

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 31 December 2020		
	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000
Net Borrowing Requirement:						
Borrowing to finance planned capital expenditure	123,931	65,447	62,692	65,306	145,292	57,189
Existing maturity loans to be replaced during the year	59,500	34,077	33,199	23,500	30,059	88,199
Less:						
Minimum Revenue Provision for debt repayment	(17,896)	(20,920)	(22,996)	(17,101)	(18,153)	(25,546)
Voluntary debt repayment	(10,839)	(13,397)	(16,365)	(10,839)	(13,397)	(16,365)
	(28,735)	(34,317)	(39,361)	(27,940)	(31,550)	(41,911)
Loans replaced less debt repayment	30,765	(240)	(6,162)	(4,440)	(1,491)	46,288
Net Advance Requirement	154,696	65,207	56,530	60,866	143,801	103,477

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Lending List

2020-2021 Specified Investments as at 31 December 2020

Institution	Country (Sovereign Rating)	Limit £000	Term Limit
Bank Netherlandse 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
Nationalised Banks			
Royal Bank of Scotland Group plc			
National Westminster Bank plc	UK (AA-)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA-)	10,000	3 mths
AAA Rated and Government Backed Securities			
Debt Management Office	UK (AA-)	20,000	30 mths
Money Market Funds			
	Fund Rating		
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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CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Human Resources: Support for Carers Policy	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Paula Brookfield Governance	
Key decision	No	
In forward plan	No	
Wards affected	Not applicable	
Accountable Director	David Pattison, Director of Governance	
Originating service	Human Resources - Governance	
Accountable employee	Sukhvinder Mattu	Service Lead – HR Policy & Strategy
	Tel	01902 553571
	Email	Sukhvinder.Mattu@wolverhampton.gov.uk
Report to be/has been considered by	Governance Leadership Team	21 January 2021
	Strategic Executive Board	28 January 2021

Recommendation for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the revised Support for Carers Policy for use by Council's managers and employees.

1.0 Purpose

- 1.1 To inform Cabinet (Resources) Panel of changes made to the current Support for Carers Policy and guides.

2.0 Background

- 2.1 The Support for Carers policy includes information on maternity, paternity, shared parental leave, adoption and fostering leave for employees.
- 2.2 Engagement has taken place with several stakeholders to review the policy, including recent returners from maternity leave, managers, employees, trade unions, the equality team and forums and Stonewall.

3.0 Progress

- 3.1 In order to review the support for carers policy the following has been undertaken:
- 3.2 Engagement with Trade unions who requested the policy should encompass support for all carers - information on time off for dependants has been included as a result.
- 3.3 Recent returners from maternity leave were asked what changes they felt were necessary. Suggestions included a practical guide for employees and managers, a maternity pay forecast calculator and an improved method of notification to human resources and payroll – all of which has been incorporated into the revised policy and processes.
- 3.4 Managers suggested introducing a practical guide for their use to help them to understand their role in supporting employees that provide care for dependants, a guide has therefore been created in response to this.
- 3.5 Parental bereavement leave legislation was introduced in April 2020, covering time off for employees to deal with the unfortunate death of a child if they pass away under the age of 18 or are still born. This has also been incorporated into the policy. An Agresso recording solution was developed for recording such leave. In the interim, the new amendments were agreed and it has been implemented.
- 3.6 Equality forums suggested amendments to make the policy non-binary and representative of diverse groups. These suggestions have also been included within the changes.
- 3.7 All sections of the policy have been thoroughly reviewed to ensure it is valid, up to date and relevant, considering all feedback and updates to legislation and the Advisory, Conciliation and Arbitration Service (ACAS) guidelines.
- 3.8 A practical guide for employees (includes timeline for employees to follow, support mechanisms, work life balance, what information to provide, annual leave information etc) and managers (encouraging discussions with employees about leave, maternity

cover arrangements, risk assessments, keeping in touch (KIT) days etc) has been designed and feedback has been received from each user group.

- 3.9 A pay forecast calculator for use by employees due to go on maternity leave has also been introduced as a result of feedback from recent returners to maternity leave who said this would have helped them overcome some anxiety about pay concerns during maternity leave.
- 3.10 An Agresso self-serve solution for employees or managers to notify human resources and payroll of maternity leave and return has also been created, removing the necessity for employees to notify both HR and payroll of their leave separately.

4.0 Evaluation of alternative options

- 4.1 An option would be to make no change to the existing policy. This could result in lack of support provisions for employees who need to take time off to support dependents. It could also result in grievance/complaints being submitted as a result of the Council not providing employees with up to date, valid information on their rights associated with maternity, paternity, adoption, fostering, supporting dependants and parental bereavement leave.

5.0 Reasons for decisions

- 5.1 Approval of the revised policy will help ensure:
- Employees are supported to care for their dependants and have information available to them enabling them to make informed decisions.
 - Managers have up to date and relevant information, to support their employees and undertake risk assessments associated with employees taking maternity leave.
 - Employees and managers understand their obligations before taking time off to support people they care for and dependents.
 - Employees understand how much time they can take off, how to report this.
 - Employees being able to report the leave using the Agresso solution and removing the need for them to notify their manager, payroll and HR separately of maternity leave.
 - Managers understand the legislation associated with maternity, paternity, shared parental leave, parental bereavement leave, time off to support carers and anti-natal and post-natal care.
 - Grievances/complaints are not received due to the current support for carers policy being outdated and therefore not valid.

6.0 Financial implications

6.1 There are no financial implications arising from the recommendation in this report. The intention behind the revised Support for Carers Policy and Guides is to give both employees and managers access to clear up to date information regarding their rights and obligations.

[GE/23022021/R]

7.0 Legal implications

7.1 Legal implications on maternity, paternity, time off for dependents, parental bereavement leave, time off to support carers etc have been considered and included.

[TC/02032021/E]

8.0 Equalities implications

8.1 An equality impact assessment has been conducted in association with the equality team. The policy and guides are designed to be inclusive and are now non-binary. They were sent to Stonewall for comments/their recommendations and the feedback was positive. Stonewall requested whether they could use the policy and guides as best practice documents to demonstrate to other organisations.

9.0 All other Implications

9.1 There are no other implications arising from the recommendations of this report.

10.0 Schedule of background papers

10.1 None

11.0 Appendices

11.1 Appendix 1 – Proposed Support for Carers policy

Support for Carer's Policy

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DRAFT

1.0 Policy Statement

The City of Wolverhampton Council (the Council) is committed to supporting employees with caring responsibilities and this policy outlines the various schemes in place.

2.0 Scope

- 2.1 This policy applies to all employees of the council including Senior Managers and the Managing Director.
- 2.2 It excludes NJC employees and Teachers employed by Governing Bodies who are covered by Grey Book HR Policies or procedures. Policies or procedures adopted by the council may, following discussion with relevant trade unions, also be recommended as good practice models for adoption by maintained school governing bodies.
- 2.3 The policy provides guidance on maternity, paternity, shared parental leave, adoption and fostering. It also sets out the support the council will offer to employees who have a caring responsibility in order to help them balance their work and caring commitments and continue to be effective in their job.

3.0 Principles

- 3.1 The Council is committed to providing a working environment free from discrimination that supports individuals with caring responsibilities.
- 3.2 The Council is committed to ensuring a working environment based on dignity and respect without discrimination on any characteristic protected under the Equality Act 2010, including pregnancy and maternity reasons.
- 3.3 The Council is committed to the recruitment and retention of employees with caring responsibilities and offers schemes and support for these employees.
- 3.4 The Council is committed to supporting the work life balance of its employees and ensuring that any legal obligations for employees with caring responsibilities are fully met.
- 3.5 The schemes apply to all employees and in the case of part time employees then benefits will be made on a pro-rata basis.
- 3.6 Agile working should not be used as a replacement for support for carers. The ability to work from home or any other location is not a substitute for childcare or similar

carer responsibilities. It is the employee's responsibility to ensure adequate provision is in place, should agile working be agreed.

- 3.7 The employee will retain the right to return to work on no less favourable terms and conditions of employment than prior to taking leave under the Support for Carers Policy.

4.0 Maternity Scheme Supporting Guidance

An Employees Maternity Guidance and Managers Maternity Guidance pack has been created to compliment the maternity aspects of this policy. The Employees Maternity Guidance aims to support employees to consider their options at work and includes practical guidance and advice during and after their pregnancy. A similar guide has also been created to support line managers to ensure they understand their responsibilities. The information in both packs is split into three key sections; Before Maternity Leave, During Maternity Leave and Returning to Work. The packs also contain helpful checklists and a timeline which detail key events and responsibilities in a chronological order.

5.0 Support for Carers – Family Friendly Schemes

The City of Wolverhampton Council will provide the following schemes to offer support to carers.

- Ante-natal appointments – for the spouse or partner of a pregnant employee.
- Maternity leave scheme – for pregnant employees who are entitled to maternity leave and pay
- Adoption leave scheme – for adoptive parents with the principles based upon the maternity leave scheme
- Fostering or guardianship leave scheme – for employees who choose to foster children
- Maternity support leave scheme – time off for an employee providing support to a new parent
- Paternity leave scheme – for partners of a pregnant employee
- Shared parental leave scheme – the facility to share 'maternity and adoption' leave in the first year after a child is born or placed
- Parental leave – the facility to take unpaid leave for employees who have responsibility for a child, elderly relative or a dependant
- Fertility Treatment (In Vitro Fertilisation – IVF) – following implantation
- Parental Bereavement Leave - the provision to take time off to deal with the death of a child

6.0 Pregnancy and Breastfeeding Risk Assessment

The Council has a legal obligation to ensure the health and welfare of a pregnant employee. The Pregnancy & Breastfeeding Risk Assessment must be carried out by the employee's line manager as soon as practicably possible after they become aware that the employee is pregnant and up until six months after childbirth, or until the employee stops breastfeeding, whichever is later.

For more information about what to consider, refer to the "Pregnancy and Breastfeeding H&S Policy" – available on the Health and Safety portal.

7.0 Antenatal care and appointments

7.1 Pregnant employees

Pregnant employees are entitled to take paid time off during their normal working hours to receive antenatal care. Antenatal care can be a pregnancy related medical appointment or relaxation class arranged on advice of a registered medical practitioner, midwife or nurse.

7.2 Employees should;

- advise their line manager of the ante-natal care appointment(s) as far in advance, as possible
- provide evidence of appointments
- where possible, make appointments at the beginning or end of the day in order to minimise disruption to service

7.3 For the spouse or partner of a pregnant employee

Employees who have a qualifying relationship with a pregnant employee or an expected child are entitled to take annual leave, flexi leave or unpaid time off work to accompany the pregnant employee to antenatal appointments.

An employee has a qualifying relationship with a pregnant employee or the expected child if they;

- are the child's father/parent or
- the spouse of the pregnant employee or
- the partner or same sex partner of the pregnant employee.
- is an intended parent in a surrogacy situation meeting the conditions of section 12.4

The antenatal appointment must be made on the advice of a registered medical practitioner, midwife or nurse.

8.0 In Vitro Fertilisation

8.1 Whilst there is no statutory entitlement for time off for IVF treatment, CWC will grant up to five days paid leave in a rolling 12 month period for the employee to undergo fertility treatment. If any further time off is required it can be taken as annual leave, flexi leave or unpaid leave.

8.2 To qualify for leave, the employee must:

- inform the manager as soon as practicably possible of their plans to undergo fertility treatment prior to doing so and;
- provide a statement from a qualified medical practitioner confirming the recommended treatment and
- provide appointment confirmation.

8.3 Following implantation, a pregnancy may or may not occur, but the employee is regarded as being pregnant at the point of implantation. The employee should be afforded protection under the Equality Act (pregnancy legislation) from this point onwards.

If the treatment is successful and the employee remains pregnant, the protection will continue until the end of the maternity leave period.

If the treatment is unfortunately unsuccessful, the protection will end two weeks after the end of the pregnancy – i.e. two weeks after the date the woman was informed that implantation wasn't successful.

8.4 Employees who wish to accompany a partner/spouse at fertility treatment must request annual leave, flexi leave or unpaid leave in the normal way, unless they are requesting leave to participate in their partner/spouse's treatment (e.g. sperm donation) in which case, the above will apply. Employees must provide appointment confirmation.

9.0 Maternity Scheme

9.1 Maternity Leave and Pay

Employees with 26 weeks' continuous service at the qualifying week (25th week of pregnancy):

- are entitled to up to 52 weeks of maternity leave
- have to take a minimum of 2 weeks compulsory leave immediately after childbirth
- are entitled to occupational maternity pay (OMP) and;
- may also be entitled to Statutory Maternity Pay (SMP)

9.2 In addition to having 26 weeks continuous service (as detailed above), to qualify for OMP and SMP, employees must complete the requirements in section 9.4 and also have average weekly earnings above the national insurance Lower Earnings Limit (LEL). If this criteria is satisfied, the employee will be entitled to:

Maternity leave weeks	Pay entitlement
0-6 weeks	90% of their normal pay or at the statutory minimum amount set by the government.
7-18 weeks	50% of their normal pay (OMP) + SMP. To qualify for OMP employees need to declare their intention to return to work. This is capped at the normal full pay rate. Entitlement to OMP is also subject to the employee returning to work for a period of 13 weeks at the previous contracted hours (the period will be longer if the employee returns to work on reduced hours). If an employee chooses not to return to work then all or part of the OMP may need to be repaid. See section 9.17 for further information. SMP is not conditional on return to work so this element will not need to be repaid if an employee chooses not to return.
19-39 weeks	SMP only – either 50% average weekly earnings or the **statutory minimum (whichever is lower).
40-52 weeks	No pay.

9.3 Employees with less than 26 weeks' continuous service at the qualifying week (25th week of pregnancy):

- are entitled to up to 52 weeks of maternity leave
- have to take a minimum of 2 weeks compulsory leave immediately after childbirth
- may be entitled to maternity allowance (Payroll Services will provide the relevant form for the employee to claim this).

9.4 In order to qualify for maternity pay, regardless of service, all employees must:

1. Notify their line manager by no later than the end of week 25 of their pregnancy or as soon as is reasonably practicable confirming:
 - a. Their pregnancy

- b. The expected date of childbirth
 - c. The date the employee intends to start their maternity leave – this can be no earlier than week 29 of the pregnancy
2. Record the above information in Agresso
3. Provide a copy or original of the MATB1 certificate from a GP or midwife confirming the expected date of childbirth. This is normally issued at week 20-24 of the pregnancy.

9.5 When can maternity leave commence?

Employees can commence maternity leave at or after week 29 of their pregnancy if they wish. If the baby is born earlier than the planned start date, then maternity leave will automatically commence from the birth date.

If employees are absent from work wholly or partly because of pregnancy or childbirth after 36 weeks of pregnancy, then maternity leave will automatically commence on the first day of sickness.

9.6 Keeping In Touch (KIT) Days

KIT days allow an employee to do some work under the terms of their contract without losing SMP for the week in which the work is conducted. This is limited to 10 days for the duration of maternity leave. KIT days cannot be worked during the two-week compulsory leave period and must be agreed between the line manager and employee. There is no obligation for KIT days to be worked. Days or sessions worked do not extend the period of maternity leave.

Employees can work part of a day, but this will count as one KIT day. The employee is only eligible to payment for the hours worked at their normal rate of pay.

9.7 Annual leave and bank holidays

Employees accrue annual leave and bank holiday entitlement throughout the maternity leave period.

Prior to going on maternity leave, agreement between the employee and manager needs to be reached on when and how this will be taken. It is advised that individuals take their annual leave before commencement of maternity leave and where feasible, within the current leave year. However, if this is not

possible any outstanding leave can be carried over. Any such period of leave will need to be agreed with the line manager, subject to operational requirements and a return to work date agreed (so the period of annual leave can commence from then) into the following leave year.

9.8 Pension

If the employee is a member of the local government pension scheme, pension contributions will be deducted from the maternity and contractual pay entitlement whilst on maternity leave unless otherwise indicated by the employee. This period will count as service for pension purposes in the normal way. When maternity pay runs out and the employee enters the no pay period, the employee can choose to make contributions.

If the employee does not pay any contributions during the no pay period it will not count as service for pension purposes.

9.9 Redundancy

Maternity leave counts as continuous service for redundancy purposes and does not affect the right to redundancy payment.

Employees have the following rights upon their return from maternity leave:

- Are entitled to return to the job that they were employed at the start of their maternity leave – with the same terms and conditions (unless amended as part of consultation).
- Where this is not possible because of a redundancy situation, the employee should be offered a suitable alternative role where one exists

NB: An employee is only eligible to redundancy pay if the substantive post is being made redundant and there is no suitable alternative role available.

9.10 Strike action

Calculation of maternity pay entitlement is unaffected by strike action. Pregnant employees and those on maternity leave are normally requested to be exempt from strike action.

9.11 Unfortunate circumstances

9.12 Miscarriage

For parents who lose a baby before 24 weeks

If a baby is unfortunately stillborn before the end of the 24th week of pregnancy, it is treated as a miscarriage. In these circumstances maternity leave and pay will not apply. However, the parents may be distressed and therefore should be dealt with sensitively.

Requests for annual leave, flexi leave, unpaid leave and time off for dependants should be considered. If an employee feels too unwell to return to work, then the usual sickness absence procedures will apply.

9.13 Still Birth

For parents who lose a baby after 24 weeks

If a baby is unfortunately stillborn after the end of the 24th week of pregnancy, then maternity leave and pay will apply as described on the day of the birth (if the employee has not already commenced maternity leave).

In these circumstances, if an employee wishes to return to work earlier than planned, the usual 8 weeks' notice will apply. However, this should be dealt with sensitively and discretion should be applied where possible. Employees may also wish to consider taking Parental Bereavement Leave following the end of Maternity leave or at a later date (see section [15.2](#)).

Paternity leave, Maternity Support Leave, Adoption Support Leave and Shared Parental Leave will also apply.

9.14 Premature Birth

If a baby is born alive prematurely (even prior to 24 weeks) and subsequently does not survive, then maternity leave including pay will still apply because a live birth took place.

9.15 Returning to work

As default, City of Wolverhampton Council will assume that employees will take the 52 weeks leave entitlement therefore no notice is required. This date is confirmed to the employee at the time of commencing maternity leave.

If an employee wishes to return to work earlier, they should write to their manager, providing at least 8 weeks' notice of their intention. If correct notice is not given, the manager may be unable to accept the proposed return date due to business needs. In such cases, an alternative return date should be agreed that does not extend beyond the 52 week period.

Once the employee's return to work date is confirmed, the manager should complete the 'Actual Return Date' in Agresso to confirm the return and notify payroll.

9.16 Returning to Work on Temporary Reduced Hours

Employees have the right to return to work on reduced hours for a period of 13 weeks following a period of maternity leave. If the employee wishes to work reduced hours permanently, the flexible working procedure applies.

Please refer to the Maternity Guidance packs or [Flexible Working Policy](#) for further information.

9.17 Not returning to work following maternity leave

If an employee does not intend to return to work following maternity leave, they should submit their resignation to their manager as soon as possible. If an employee has received Occupational Maternity Pay, they may need to repay some or all of the OMP element. The amount to be repaid will be dependent on the employees' length of continuous service:

- If the employee has less than 1 years' service as of week 29 of pregnancy, the full 18 weeks Occupational Maternity Pay will need to be repaid
- If the employee has more than 1 years' service as of week 29 of the pregnancy, only 12 weeks at half pay will need to be repaid

10.0 Shared Parental Leave

Shared Parental Leave (SPL) is designed to give parents more choice and flexibility in how they share the care of their child in the first year following birth or adoption.

To qualify for Shared Parental Leave and pay, an employee must be entitled to;

- maternity or adoption leave,
- or statutory maternity or adoption pay
- or maternity allowance

and must share the main responsibility for caring for the child with the child's father or their partner. There are a number of other qualifying criteria that must be fulfilled for either parent, the full details of which are contained within the Shared Parental Leave Guidance notes that support this policy.

11.0 Maternity Support Leave

Employees of the Council may be eligible for 5 days paid Maternity Support Leave (pro-rata to hours worked) in replacement of, and not in addition to, Maternity or Adoption Leave. This leave can be taken on or around the birth/adoption of the child.

11.1 Eligibility

An employee will be eligible for MSL if they are:

- The child's father/partner including same sex partner or
- The nominated carer* of the pregnant employee at or around the time of birth or the adoption partner at the time of adoption

*A nominated carer is the person nominated by the pregnant employee as their **primary** provider of support (for example, if there is no father/parent available to provide support) at or around the time of birth. Therefore, this could be a relative or someone with a caring relationship with the pregnant employee and/or child.

In these cases, the applying employee will be requested to produce a copy of the MATB1 which confirms the pregnant persons expected date of birth.

12.0 Paternity Leave

12.1 Employees with 26 weeks continuous service at week 25 of the pregnancy are eligible for Paternity Leave if they are taking time off to look after the child and are one of the following:

- The father
- The husband or partner of the pregnant person (or adopter) – this includes same sex partner
- The child's adopter
- The intended parent (through a surrogacy arrangement)

By week 25 of the pregnancy, employees must:

- Provide a copy of the MATB1 form to their manager which confirms the expected date of birth
- Indicate when they would like the leave to start and confirm the duration by completing the paternity request form.

12.2 Paternity Leave can be taken in one or two week blocks, not as individual days and cannot be taken before the baby is born. It must however be taken within

56 days of the actual date of birth of the child. Babies may not arrive on the due date, so managers must be flexible with cover arrangements.

12.3 Paternity Pay

Employees who may be eligible for both Maternity Support Leave and Paternity leave can take:

- 5 days MSL at full pay (MSL offset by SPP)
- The second week as paternity leave at the SPP rate

Both weeks do not have to be taken, but where they are they must be taken as a block of leave not as separate weeks.

13.0 Adoption Leave

Employees who are becoming an adoptive parent will be entitled to 52 weeks Statutory Adoption Leave (made up of 26 weeks Ordinary Adoption Leave and 26 weeks Additional Adoption Leave). Where both adoptive parents are employed by the City of Wolverhampton Council, they must decide which one will take Adoption Leave. The other parent will be entitled to Shared Parental Leave, Maternity Support Leave and if eligible, Paternity Leave.

13.1 Eligibility for Adoption Leave

To be eligible for adoption leave employees must:

- Provide the correct notice
- Provide proof of the adoption or surrogacy

To be eligible for adoption pay employees must also:

- Have at least 26 weeks continuous service by the week the match was confirmed
- Have average weekly earnings above the national insurance Lower Earnings Limit (LEL)

13.2 Notice required for Adoption Leave and Pay

Within 7 days of being matched with a child, employees must provide *proof of the adoption and confirm in writing to their line manager:

1. How much leave they intend to take
2. The intended start date

3. The date of placement

Managers must respond to this request within 28 days of receipt. Then, once known:

4. At least 28 days' notice must be provided of the confirmed start date of the adoption leave and pay

*The proof of adoption must show:

- Employee name and address
- Agency name and address
- Match date (matching certificate)
- Date of placement (can be a letter from the agency). Employees must inform their line manager in writing within 28 days if the date of placement (or UK arrival date for overseas adoptions) changes.

13.3 Overseas adoption

Employees will receive 'official notification' from a relevant UK authority confirming the employee can adopt. Within 28 days of receipt of this, the employee must then confirm to their line manager in writing:

- The date of the 'official notification'
- When they expect the child to arrive in the UK

Then, once known:

- At least 28 days' notice must be provided of the confirmed start date of the adoption leave and pay

Employees adopting from overseas will need to provide:

- The relevant UK authority's 'official notification' confirming the employee can adopt
- The date the child arrived in the UK (e.g. plane ticket)

13.4 Surrogacy arrangements

Employees must inform line managers of the surrogacy arrangement, the due date and the intended leave start date at least 15 weeks before the expected week of birth (by week 25 of the pregnancy).

Employees must provide a statutory declaration confirming a parental order has been applied for or will be applied for within 6 months of the child's birth. This must confirm it has been signed in the presence of a legal professional.

13.5 When can Adoption Leave start?

Adoption leave can start:

- Up to 14 days before the date the child starts living with the adopter (UK adoptions)
- When the child arrives in the UK or within 28 days of this date (overseas adoptions)
- The day the child's born or the day after (if the adopters have used a surrogate to have a child)

13.6 Adoption Pay

- Employees who are becoming an adoptive parent will be entitled to Adoption Pay in accordance with CWCs Maternity Scheme provision.

13.7 Adoption Appointments

When eligibility to adoption leave is confirmed, the employee also becomes entitled to attend up to 5 adoption appointments after a match with a child has occurred. This leave will be paid at normal rate of pay.

14.0 Fostering or Guardianship Leave Scheme

For employees who are undertaking the care of a child/children under a foster-care arrangement. As fostering can be for varying lengths of time from very short to long-term, and in some cases, the child/children may require a high level of care, CWC will seek to adopt a flexible approach to supporting placements. The Fostering or Guardianship Leave Scheme does not apply to employees who are an established foster carer with a local authority other than CWC, or with an independent fostering agency or voluntary sector fostering organisation.

14.1 Short Term Fostering

Short term fostering provisions are intended to support employees who carry out emergency respite or short term placements for children being fostered through CWC.

14.2 Entitlement

If you are becoming a foster parent or a guardian of a child then you may receive the following entitlements;

- up to 5 days leave with pay in order to attend any pre-placement meetings. This should be agreed by the employee and line manager in advance.
- emergency leave under Time Off for Dependents (see Leave Policy and Table).
- take up to 24 working days with full pay in a two-year period commencing from the date of the FIRST placement. The balance of any untaken leave cannot be carried forward from one two-year period to another.

The above foster leave entitlement is the same irrespective of whether more than one child is being fostered.

14.3 To be eligible for the short term fostering provisions employees must:

- specify the amount of time required far in advance as possible advance.
- provide proof of fostering arrangement and any new placement.
- have at least 26 weeks continuous service by the week the placement is confirmed

14.4 CWC recognises that foster carers may require additional time off work as an integral part of successful fostering. This can be taken as annual leave, flexi leave, and/or unpaid leave.

14.5 Long Term Fostering

14.6 Entitlement to leave and Pay

Employees who are becoming a long-term foster parent, fostering to adopt or a guardian of a child are entitled to;

- paid to upto 5 days' paid leave to attend pre-placement meetings. This must be agreed with the line manager.
- emergency leave under Time Off for Dependents (see Leave Policy and Table).

14.7 Where the child is below school age, employees are entitled to 29 weeks' leave.

18 weeks of this will be paid based on:

- 6 weeks at 90% of average weekly earnings (AWE) and
- 12 weeks at half pay.

Where the child is above school age, employees will be paid for 12 weeks based on:

- 6 weeks at 90% of average weekly earnings (AWE) and
- 6 weeks at half pay.

This leave can be taken at any time during the first 12 months after commencement of fostering or guardianship and may be granted to either partner, if both are employees of the Council. Employees may take up to two weeks of the leave prior to the placement date.

14.8 To be eligible for the long-term fostering leave and pay employees must;

- notify their manager as soon as possible if a placement fails and return to work within 4 weeks.
- specify the amount of time required far in advance as possible.
- provide proof of fostering arrangement.
- have at least 26 weeks continuous service by the week the placement is confirmed.
- return to work for a period of 13 weeks for full contractual hours (this period will be longer if returning to work on reduced hours).

14.9 Returning to Work

After taking fostering or guardianship leave, full time employees have the option to return to work for 13 weeks on a reduced hour's basis.

14.10 Exclusions

Although the Council welcomes applications to become foster carers from its employees, there will be times when agreement is not possible especially where it is considered that there is a potential conflict of interest between their professional role and that of foster carer.

Principally, this will affect those who work in the children and families social care service and who have direct involvement in the planning and decision-making for looked after children. In circumstances where it is considered that there is a potential conflict of interest, the decision to allow the application to proceed will be taken by the appropriate decision taker i.e. the Head of Service.

15.0 Time off to Support Carers

15.1 Time off for Dependants (TOD)

Employees are entitled to up to 5 days leave (prorated) in a personal leave year at full pay to provide assistance for, or deal with emergencies concerning, a dependant. Please refer to the Leave Policy for further guidance.

15.2 Parental Bereavement Leave (PBL) and Pay

An employee may be eligible for Parental Bereavement Leave (PBL) and Parental Bereavement Pay if they or their partner either:

- has a child who has died under 18 years old
- had a stillbirth after 24 weeks of pregnancy

on or after the 6 April 2020 and if at the time of the child's death or stillbirth, they were:

- the child or baby's parent - this includes 'parents in fact', adoptive parents and parents of a child born to a surrogate
- the partner of the child or baby's parent
- person who lived with the child and had responsibility for them, for at least 4 weeks before they died
- partner of the child's parent, if they live with the child and the child's parent in an enduring family relationship

An employee can take 2 weeks' leave from the first day of their employment (no continuous service required) for each child who has died or was stillborn and is paid at full pay.

15.3 Parental Bereavement Leave can be taken as a single block of two weeks or two separate blocks of one week at different times within 56 weeks of the date of the death of the child. After 56 days, one weeks' notice is required prior to taking leave however, this should be dealt with sensitively and discretion should be applied where possible.

15.4 To take leave, an employee must tell CWC:

- The date of the child's death
- The date they want the leave to start and
- If they intend to take one/two weeks leave

A week is the same number of days that employees normally work in a week. For example, a week of PBL would be 2 days if you usually only work on Mondays and Tuesdays.

There is no requirement for this request to be in writing or that the employee provide evidence of the death.

15.5 If an employee is taking another type of statutory leave (for example, maternity leave or paternity leave) when the child dies or stillbirth happens, their PBL must

start after the other leave has ended but does not have to be taken immediately after. This includes if the statutory leave is for another child.

If an employees' PBL is interrupted by the start of another type of statutory leave, employees can use their remaining entitlement to PBL after that other leave has ended. Any remaining PBL must still be taken within 56 weeks of the date of death or stillbirth.

Parental Bereavement Leave can be taken between blocks of shared parental leave booked before the child died. This includes if the shared parental leave is for another child.

15.6 Parental leave (unpaid)

Employees may be entitled to up to 18 weeks unpaid parental leave for each child and adopted child under the age of 18. Up to 4 weeks leave can be taken in a year and should be taken as whole weeks (rather than individual days). A week is equal to the number of days employees work over a normal 7 day period.

15.7 To be eligible employees must:

- Have a minimum of 12 months service with City of Wolverhampton Council
- Be named on the child's birth or adoption certificate
- Not be a foster parent (unless they have secured parental responsibility through the court)
- Give 21 days' notice of their intention to take parental leave

15.8 Where CWC postpones the request for leave, written confirmation of the reason will be provided within 7 days of the original request and a new date suggested. The new date must be within 6 months of the requested start date.

16.0 Roles and Responsibilities

16.1 Employees are required to:

- Understand the policy and procedure, adhere to it
- Take responsibility for informing their manager and HR of the intention to commence any parental leave scheme in accordance with the appropriate process.

16.2 Managers are required to:

- Implement the policy equitably and consistently across all employees

- Ensure that they understand the policy and procedure, adhere to it and apply it correctly
- Ensure that the steps taken by management before, during and after any pregnancy comply with the requirements outlined in the Managers Maternity Guidance Pack.
- Take responsibility for keeping employees on parental leave updated on work issues.
- Take responsibility for referring the employee to Occupational Health, HR, Health and Safety or the EAP (where appropriate).

16.3 Human Resources are required to:

- Provide support and guidance to managers relating to this policy
- Ensure the communication, maintenance, review and updating of this policy
- Monitor and review the HR effectiveness of this policy

16.4 Occupational Health's role is to:

- Give impartial medical advice to both managers and employees
- Be the referral point for providing and / or gaining clinical viewpoints
- Assist the organisation in supporting its employees whilst continuing to meet its business objectives

16.5 The Deputy Director of People and Change's role is to:

In consultation with the recognised Trade Unions, the Deputy Director of People and Change will exercise delegated authority for and be responsible for the ongoing review and updating of this policy to ensure compliance with changes in statutory requirements and operational delivery, including responsibility for identifying the appropriate process for the regular evaluation of the effectiveness of this policy. Any fundamental changes to this Policy will be brought before the Resources Panel for approval.

17.0 Links to other policies and guidance

- [Leave Policy](#)
- [Leave Table](#)
- Flexible Working Arrangements
- Employee Maternity Guidance pack
- Managers Maternity Guidance pack
- Shared Parental Leave Guidance
- [Pregnancy & Breastfeeding H&S Policy](#)

18.0 Monitoring and Review

The policy on support for carers will be continuously reviewed and made available to managers and employees via the HR intranet.

19.0 Equality

The Council has a duty to monitor the application of the policy in relation to protected characteristics under the Equality Act 2010. This is reported annually in the Council's Equality Monitoring Report.

If any aspect of the policy causes you difficulty on account of any disability that you may have, or if you need assistance because English is not your first language, you should raise this issue with HR, who will make appropriate arrangements.

DRAFT

CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Supporting people who need us most by providing 500,000 meals to our City's food banks	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Ian Brookfield Leader of the Council	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Ross Cook, Director of City Environment	
Originating service	City Environment	
Accountable employee	Crissie Rushton	Visitor Economy Manager
	Tel	01902552050
	Email	Crissie.rushton@wolverhampton.gov.uk
Report to be/has been considered by	City Environment Leadership Team	2 March 2021
	Strategic Executive Board	4 March 2021
	Leader's Briefing	8 March 2021

Recommendation for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the allocation of £450,000 to deliver a further 500,000 meals to our most hard-pressed families in the City, as part of a wider package of support to our food banks to support people who need us most.

1.0 Purpose

- 1.1 The purpose of this report is to seek agreement to continue to support those who need us most in our city during the pandemic by funding a further 500,000 meals for city food banks to distribute. This twelve-month support plan builds on the wider package of emergency assistance put in place by the council to support our most vulnerable residents.

2.0 Background

- 2.1 The Covid-19 pandemic has exacerbated levels of household food poverty and insecurity across the city and the UK, with many residents finding it much more difficult to financially or physically access vital food supplies. The current economic downturn is likely to continue and exacerbate conditions, affecting job security, household incomes, the welfare system and the demand for food aid.
- 2.2 The City of Wolverhampton Council has prioritised supporting the city's most vulnerable during the last twelve months of the pandemic and, through its *'Relighting our City'* recovery roadmap, has made this a priority moving forward. The principle at the heart of this work is: no-one gets left behind.
- 2.3 In terms of specific support to city foodbanks, The City of Wolverhampton Council has been providing emergency assistance by funding weekly food parcel deliveries since the start of the pandemic.
- 2.4 Between March 2020 and February 2021, the council provided a total of 850,000 meals to a number of city foodbanks including The Well, Adventist Foodbank, Bilston People's Centre and Excel Church, Stratton Street Park Village and the Elias Mattu Foundation at a time when vital, much needed supplies were reduced during lockdown. Foodbanks were hit hard by coronavirus with many of their usual volunteers unable to help due to shielding, fewer donations and increased demand.
- 2.5 The support provided has been highly valued by our foodbanks who in turn have distributed meals through their wider community networks. Caroline Price, project leader at The Well, said: *"The weekly donation of the council food boxes have been a great support, not only to us, but to other projects we have shared them with."*
- 2.6 Building on this support, this report seeks approval to allocate an extra £450,000 from the Covid-19 Emergency Grant fund to continue this work for the rest of the 2021-2022 financial year, so that food banks across the city, can continue to support people who need us most.
- 2.7 By committing to supply vital food parcels for a further 12 months, the Council is guaranteeing support to those who need it most at a time when the city aims to recover from, and to an extent 'live with', the effects of the covid-19 pandemic. These are likely to include increased unemployment, poverty, anxiety and insecurity.

3.0 Wider support

3.1 During the pandemic, the Council has mobilised its employees and worked with partners to look after our own through a number of other key projects including;

- Delivering more than 1.3 million meals across the city to those who need them most by setting up the Council's Food Distribution Hub, which saw officers redeployed from across the authority to deliver vital support to shielders and other vulnerable residents.
- The Food Bank Forum, which brings together the experiences of the food banks and their communities to pursue new and creative ways to support each other.
- The Winter Grant Scheme, focussing on children and households who are experiencing or at risk of experiencing poverty as a result of the pandemic. This project has supported with not only the cost of food, but also energy costs for heating, cooking and lighting, water bills and other essentials. Fresh produce and culturally diverse food options were also supplied to our food banks. The project has successfully supported 12,690 applications, supported Care Leavers to live independently, and worked with over 20 partners, including Wolverhampton Homes.
- The Council stepped in on the eve of the holidays and supported over 5,000 families with Free School Meals during October half term 2020 through a mixture of food parcels direct to their door and vouchers to ensure that their children didn't go hungry over half term.
- The Holiday Activities and Food Programme will deliver activities across the Easter, Summer and Christmas Holidays for those eligible for free school meals, committing to deliver 4 hours a day, 4 days a week 6 weeks a year. This project will enable the children to eat more healthily, be more active and be more engaged with other local services during the holidays.
- The 'Kindness of Christmas' Crowd Funding Campaign donated over £10,000 to the City's Food Banks
- The One City Fund 'Feeding Our City Crowd Funding Campaign' raised over £27,000, which was shared between the Food Banks taking part in the Food Bank Forum and other food projects across the City.

4.0 Moving forward - taking a longer-term view

- Alongside this continued supply of food parcels for Food Banks we will; Establish a new food distribution working group to help coordinate food supply work streams across the organisation and the relations with food banks.
- Establish several pathways of food support tailored to differing needs.
 - Ensure provisions are easily accessible

- Appropriate to diverse communities
- Engage partners, to ensure that residents have access to vital services to help them back onto their feet through support around employment and digital poverty.

5.0 Financial implications

- 5.1 From the early days the Council considered evidence when drawing up a response to the pandemic to ensure that the right response was delivered at the right level to support the residents of the City.
- 5.2 The cost of the support detailed in this report totals in the region of £6.3 million funded from one-off Government grants. In addition, the council mobilised its employees, at an estimated cost of over £900,000. Crowd funding campaigns have also raised £37,000 to support our food banks.
- 5.3 This report seeks approval to allocate an additional £450,000 from the Covid-19 Emergency Grant fund to support the delivery of a further 500,000 meals to our most hard-pressed families in the City, as part of a wider package of support to our food banks to support people who need us most.

[AS/09032021/O]

6.0 Legal implications

- 6.1 There are no direct legal implications from this report. If the Council enters into any contracts these will need to be authorised in accordance with the Council's Constitution and relevant legislation

[TS/08032021A]

7.0 Equalities implications

- 7.1 Food is a key aspect of culture and of religion, so it is covered by the Equality Act 2010. It is consequently important that any plan for food provisions going forward to be able to fulfil relevant culturally based requirements of the food that a diverse city like Wolverhampton will have at various of the outlets from which the food will be available.
- 7.2 Key components of this will be vegetarian and vegan options as these food requirements can amount to a belief as described by the Act. If at any stage in the future meat were to be supplied, then there would also be additional religious requirements of it e.g. Halal and Kosher options.
- 7.3 The Council's offer also needs to protect and support disabled people with serious and potentially life-threatening allergies - for example those who are gluten or lactose intolerant, where this is clearly a requirement rather than a choice of any kind.
- 7.4 Considering the local ethnic diversity of the area around an outlet and discussing with local management food items in demand at a facility will also improve the offer and its impact in diverse and vulnerable communities.

8.0 All other implications

8.1 The Council has committed to support the people who need us most throughout 2021 by continuing to support the City's Food Banks, with emergency food parcels for the City's most hard-pressed families.

9.0 Schedule of background papers

9.1 None.

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Adult Education Contract Review	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Dr Michael Hardacre Education and Skills	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Richard Lawrence, Director of Regeneration	
Originating service	Adult Education Wolverhampton	
Accountable employee	Joanne Keatley Tel Email	Head of Service 01902 558173 joannekeatley@wolverhampton.gov.uk
Report to be/has been considered by	Regeneration Leadership Team Restructure Task and Finish Group	1 December 2020 21 January 2021

Recommendation for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the revised teaching contract and associated terms and conditions for Adult Education Wolverhampton (AEW) teaching employees.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

- 1 That the new teaching contract does not apply to senior managers or business-related roles within the service who will consistently receive NJC contracts of employment to reflect the nature of their duties.
2. That a Memorandum of Understanding has been developed with the University and College Union (UCU) to regularise future working arrangements.

1.0 Purpose

- 1.1 To seek Cabinet (Resources) Panel approval for the proposed contract and associated terms and conditions for Adult Education Wolverhampton (AEW) teaching employees.

2.0 Background

- 2.1 AEW, in line with adult education providers nationally, have historically utilised teaching contracts. It has been accepted for some time that the current teaching contract requires updating to meet both legal and service requirements. This is a process that many adult education providers nationally have either completed already or are in the process of undertaking. In Wolverhampton the need for this review has been added to by difficulties in recruiting and retaining employees due to pay issues.
- 2.2 In response to these issues a contract review was instigated in July 2019. A Project Management Group was put in place to oversee this work including the Head of Service and HR Business Partners. Regular meetings were undertaken with the union (UCU) and employee representatives throughout the review process. The Strategy Group for Human Resources Terms and Conditions, who have delegated authority from Strategic Executive Board for this piece of work, endorsed these proposals in February 2020 and the Restructure Task and Finish group approved the final proposals in January 2021.

3.0 Progress, options, discussion, etc.

Key issues to address in the contract review

- 3.1 The contract review sought to address the following key issues:
 - Ineffective and lengthy recruitment campaigns making the delivery of teaching and learning to residents increasingly difficult;
 - Over-reliance on agency employees leading to significant additional costs for the service whilst also affecting the continuity of teaching support to learners;
 - Employees leaving the service due to salary issues. In the most recent employee survey 20% of teachers identified pay as requiring improvement and employees leaving the service highlighted salary levels as a key factor in their decision to leave;
 - Inconsistent contractual arrangements for managers in the service with a combination of NJC and teaching contracts in place for the position of Curriculum Manager;
 - An outdated contract which does not reflect current legal and service requirements.

Benchmarking to inform the review

- 3.2 To inform the review benchmarking was undertaken with other adult education providers and with other local providers, including City of Wolverhampton College. The benchmarking was supported by wider intelligence from HR and from managers within

the service. This identified three possible approaches for the future contract and associated terms and conditions:

- 3.3 Approach 1 – Refine the current academic employment contracts and pay scales to respond to business needs. This option would retain the bespoke academic contract and teachers pay model but with amendments to align with current legal and service needs.
- 3.4 Approach 2 – Move the academic employees within the service to the NJC contracts/pay model. This option would bring the service in-line with the wider Council.
- 3.5 Approach 3 – Refine the current teaching employee employment contracts and use this alongside the NJC pay model and job evaluation toolkit.
- 3.6 The HR Strategy Group considered these approaches in November 2019. They requested legal advice to assess the potential issues and risk associated with each approach particularly related to possible equal pay implications for the Council. Legal advice was provided by Browne Jacobson legal practice. They advised that a bespoke teaching contract and pay model, as detailed in Approach 1, presented a lower risk to the Council. This conclusion was based on the assessment that use of a bespoke contract and pay model reflects the different working patterns and history of adult education contractual working arrangements. They advised that this approach provided the most plausible way forward in terms of reducing risk for the Council. Following legal advice Approach 1 was subsequently agreed as the preferred way forward by the HR Strategy Group in February 2020.
- 3.7 Approach 1 has subsequently been developed further and forms the basis of the proposed new contract and associated terms and conditions outlined in this report.

Proposed Model – Pay Implications

- 3.8 The teaching pay model has been significantly revised to provide new pay points. Full details of the current and proposed pay models are given in Appendix 1. The proposed pay model has the following key changes:
 - Key Change: A salary uplift for frontline teaching employees to address recruitment and retention issues. The starting salary for teachers has been increased from £19,313 to £22,532 with the upper pay point increased from £25,008 to £30,423. The proposed pay model does not result in any employee being financially disadvantaged.
Reason: To address recruitment and retention issues particularly for front line teachers.
 - Key Change: The posts of teacher and subject lead have been allocated to the same pay grade.
Reason: The post of subject lead already includes 300 hours remission from teaching to reflect the subject lead responsibilities. The proposed pay model whilst removing the differential in grades provides a financial uplift for all teachers and subject leads.

- Key Change: Increased consistency in the number of pay points for each teaching post. In the current pay model, the number of pay points for posts ranges from 3 to 10. In the proposed pay model this has been equalised to between 5 and 6 pay points for all posts.

Reason: Greater equity in progression opportunities

- Key Change: All Curriculum Managers placed on NJC contracts to reflect the nature of their duties. This replaces a current combination of NJC and teaching contracts for this post. Pensions advice has confirmed that those employees who are undertaking teaching duties will still be eligible for a teaching pension regardless of their contract type. This ensures that no employee is required to change their pension provider.

Reason: Greater consistency and equity within the service. Leave entitlement for these employees has been maintained by moving to a term time only model without financial detriment.

Proposed Model – Key Contract Changes

3.9 The contract has been significantly updated to reflect current working practices, service needs and legal requirements. A copy of the current and revised contracts is provided in Appendix 2 and 3. The proposed contract makes the following key improvements:

- Key change: An increase in teaching hours from a maximum of 800 to a maximum of 820 per annum and an increase to the number of teaching weeks annually from 36 to 38 whilst maintaining the same total working hours per year.

Reason: Increase service delivery outcomes and contribute to the budget required to afford the new pay model.

- Key change: Remove self-directed study leave

Reason: This is not used consistently across the service and there is little evidence of positive impact for the service. Removal provides greater service flexibility within the academic year.

- Key change: Remove detail on duties of individual posts within the contract

Reason: The detail of duties is more appropriately contained within the Job Descriptions for each post. Removal allows flexibility to meet service needs whilst making no changes to the current duties of each post.

- Key Change: Focus on working days per annum within the contract with the removal of specific reference to holidays

Reason: Simplifies processes and continues to reflect largely term time working. There is no change to number of weeks/days/hours worked annually.

- Key Change: Reflect Council generic policies within the revised contract

Reason: Reflects AEW position as an integral part of Council and reduces ambiguity

- Key Change: Replaces recognition of UCU with Memorandum of Understanding (MOU)

Reason: This reflects the actual position. An MOU has been drafted working with the UCU and will provide the basis for positive and collaborative future working. A copy of the revised MOU is attached as Appendix 4.

- Key Change: Enhanced Disclosure and Barring Service (DBS) required for all teaching employees.

Reason: This is required to meet funding requirements.

Employee and union consultation

3.10 The development of the proposals has been undertaken working with union and employee representatives. Formal employee consultation commenced on 16 September 2020 and took place over a three-week period with both group consultation and 1-1 meetings with all teaching employees. During consultation the key issues raised were:

- The impact of assimilation of employees to the new model using the Council's standard policy of assimilation. A concern was that this did not reflect the length of service held by some employees.
- The loss of the two specific weeks previously identified for administration, enrolment and study leave.
- The increase from 800 to 820 teaching hours per annum and the perceived impact on working hours.
- The use of Council policies for issues such as sickness and grievance and disciplinary issues and how the union and employees can influence these policies.
- How duties will be allocated within the 200 working days per year.
- Clarity regarding the availability of leave and time of in lieu (TOIL) for employees in the service.
- Clarity regarding the pensions and opt out facility for employees.

Response to employee and union consultation

3.11 A meeting was held with union and employee representatives on 8 October 2020. It was noted that working hours had not been changed and that the issues related to teaching hours/administration/enrolment and study leave, working days per annum and the use of TOIL were all clarification issues. It was agreed that these issues could be adequately addressed through the development of manager and employee guidance. It was further agreed that the Memorandum of Understanding developed between the Council and UCU will address concerns relating to the adoption of wider council policies.

3.12 In response to the consultation the model has been revised as follows:

- The UCU proposed two new pay model options to address the dissatisfaction of long serving teachers. These were considered but were not feasible based on cost and assimilation principals.
- Specific reference has been made to the mechanism for employees to opt-out of the teaching pension.
- The contract has been revised to reflect the MOU ensuring clear routes for the UCU to comment on wider Council policies which affect AEW teaching employees.
- The Council's TOIL procedure will be adopted for AEW teaching employees.
- Manager and Employee Guidance will be developed to ensure that there is consistency in contract application.

3.13 In December 2020, members accepted the proposal, notwithstanding agreement to back-pay to September 2020.

4.0 Evaluation of alternative options

4.1 A number of options have been considered and rejected in developing the above proposals.

- Option one would be to make no change to the existing contract and associated terms and conditions. This would result in continued recruitment and retention issues for the service and an outdated contract for employees.
- Option two would be to update the contract to meet current legal and service needs retaining the current pay model. This would result in continued recruitment and retention issues.
- Option three would be to move to an NJC contract for teaching employees. As detailed in paragraph 3.6 above this was discounted following legal advice.

5.0 Reasons for decision(s)

5.1 The proposals provide a contract that is fit for purpose. It meets current legal requirements whilst also facilitating high quality service delivery. The accompanying pay model will ensure that AEW can recruit and retain excellent teaching employees within a competitive market. The risk in not taking the decision will be that the service is unable to recruit teaching employees to provide the learning support that residents need.

6.0 Financial implications

- 6.1 The proposals within this report will have direct financial implications for the service. The revised pay model will incur additional employee costs of £89,985 plus £34,448 for the 2.75% pay increase not budgeted in 2020-2021, giving a total of £124,433.
- 6.2 For the financial year 2020-2021, there will be a part year effect. The additional employee costs will be £72,586, inclusive of back-pay to September 2020.
- 6.3 In future years, the additional cost will be partially offset by the savings which will be achieved through the contract changes of increased teaching weeks and teaching hours. This will contribute £34,000 in a full academic year.
- 6.4 In addition to the saving identified above, there are further savings realised from a decrease in employers pensions costs. An amount to circa £60,000 per year has been identified to offset the additional staffing costs for the service.
- 6.5 The remaining budget requirement will be met from within the existing AEW budgets which are funded through a combination of Education and Skills Funding Agency and West Midlands Combined Authority Grants. Additional external funding will also be sought wherever possible.
- 6.6 There is a risk, that should grant funding be reduced there will be a financial pressure on the service.
[VS/04022021/K]

7.0 Legal implications

- 7.1 In developing the proposed model legal advice was provided to ensure that any legal and equal pay issues were fully understood. Advice was sought from legal advisors Browne Jacobson on all options. Following legal advice, we considered the option chosen to be preferable.
[JB/19012021/G]

8.0 Equalities implications

- 8.1 An equalities analysis has been completed and formed part of the employee consultation.

9.0 All other implications

- 9.1 The contract for all teaching employees within AEW will be revised in line with this review. This includes a new pay model. The proposals have been the subject of employee consultation and the employee comments received have been considered as part of developing the final proposals.

10.0 Schedule of background papers

- 10.1 None.

11.0 Appendices

- 11.1 Appendix 1 – Current and Proposed Pay Model.
- 11.2 Appendix 2 – Current Teaching Contract.
- 11.3 Appendix 3 – Proposed Teaching Contract.
- 11.4 Appendix 4 - Memorandum of Understanding with the UCU Trade Union.

Adult Education Academic Staff Pay Rates 2020

W.E.F 01/04/2020

	Scale Point	Annual Salary (£)	Hourly Rate For Teaching (£)	Hourly Rate Non Teaching duties (£)	Hourly rate CPD £12.15
Variable Hours Tutor	1	£19,313	£24.14	£16.09	
	2	£19,840	£24.80	£16.53	
	3	£20,348	£25.43	£16.96	
Full time and Part-time Tutors	4	£20,613			
	5	£21,255			
	6	£21,885			
	7	£22,509			
	8	£23,152			
	9	£23,760			
Subject Leads	10	£25,008			
	11	£26,265			
	12	£27,517			
Not Used	13	£28,764			
	14	£30,023			
TLAMS	15	£31,260			
	16	£32,501			
	17	£33,758			
Curriculum Managers	18	£35,009			
	19	£36,264			
	20	£37,522			
	21	£38,758			
	22	£40,007			
	23	£41,257			
Not Used	24	£42,523			
	25	£43,767			
	26	£44,699			
	27	£45,899			
	28	£47,075			
	29	£48,377			
	30	£49,791			

Proposed AES Academic Staff Pay Rates 2020

Proposed					
	Scale Point	Annual Salary (£)	Hourly Rate for additional non teaching hours (£)	Hourly Rate at time and a half for additional teaching	
Full time and Part-time Tutors and Subject leads	1	£22,532	£15.22	£22.84	
	2	£23,927	£16.17	£24.25	
	3	£25,408	£17.17	£25.75	
	4	£26,980	£18.23	£27.34	
	5	£28,650	£19.36	£29.04	
	6	£30,423	£20.56	£30.83	
TLAMS	7	£32,501	£21.96	£32.94	
	8	£33,758	£22.81	£34.21	
	9	£35,009	£23.65	£35.48	
	10	£36,264	£24.50	£36.75	
	11	£37,522	£25.35	£38.03	

Curriculum Managers to move to NJC Grade 8					

WOLVERHAMPTON COUNCIL - EDUCATION
CIVIC CENTRE, ST PETER'S SQUARE, WOLVERHAMPTON, WV1 1RR
EMPLOYMENT RIGHTS ACT 1996

STATEMENT OF WRITTEN PARTICULARS - FE LECTURING STAFF

The conditions of service contained within it, will be applied on a consistent and fair basis and in a manner which reflects the Authority's Equal Opportunities Policies and other agreed personnel policies and procedures.

- a) Name:
- b) Date of commencement with this Authority:
- c) Date of commencement in this post:
- d) Date on which particulars given:
- e) You are employed in the Adult Education Service in the post of:
- f) Your normal place of work will be
- g) The duties applicable to your post are set out in paragraph 8.2 (a,b,c,d,e)
- h) Teaching and student contact duties will total no more than 800 in a working year.

You are employed for hours per week, however, except by mutual agreement, you will not be required to attend on site for more than hours per working week.
- i) Salary will be paid in accordance with the Wolverhampton Pay Spine for Lecturing Staff in the Adult Education Service, spinal column points .

Your actual commencing salary will be £ per annum.
- j) Your period of continuous service dates from: (please see para.4)
- k) The Period of Notice applicable to your appointment is set out in paragraphs
Note: Notice on either side must be given in writing.
- l) The conditions concerning annual leave applicable to your post are set out in paragraph 7.

ENDORSEMENT

have received the original letter of appointment and Statement of Particulars and accept the appointment on the terms and conditions specified.

Signed:

Date:

1. TERMS AND CONDITIONS

- 1.1 The terms and conditions of this appointment are determined locally by Wolverhampton Borough Council in consultation with NATFHE, the trade union recognised for lecturing staff by the Authority. The main terms and conditions are set out in this Statement, as supplemented by more detailed documents, collective agreements and/or decisions of the Authority.
- 1.2 This Contract of Employment and any documents expressly incorporated herein constitute the entire terms and conditions of your employment. They cancel and are in substitution for any previous letters of appointment or contracts of employment.
- 1.3 Any changes in the terms and conditions of employment to lecturers employed by Wolverhampton Borough Council which may, after the date of this Contract, be agreed through the Joint Consultative Panel between the Wolverhampton Borough Council and the Recognised Trade Union in respect of such staff or any national employer's policy of which the Wolverhampton Borough Council and the Recognised Trade Union (NATFHE) are members at a future relevant time shall be automatically incorporated into your contract of employment.
- 1.4 Should there be any changes in your terms and conditions of employment you will be informed, in writing, within one month of the change taking effect. In addition, any master document relating to your terms and conditions will be updated.

2 SALARY

- 2.1 The salary for this post will be in accordance with the collective agreement on the Adult Education Service Lecturing Staff. You will be notified of any increases which will take place on 1 September after the annual pay review.
- 2.2 Subject to continuing service and meeting progression criteria, where applicable, your salary will rise within the relevant scale by annual increments up to the maximum of the scale for your post.
- 2.3 You will be paid calendar monthly in twelve equal payments by credit transfer to a bank or certain building societies on the last working day of the month.

3 WORKING TIME

- 3.1 Your working year will consist of 40 weeks of which 36 may be teaching weeks, 2 may be weeks for administration and enrolment, and 2 weeks will be allocated to each lecturer for self-directed study leave which may be conducted off site.
- 3.2 Teaching and student contact duties are detailed in Paragraph 8.2 (a).

- 3.3 If you are required to perform approved and significant management, supervisory or administrative duties in excess of your normal duties, your hours of teaching and student contact duties shall be reduced by agreement with the Head of Adult Education Service in the light of the non-teaching responsibilities to be carried out in any particular working year.
- 3.4 The standard working week for a full time employee is 37 hours of which not more than 23 hours shall be assigned to teaching and student contact duties as defined in paragraph 8.2 (a) in any working week.
- 3.5 The 37 hours of a working week will fall between 9.00 am and 9.30 pm from Monday to Friday. Saturday and Sunday working is voluntary and will be compensated by time off in lieu.
- 3.6 Timetabled teaching shall not normally exceed sessions of three hours and shall never be more than four hours continuously without a break of normally at least one hour and not less than half an hour. Any other arrangement will be by agreement with the individual employee.
- 3.7 Except for specifically established posts requiring evening work, or by mutual agreement, lecturing staff are not required to work after 6 pm for more than two evening sessions per week in which case a morning or an afternoon session will be granted in lieu of the evening session worked.
- 3.8 After a lecturer's teaching hours have been determined, the periods for ancillary duties should be arranged to meet the needs of the Service and where practicable, the reasonable convenience of the member of staff. Teaching hours, other duties on site and other duties will be in accordance with the collective agreements on the Adult Education Service Lecturing Staff.
- 3.9 Wherever possible, lecturers shall be given their provisional teaching programme prior to the holiday preceding the term for which the timetable is proposed, subject to modifications arising from enrolment and other such matters. There will be full consultation on the structure of the adult education service's year with the Recognised Union who shall also be given access to information about timetables.

4. PERIOD OF CONTINUOUS EMPLOYMENT

- 4.1 No employment with previous employers counts as part of your continuous employment with the Council, except for previous continuous local government service or service in Further Education Colleges (TSS) which will count for the purposes of calculating entitlement to redundancy compensation, maternity pay and leave, and sick pay and leave.

5. PROBATION (if applicable)

5.1 The appointment will be reviewed after a probationary period of one year and if it is confirmed, your employment is for an indefinite period, terminable by either side under the notice and other provisions set out in this Statement.

6. PLACE OF WORK

6.1 As part of your agreed duties you may be required to work off site, for example when developing/delivering provision at other centres.

6.2 You will not normally be required to work on a permanent basis at a site which is outside the Borough.

6.3 You will not be required to undertake any work overseas (outside the United Kingdom mainland) without your prior agreement and reasonable notice. All terms and conditions relating to overseas work will be subject to your prior agreement. This will include such matters as time spent abroad, currency of payment, any additional pay or benefits and the terms of your return from such work.

7. HOLIDAY Full time staff

7.1 You will be entitled to not less than thirty-five days paid holiday outside of normal adult education terms, which shall be in addition to all public bank holidays (currently eight), Wolverhampton Council concessionary days (two), two extra statutory days and not less than thirteen days when the adult education service is not operating.

7.2 The timing of all holiday is subject to agreement between you and your line manager. Outline holiday schedules are required by October 31 in any holiday year or other such date as may be negotiated locally.

7.3 You are entitled to take up to 20 working days continuous holiday between 1 June and 30 September in any working year.

7.4 The annual leave year runs from 1 September to 31 August. Any annual leave not taken may not be carried over from one year to the next unless agreed exceptionally by the Head of the Adult Education Service. Any outstanding leave, therefore, will be lost without compensating payment in lieu.

7.5 Annual leave entitlement in the year of joining or leaving will be pro rata to the number of completed calendar months of employment during the year in question. If, on the last date of your employment, you have exceeded your accrued entitlement to annual leave, the Authority will be entitled to deduct from your salary an amount equivalent to the excess or agree with you arrangements for working the required additional time in question.

Part time staff

- 7.6 Staff working less than full time will be entitled to holiday calculated pro-rata to contracted hours and or weeks.
- 7.7 By mutual agreement between the employee and the Head of the Adult Education Service, arrangements may be made in appropriate circumstances for paid leave of absence to be granted in lieu of periods of additional approved teaching duties, in substitution for additional payment.

8. DUTIES

8.1 The responsibilities of your post and its reporting relationships will be as set out in your job description, which does not form part of this contract. Your duties will be consistent with that job description and as determined by the Head of Adult Education Service.

8.2 Your duties under the terms of this statement of particulars will include a combination of the following:

- (a) Student Contact - including enrolment duties, formal scheduled teaching, providing course information, advice and guidance, tutorials, student assessment, supporting resource based learning;
- (b) Teaching Related Duties - including course and lesson preparation, setting and marking of student assignments, course record keeping, marking examinations, administration and record keeping.
- (c) Other Duties, including attending meetings, participating in the Service's staff training and development arrangements, contributing to occasional marketing and promotional activities and providing ongoing information advice and guidance.
- (d) Departmental/Centre Management

This category embraces all forms of administration and management at this level. Such duties will include resource management and budgeting, staff and curriculum development, introduction and maintenance of quality assurance systems, professional supervision of tutors and organising/undertaking classroom observations in line with agreed protocols, organising staff cover, strategic planning and monitoring of departmental/centre plans, preparation and implementation of appropriate forms of accreditation and appropriate attendance at Service - wide development groups.

- e) Service Management

This category covers the management of departmental/centre managers, strategic planning, acquisition and management of funding, Service-wide staff development, marketing, external liaison, quality assurance and equal opportunities.

8.3 The job description and duties of your post may be subject to variation from time to time following consultation with you to meet the needs of the service. Such consultation will take place in advance of any such proposed change.

9. SICKNESS ABSENCE

Your entitlements during any absence due to sickness or injury are as set out below:

<u>During the first year of service</u>	- 1 months full pay and (after 4 months service) 2 months half pay
<u>During second year of service</u>	- 2 months full pay and 2 months half pay
<u>During third year of service</u>	- 4 months full pay and 4 months half pay
<u>During fourth and fifth years of service</u>	- 5 months full pay and 5 months half pay
<u>After fifth year of service</u>	- 6 months full pay and 6 months half pay

For further details consult the NJC agreements referred to below.

Where absence occurs, you should ensure that your immediate supervisor/ designated officer is notified on the FIRST and FOURTH calendar days of absence, and certainly before the end of your first working day. Wherever possible, notification should include the nature of your illness, the date illness commenced and your likely date of return, if known. If illness continues, you must ensure that a Doctor's statement is received by the Authority/Service NOT later than the eighth calendar day of absence. Saturdays and Sundays are deemed as working days for this purpose. On return to work, you must complete a self-certification form (obtainable from your departmental personnel section or Service) giving details from your first day of absence.

10 MATERNITY RIGHTS

If you are, or become pregnant, you will be entitled to return to your post after absence for pregnancy and confinement regardless of length of service or hours of work, provided that you fulfil certain conditions and your employment would otherwise have continued.

Full details of leave and pay are set out in a document available from your Departmental Personnel Officer.

11. LEAVE OF ABSENCE

You will be entitled to paid or unpaid leave of absence in accordance with the agreed Scheme.

12. STAFF TRAINING DEVELOPMENT AND APPRAISAL

You will be expected to participate in the agreed scheme for Staff Training, Development and Appraisal.

It is the policy of the Authority to provide planned training and development opportunities for all its employees. It is only through a competent and motivated workforce that the Department can meet its overall objectives and it is, therefore, in the mutual interests of the Authority and its employees that staff be encouraged to develop their skills, abilities and knowledge through training.

Any further continuing education which, in accordance with the terms of agreement on Staff Training Development and Appraisal, you are required to undertake for the maintenance of standards of your professional work will be funded by the Authority as part of its professional development programme.

13. EXCLUSIVITY OF SERVICE

Lecturing Staff shall not be required to perform any duties except such as are connected with the work of the Adult Education Service, or to abstain from any occupation unless such occupation would interfere with the due performance of their duties as an employee of the Wolverhampton Borough Council.

14. GRIEVANCE PROCEDURE

The grievance procedure which applies to you has been agreed with the recognised Trade Union and is set out in the Collective Agreement as listed in Section 24 of this Statement.

15. DISCIPLINARY PROCEDURE

The disciplinary procedure which applies to you has been agreed with the Recognised Trade Union and is set out in the Collective Agreement as listed in Section 24 of this Statement.

16. RETIREMENT AND PENSION

The normal compulsory retirement age for all lecturing staff is 65 years and, therefore, your employment will terminate automatically at the end of the term in which you reach age 65.

You are entitled to become a member of the Teachers' Superannuation Scheme (TSS) subject to your meeting its terms and conditions of entry. The TSS is contracted out of the State Earnings Related pension Scheme and National Insurance contributions are accordingly payable at the "Contracted Out" rate. A "Contracting Out" certificate under the Social Security Pensions Act 1975 to this effect is in force in respect of staff participating in the TSS.

The Authority will deduct from salary the Employees contributions for members of the TSS and pay them to the administrators of the Scheme, the Teachers' pensions Agency (TPA). The Authority will also pay the Employer's contributions under the TSS to the TPA, the administrators of the scheme.

Should you choose not to join or remain in the TSS you should advise the Authority accordingly and you must participate in the state pension scheme or take out a personal pension plan. In the event of the latter, the Authority may, at its discretion, agree to make an Employer's contribution to the private scheme. Therefore, if you choose to enter into such a scheme you should consult the Education Personnel Team in the first instance.

17. NOTICE

17.1 The period of notice which you must give in writing, to terminate your employment, is two months to the end of the Autumn and Spring Terms and three months to the end of the Summer Term. In order to avoid involuntary breaks in service in transferring from one lecturing post to another, the calendar year shall be regarded as consisting of three notional terms, as follows:

The Autumn Term from 1 September to 31 December, the Spring Term from January 1 to April 30, the Summer Term from May 1 to August 31.

17.2 The period of notice in writing, which you are entitled to receive, is two calendar months in the Autumn and Spring Terms and three months in the Summer term terminating at the end of a term, unless such periods are extended, where applicable, by the Employment Protection (Consolidation) Act in respect of the minimum notice the Authority is required to give you to terminate your employment, which is one week's notice for each year of continuous employment up to a maximum of 12 week's notice.

17.3 If your contract is terminated by reason of redundancy, you will be entitled to receive notice in accordance with paragraph 17.2 (above).

18. STAFFING REDUCTIONS/REDUNDANCY

If your contract is terminated by reason of redundancy, this will only occur after opportunity has been provided for full consultation with the Recognised Trade Union (NATFHE). In the event that redundancy becomes necessary, the Council will ensure:

that consultations with the Recognised Trade Union commence at the earliest opportunity if situations arise where staffing reductions might be contemplated:

that it is an act of last resort after every alternative, including a thorough search for suitable alternative employment, has been explored:

that the Council complies with the current requirements of employment legislation and any collective agreements; and

that staff will receive payments or provisions applicable to them under that legislation and ensure that compensation is in accordance with the Council's policy applicable at the date of dismissal.

19. ACADEMIC FREEDOM

Wolverhampton Borough Council recognises and agrees that academic staff have freedom within the law to question and test received wisdom relating to academic matters, and to put forward new ideas, controversial and/or unpopular opinions about academic matters without placing themselves in jeopardy of losing the jobs and privileges they have as an employee of the Adult Education Service.

20. EQUAL OPPORTUNITIES POLICY

Your attention is drawn to the existence of the Authority's policy statement on Equal Opportunities and your responsibility to ensure the Council's Commitment to its effectiveness. In implementing this contract, consideration will be given to the needs of carers.

21. DATA PROTECTION ACT 1984

All employees have a responsibility to comply with the requirements of this Act. A leaflet outlining its main features is available and you should ensure that you receive a copy and read it carefully.

22. HEALTH AND SAFETY AT WORK

Your attention is drawn to the existence of the Authority's/Service's Policy statement on health and safety at work which you will find displayed on notice boards in the Education Department//Centre in which you are employed.

23. TRADE UNION MEMBERSHIP, RECOGNITION AND PROCEDURES AGREEMENT AND FACILITIES AGREEMENT

23.1 The Authority supports the system of collective bargaining in every way and believes in the principle of solving industrial relations problems by discussion and agreement. For practicable purposes this can only be conducted by representatives of the employers and of the employees. If collective bargaining of this kind is to continue and improve for the benefit of both, it is essential that the employees' organisations should be fully representative. It is sensible for you to be in membership of a trade union representing you on the appropriate negotiating body.

23.2 The National Association of Teachers in Further and Higher Education (NATFHE) is recognised for Lecturing Staff in the Adult Education Service in respect of terms and conditions of employment, the physical conditions in which any employees are required to work and the other matters detailed in Section 178 of Trade Union and Labour Relations Consolidation Act 1992.

23.3 Arrangements and procedures relating to collective bargaining are set out in the Agreement on Adult Education Consultation and Negotiation, the Collective Disputes Procedure and the Agreement on Trade Union Facilities.

24. COLLECTIVE AGREEMENTS

24.1 The following collective agreements between the Wolverhampton Borough Council and NATFHE directly affect the terms and conditions of your employment and are expressly incorporated into your contract:

- 1 Disciplinary Procedure
- 2 The Procedure for the Resolution of Individual Grievances
- 3 The Procedure for the Resolution of Collective Disputes
- 4 Remission for Trade Union and Health and Safety Duties
- 5 Leave of Absence
- 6 Competence Procedures
- 7 Fixed term Contract Agreement
- 8 Appraisal Agreement
- 9 National (NJC) Agreement on Maternity
- 10 National (NJC) Agreement on Sick Pay

24.2 The following policy documents are directly relevant to the terms and conditions of your employment:

Adult Education Service Equal Opportunities Policy Statement
Adult Education Service Health and Safety Policy Statement

24.3 Other local agreements/rules/procedures made by the Council which may directly affect other terms and conditions of your employment currently cover:

Early Retirement/redundancy Scheme
Smoking Policy
Alcohol Policy
HIV/Aids Policy
Aggression at Work Policy
Sexual, Racial and Disability Harassment and Discrimination
Procedures
Code of Practice: Travel, Subsistence, Hospitality and Gifts
Recovery of Overpayments and Salary/Wages or Allowances
Code of Practice: Access to Personal Files
Long Service Awards
Assisted Car Purchase Scheme
Relocation Scheme
Employment indemnity
Secondment Policy
Retainers Scheme
Job Share Policy
Telephone Allowances
Dress/Uniform Allowances

Documents are available for reference in your department personnel section or at your place of employment and may be subject to revision from time to time.

- 24.4 Any collective agreement which is subsequently made between the Wolverhampton Borough Council and NATFHE shall be automatically incorporated into the terms and conditions of your employment.

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Adult Education Wolverhampton (AEW)

Adult Teacher Terms and Conditions of Employment

1. TERMS AND CONDITIONS

- 1.1 The terms and conditions of this appointment are determined locally by City of Wolverhampton Council ('CWC' and/or 'the Authority') in consultation with University and College Union ('UCU'), the trade union recognised for Adult Teaching staff by the Authority. The main terms and conditions are set out in this Statement, as supplemented by more detailed documents, collective agreements and/or decisions of the Authority and the relevant Memorandum of Understanding ('MOU') in existence at the time.
- 1.2 This Contract of Employment and any documents expressly incorporated herein constitute the entire terms and conditions of your employment. They cancel and are in substitution for any previous letters of appointment or contracts of employment.
- 1.3 After the date of this Contract of Employment being signed, any changes in its terms and conditions by CWC, which may be agreed through the Joint Consultation Panel ('JCP') and/or the Adult Education Joint Consultation Meetings ('AEJC'), referred to at Paragraph 10 of the MOU in respect of such staff shall automatically be incorporated into your substantive contract of employment. In addition, any future nationally agreed employers' policy, of which CWC are members, shall also automatically be incorporated into your contract of employment.
- 1.4 Should there be any changes in your terms and conditions of employment you will be informed, in writing, within one month of the change taking effect. In addition, any master document relating to your terms and conditions will be updated.

2. SALARY

- 2.1 The salary for this post will be in accordance with the Adult Education Service Teaching Staff pay,

Appendix 2a

2.2 Subject to continuing service where applicable, your salary will rise within the relevant scale by annual increments up to the maximum of the scale for your

post. Increments will be applied after 12 months in post and thereafter on 1st September of each year.

- 2.3 You will be paid calendar monthly in twelve equal payments by credit transfer to a bank or certain building societies on the last working day of the month.

3 COST OF LIVING PAY RISE

- 3.1 Pay will increase in line with nationally negotiated pay increases for local government employees as appropriate. This will be applied on 1st April of each year.

4. WORKING TIME

- 4.1 Your working year will consist of 40 weeks of which up to 38 may be teaching weeks. The remaining weeks will be determined by your line manager and will reflect the duties contained in your job description.

- 4.2 A full-time teacher will teach 820 hours per year and part-time teachers will teach 820 hours pro rata per year

- 4.3 If you are required to perform approved and significant management, supervisory or administrative duties in excess of your normal duties, your hours of teaching and student contact duties shall be reduced by agreement with the Head of Adult Education Service in the light of the non-teaching responsibilities to be carried out in any particular working year.

- 4.4 The standard working week for a full-time employee is 37 hours of which not more than 23 hours shall usually be assigned to teaching and student contact duties as defined in your job description.

- 4.5 The 37 hours of a working week will fall between 9.00 am and 9.30 pm from Monday to Friday. Occasional Saturday and Sunday working will be compensated by time off in lieu.

- 4.6 Timetabled teaching shall not normally exceed sessions of three hours and shall never be more than four hours continuously without a break of normally at least one and not less than half an hour. Any other arrangement will be by agreement with the individual employee.

- 4.7 Except for specifically established posts requiring evening work, or by mutual agreement, teaching staff are not required to work after 6 pm for more than two evening sessions per week in which case a morning or an afternoon session will be granted in lieu of the evening session worked.

- 4.8 After a teacher's teaching hours have been determined, the periods for ancillary duties should be arranged to meet the needs of the Service and where practicable, the reasonable convenience of the member of staff.

4.9 Wherever possible, teachers shall be given their provisional teaching programme prior to the holiday preceding the term for which the timetable is proposed, subject to modifications arising from enrolment and other such matters.

5. PERIOD OF CONTINUOUS EMPLOYMENT

5.1 No employment with previous employers counts as part of your continuous employment with the Council, except for previous continuous local government service or service in Further Education Colleges (TSS) which will count for the purposes of calculating entitlement to redundancy compensation, maternity pay and leave, and sick pay and leave.

6. PROBATION (if applicable)

6.1 The appointment will be reviewed after a probationary period of one year and if it is confirmed, your employment is for an indefinite period, terminable by either side under the notice and other provisions set out in this Statement.

7. PLACE OF WORK

7.1 As part of your agreed duties you may be required to work off site, for example when developing/delivering provision at other centres.

7.2 You will not normally be required to work on a permanent basis at a site which is outside of the City.

7.3 You will not be required to undertake any work overseas (outside the United Kingdom mainland) without your prior agreement and reasonable notice. All terms and conditions relating to overseas work will be subject to your prior agreement. This will include such matters as time spent abroad, currency of payment, any additional pay or benefits and the terms of your return from such work.

7.4 In the interests of security, you will be required to wear a visible AEW identification badge at all times whilst on duty.

8. WORKING TIME

8.1 You will be required to work 200 days per year. This will be pro rata for part time staff. The majority of these days will be worked during term time however there will be occasions on which you will be required to work outside of term time to respond to service needs. Working days outside of term time will be agreed with you in advance and recorded by your line manager.

9. DUTIES

9.1 The duties of your post will be consistent with your current Job Description and as determined by your line manager. The Job Description and duties may

Appendix 2a

be subject to variation from time to time following discussion with you.

10. SICKNESS ABSENCE

10.1 The Council's Management of Attendance policy applies to all employees

11. STAFF TRAINING DEVELOPMENT AND APPRAISAL

11.1 You will be expected to participate in the agreed scheme for staff training, development and appraisal. Newly appointed employees will have an induction programme prepared for them and are required to fully participate in the requirements of that programme

11.2 It is the policy of the Authority to provide planned training and development opportunities for all its employees. It is only through a competent and motivated workforce that the Department can meet its overall objectives and it is, therefore, in the mutual interests of the Authority and its employees that staff be encouraged to develop their skills, abilities and knowledge through training.

11.3 Any further continuing education which, in accordance with the terms of agreement on staff training development and appraisal, you are required to undertake for the maintenance of standards of your professional work will be funded by the Authority as part of its professional development programme.

12. EXCLUSIVITY OF SERVICE

12.1 Teaching Staff shall not be required to perform any duties except such as are connected with the work of the Adult Education Service, or to abstain from any occupation unless such occupation would interfere with the due performance of their duties as an employee of the City of Wolverhampton Council.

13. GRIEVANCE PROCEDURE

13.1 The Council's Grievance Policy and Procedures apply to all employees.

14. DISCIPLINARY PROCEDURE

14.1 The Council's Disciplinary Policy and Procedures apply to all employees.

15. RETIREMENT AND PENSION

15.1 Retirement is in accordance with relevant statutory legislation. The Council has a policy and procedure for early retirement. Refer to the Retirement Policy for further guidance.

15.2 You will be 'auto-enrolled' into the Teachers Pension Scheme (TPS). If you wish to opt out the relevant form can be obtained at teacherspensions.co.uk

16. NOTICE

16.1 The period of notice which you must give in writing, to terminate your employment is two months to the end of the Autumn and Spring Terms and three months to the end of the Summer Term. In order to avoid involuntary breaks in service in transferring from one teaching post to another, the calendar year shall be regarded as consisting of three notional terms as follows:

The Autumn Term from 1 September to 31 December, the Spring Term from 1 January to 30 April, the Summer Term from 1 May to 31 August.

16.2 The period of notice in writing, which you are entitled to receive, is two calendar months in the Autumn and Spring Terms and three months in the Summer term terminating at the end of a term, unless such periods are extended, where applicable, by the Employment Protection (Consolidation) Act in respect of the minimum notice the Authority is required to give you to terminate your employment, which is one week's notice for each year of continuous employment up to a maximum of 12 week's notice.

16.3 If your contract is terminated by reason of redundancy, you will be entitled to receive notice in accordance with paragraph 16.2 (above).

17. STAFFING REDUCTIONS/REDUNDANCY

17.1 If a post is deemed as redundant, decisions will be in accordance with the Council's Redundancy Policy.

17.2 If a post becomes at risk of redundancy the Council has a Redeployment Policy.

17.3 Any proposed and/or potential redundancies shall be subject to consultation between CWC and UCU, as per paragraph 4.1 of the MOU.

18. ACADEMIC FREEDOM

18.1 City of Wolverhampton Council recognises and agrees that academic staff have freedom within the law to question and test received wisdom relating to academic matters, and to put forward new ideas, controversial and/or unpopular opinions about academic matters without placing themselves in the jeopardy of losing the jobs and privileges they have as an employee of the Adult Education Service.

19. TRADE UNION MEMBERSHIP, RECOGNITION AND PROCEDURES AGREEMENT AND FACILITIES AGREEMENT.

19.1 CWC supports the system of collective bargaining and believes in the principles of solving work-related issues through discussion and agreement, involving full representation of employers and employees.

19.2 Notwithstanding paragraph 2.2 of the MOU, the University and College Union (UCU) is recognised for Teaching Staff in the Adult Education Service in in respect of terms and conditions of employment as set out in the MOU.

20 PROMOTING THE COUNCIL & CODE OF CONDUCT

20.1 Employees are required to ensure that they promote the best interests of City of Wolverhampton Council at all times. The Code of Conduct relating to all employees must be adhered to.

21 CRIMINAL CHARGES AND CONVICTIONS

21.1 All employees are required to declare if, during their employment with the Council, they are subject to court action, receive a criminal conviction, caution, reprimand, final police warning or are charged with an offence. Consideration will then be given as to what effect this will have on an employee's suitability to undertake their role. If it subsequently comes to light that an employee has failed to disclose convictions, charges etc. they may be subject to disciplinary action which may place their employment at risk.

22 DISCLOSURE AND BARRING SERVICE (DBS) CHECKS

22.1 Enhanced DBS checks and satisfactory clearance will be required for all teaching posts

23 DISCLOSURE OF SALARY INFORMATION

23.1 The Local Government Transparency Code 2014 and Accounts and Audit Regulations 2015 require the Council to publish information about employees whose annual remuneration is at least £50,000. This includes the number of employees whose remuneration in that year was at least £50,000, details of remuneration and job title, a list of responsibilities undertaken and details of bonuses and 'benefits in kind'.

25. COLLECTIVE AGREEMENTS, POLICIES & PROCEDURES

25.1 Notwithstanding paragraphs 2-4 of the MOU, the following collective agreements between the City of Wolverhampton Council and recognised trade unions, Unison, GMB and Unite directly affect the terms and conditions of your employment and are expressly incorporated into your contract:

Disciplinary Policy
Dignity at Work Policy
Domestic Violence and Abuse Workplace Policy and Procedure
Drug & Alcohol Policy
Early Retirement Policy and Procedure
Equality and Diversity (Employment) Policy
Flexible Working Policy
Grievance Policy
Induction Policy
Internal Secondment and Acting Up Policy
Leave Policy
Management of Attendance Policy
Performance Management (Capability) Policy
Performance Appraisal and Personal Development Review Policy
Personal use of Council Computer Equipment and Access to Social Media
Political Restrictions Policy
Probation Policy
Recruitment and Selection Policy
Redeployment Policy and Procedure
Restructure and Redundancy Policy
Code of Conduct for Employees
Code of Dress Policy
Code of Practice Salary Overpayment
Code of Practice Salary Underpayment
Code of practice on travel, subsistence, hospitality and gifts
Support for Carers
Smoke Free Policy
Transsexual, Transgender and Gender Reassignment Policy
Unauthorised Absence Policy
Working Hours Policy

All Human Resources policies and procedures can be found on the Corporate Website, or are available from your line manager.

25.2 The following AEW policy documents are directly relevant to the terms and conditions of your employment:

CPD Policy
Safeguarding Policy and Procedure
Classroom Visits and Learning Walks Policy
Mentoring Policy
Assessment/IQA policy

ICT Acceptable Use Policy for staff and students

Exams policy

Malpractice and maladministration policy

All AEW policies and procedures can be found on the AEW intranet or are available from your line manager

- 25.3 Any collective agreement which is subsequently made between the City of Wolverhampton Council and recognised trade unions or local agreement with UCU shall be automatically incorporated into the terms and conditions of your employment, as previously stated above in Clause 1.3.
- 25.4 Other policies and procedures not covered within these terms and conditions of employment will default to the AEW (or in the absence of an AEW policy to the Council) general policies on the relevant subject.

City of Wolverhampton Council and University and College Union

Memorandum of Understanding

Created: July 2020
Revised:

DRAFT

1 Introduction

- 1.1 This agreement is made and entered into as of [DATE], by and between City of Wolverhampton Council (CWC) and University and College Union (UCU)
- 1.2 The terms of this agreement are binding in honour only and do not constitute a legally enforceable agreement.
- 1.3 UCU recognises the fundamental right of CWC to be responsible for its management, organisation and policy to achieve its aims and objectives.
- 1.4 CWC and UCU have common objectives to:
 - maintain good employment practices and relations;
 - encourage communication with the organisation's workers;
 - ensure that all workers are treated fairly and equally

2 Purpose

- 2.1 This agreement is proposed for collective bargaining, consultation and information with UCU.
- 2.2 CWC have a current collective agreement, in accordance with s.178 of the Trade Unions & Labour Relations (Consolidation) Act 1992, and recognise the following trade unions for collective bargaining purposes:
 - Unison
 - GMB
 - Unite
- 2.3 Proposed changes to employment matters detailed in 4.1 which relate solely to Adult Teaching contracts will be the subject of collective bargaining with UCU.

3 Scope of the Agreement

- 3.1 This agreement has been developed and agreed by CWC and UCU representing employees covered by Adult Teachers Terms and Conditions of employment.
- 3.2 CWC commits to undertake the following jointly with UCU

- Collective bargaining
- Consultation
- Information

4. Collective Bargaining

4.1 CWC recognises UCU for the purposes of collective bargaining on Local arrangements and changes to Adult Teachers terms and conditions, such as place of work, leave and working time

- Proposed restructures and potential redundancies
- Business transfer/TUPE arrangements
- Changes to service delivery
- Health and Safety and risk management of the workforce

4.2 Matters negotiated nationally, such as pay awards, will not be the subject of local discussion and consultation. The local government services pay award will be applied to Adults Teachers pay model.

4.3 Consultation on organisational policies, will be undertaken with CWC's recognised trade unions detailed in 2.2

4.4 UCU will be provided with information on all policies subject to review to allow information and communication with Adult Teachers. All information will be provided in a timely manner.

5. Consultation

5.1 CWC undertakes to supply UCU with relevant information to carry out effective consultations. All information will be provided in a timely manner and in good faith.

5.2 UCU will make arrangements to supply the Head of Human Resources with an updated list, at least once a year, naming all representatives indicating the areas/location of the employees whom they represent and the period for which each representative will serve.

5.3 In addition, UCU will co-operate with any arrangements for recording of information relating to time off for union duties for their representatives.

6. Trade Union Membership

6.1 CWC recognises the rights of UCU to represent the interests of their members on individual matters, in addition to matters detailed in 4.1

6.2 This agreement recognises the right of any individual worker to join the Trade Union, hold office within the Trade Union and benefit from trade union representation. It is acknowledged that all workers within the Trade Union will be subject to the rules and constitution of the Trade Union.

6.3 CWC will provide the facility if requested to deduct Trade Unions' subscriptions at source.

7. Appointment of representatives

7.1 UCU will decide on the number of representatives they wish to appoint in accordance with their respective constitutions. It is accepted, however, that the ratio of representatives to Trade Union members will not exceed:

- no more than an average of one representative per 50 members.
- Where there are specific operational needs for different arrangements (e.g. full-time release for one steward rather than several with less facilities time) any agreement shall be subject to agreement between UCU and Head of Human Resources.

8. Facilities

8.1 The Council may provide some facility and reprographic assistance, such as postal facilities, use of stationery and use of meeting rooms, provided it is in connection with official Trade Union duties concerned with employee relations.!

8.3 The Council will provide notice boards at appropriate non-public locations within the Adult Education service for the use of Trade Unions. The number of these may be extended to other locations from time to time as required.

9. Time off work for trade union activities and duties

- 9.1 The Trade Union and Labour Relations (Consolidation) Act 1992 (S168(1) and (2)) makes provision for employees to be given the right to time off under various circumstances.
- 9.2 Appointed UCU Workplace Representatives will be allowed **up to** twelve hours per calendar month paid time off during normal working hours to carry out functions related to their representational responsibilities.
- 9.3 Where representatives attend meetings called by management which occur in their off-duty time, they will be reimbursed for the hours spent at the meetings at plain time rates.
- 9.4 When representatives attend meetings called by management during their normal working hours which then extend beyond normal finishing time, they will be paid at plain time rates for the additional hours worked. If earnings vary because of the work undertaken, the amount will be calculated by the average hourly earnings for the work they are employed to do, including any additional contractual payments
- 9.5 Employee representatives may only absent themselves from their workplace to carry out their Trade Union duties with authority from their supervisor or relevant member of management.
- 9.6 Representatives will be required to complete and submit facility time-recording sheets on a monthly basis to the relevant Branch Secretary/Senior Steward who will forward the recording sheets to the Head of Adult Education Wolverhampton. The information recorded will include the hours used; service/team represented; locations visited and reasons (e.g. representational duties). Information relating to individual members or cases will not be required.
- 9.7 Details of paid and unpaid trade union activities and details of time off for training are available in the Council's Trade Union Time Off and Facilities Agreement.

10. Consultative Meetings

- 10.1 The CWC Joint Consultative Panel (JCP) is attended by Trade Unions listed in 2.2.. Agendas and minutes of JCP meetings will be made available to UCU.
- 10.2 Adult Education Joint Consultative meetings will be held on a regular basis. The purpose of these meetings will be to allow consultation between CWC and UCU.
- 10.3 Membership will include Adult Education Senior Management, Head of Human Resources (or nominee) and local UCU Representatives, the numbers of which will be determined at the first meeting of the academic year. Further participation will be agreed to by other parties.

- 10.4 The meetings will be held, whenever possible, once every 6 weeks ,at a time acceptable to both parties.
- 10.5 Employee and management agenda items should be submitted no later than one week prior to the meeting.
- 10.6 It is suggested that the role of Chair be shared by management and employee representatives on an alternating basis.
- 10.7 Potential subjects of these consultative meetings include:
- Provision of information about CWC and recent and probable developments affecting the Adult Teachers workforce
 - Matters on which CWC wished to engage the Adult Teachers' workforce
 - Decisions likely to lead to changes in the work organisation of the workforce including potential transfers and restructures
 - Provision of information on policies and procedures affecting or for the benefit of the workforce
 - Health and Safety and risk management of the workforce
 - Current staff issues brought forward by UCU reps
 - Provision of information on any changes to rates of pay and consultation on local arrangements to terms and conditions concerning the workforce
 - Professional matters and continuing professional development
 - Other matters agreed to be the subject of information and consultation

All parties accept that the signing of this Agreement is binding in honour upon them, but all expressly agree it is not intended to constitute a legally enforceable agreement between them. It is further agreed that the parties to the Agreement will use their best endeavours to ensure that the spirit and intention of the agreement is honoured at all times.

This Agreement is subject to review in 12 months' time.

Signed by

[Signature on behalf of CWC]

Position

Date

Signed by

[Signature on behalf of UCU]

Position

Date

DRAFT

Appendix one: Organisational policies consulted with recognised trade unions through collective bargaining and not for consultation with UCU. UCU will be provided with information on all policies subject to review as detailed in 4.4

Disciplinary Policy
Dignity at Work Policy
Domestic Violence and Abuse Workplace Policy and Procedure
Drug & Alcohol Policy
Early Retirement Policy and Procedure
Equality and Diversity (Employment) Policy
Flexible Working Policy
Grievance Policy
Induction Policy
Internal Secondment and Acting Up Policy
Leave Policy
Management of Attendance Policy
Performance Management (Capability) Policy
Performance Appraisal and Personal Development Review Policy
Personal use of Council Computer Equipment and Access to Social Media
Political Restrictions Policy
Probation Policy
Recruitment and Selection Policy
Redeployment Policy and Procedure
Restructure and Redundancy Policy
Code of Conduct for Employees
Code of Dress Policy
Code of Practice Salary Overpayment
Code of Practice Salary Underpayment
Code of practice on travel, subsistence, hospitality and gifts
Support for Carers
Smoke Free Policy
Transsexual, Transgender and Gender Reassignment Policy
Unauthorised Absence Policy
Working Hours Policy

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Care and Support Provider Fee Review 2021-2022	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Linda Leach Adults	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Emma Bennett, Director for Children's and Adult Services	
Originating service	Commissioning	
Accountable employee	Alicia Wood	Lead Commissioner
	Tel	01902550142
	Email	Alicia.Wood@wolverhampton.gov.uk
Report to be/has been considered by	Adults Leadership Team	25 February 2021
	Adults and Safer City Scrutiny Panel	8 March 2021

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the proposed increase in fee levels for 2021-2022 as recommended in the report to meet the additional costs (employee and employer) resulting from the increases to the National Living Wage (NLW) and where applicable increases to sustain the care market.

This report is PUBLIC
[NOT PROTECTIVELY MARKED]

Type of provision	Recommendation	% Increase	Current £	Proposed £
Home Care	Increase fee levels to meet the additional costs (employee and employer) resulting from the increases to the National Living Wage. *	1.8	15.56 (hourly rate)	15.84 (hourly rate)
Home Care – reablement / homefirst and rapid response	These rates are set at 10% above the home care rate.	1.9	17.12 (hourly rate)	17.44 (hourly rate)
Home Based Respite	Home base respite is aligned to the supported living rate. *	1.9	14.84 (hourly rate)	15.12 (hourly rate)
Direct Payments Agency Rate	Direct payment agency rate is aligned to the supported living	1.9	14.84 (hourly rate)	15.12 (hourly rate)
Direct Payments for Personal Assistants	No increase	0	10.76 (hourly rate)	10.76 (hourly rate)
Residential and Nursing Care for Older People	Increase agreements with a current rate of less than £468.65 to £468.65 to meet NLW increases, on costs and to maintain market sufficiency (any above this amount will receive a payment to meet NLW increase with on costs).	3	455.00 (weekly rate)	468.65 (weekly rate)

Residential and Nursing care for Older People with dementia support needs	Increase agreements with a current rate of less than £503.86 to £503.86 to meet NLW increases, on costs and to maintain market sufficiency (any above this amount will receive a payment to meet NLW increase with on costs).	3	489.16 (weekly rate)	503.86 (weekly rate)
Extra Care	Increase each contract to reflect NLW, on costs and to ensure market sufficiency	3	N/A part of block contract	Increase to all contracts
Supported Living	Increase fee levels to meet the additional costs (employee and employer cost) resulting from the increases to the National Living Wage. *	1.9	14.84 (hourly rate)	15.12 (hourly rate)
Nursing and Residential for people under 65 years old	Increase fees of placements to meet NLW increases	2	N/A no locally agreed rate in place	Increase to all contract totals
Community Activities for Older People	Increase based on supporting market sufficiency	10	25.36 sessional rate	27.90 sessional rate
Community Opportunities for Adults with Complex Needs	Ensure that the rate is consistent with the supported living rate and proportionate to 1:1 1:2 1:3 staffing ratios	1.9	14.84 per hour for 1:1 staffing 7.42 per hour for 1:2 staffing 4.94 per hour for	15.12 per hour for 1:1 staffing 7.56 per hour for 1:2 staffing 5.04 per hour for 1:3 staffing

			1:3 staffing	
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* except where the provider tendered below the current rate, in this case it will be uplifted proportionately. To note due to current IT payment systems – rates for care homes need to be divisible by 7 and for hourly rates by 4.

2. Approve that any increase in fees are in effect from 5 April 2021. (This date is aligned to charging processes and the capability of the payment system).

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. That engagement has been undertaken with current care and support providers as part of the fee review to listen to feedback, however due to current financial restraints the recommendations are not solely based on provider requests.
2. That the impact of the COVID-19 pandemic has changed the usual demand and take up of care services. The long-term impact of COVID-19 cannot be predicted, and the Adults Commissioning Team will continuously review sufficiency within the market.
3. The Adults Commissioning Team continuously works with providers in developing the social care market to ensure a shared approach between the council and social care providers to meet resident's needs.
4. The Adults and Safer City Scrutiny Panel endorsed the proposed recommendations in its 8 March 2021 meeting.

1.0 Purpose

- 1.1 The purpose of this report is to set out the proposed increase for the following care and support service areas and direct payment cost rates, and to outline the methodology used to develop the new rates.

2.0 Background

- 2.1 Section 5 of the Care Act establishes a duty on local authorities and Directors of Social Services to ensure a sustainable market of care in their areas. This covers all care sectors and providers of care.

3.0 Overview of the Wolverhampton Market

- 3.1 The Care Act 2014 includes duties for Local Authorities to facilitate and shape a diverse, sustainable and quality market. This has implications for everyone involved, people with care and support needs, carers, providers and commissioners. The Act gives the local authority powers and duties in the case of provider failure to ensure that continuity of care is maintained for people that use care and support services.
- 3.2 The City of Wolverhampton Council is committed to supporting people to be independent for as long as possible and is working with the market to develop a range of services to support this. This has implications for existing service models and service providers as traditionally there was a higher demand for residential provision which is decreasing as home-based care and supported living increases.
- 3.3 The external care market in Wolverhampton has met the demand of care needs during 2020-2021. The impact of the COVID-19 pandemic has been mitigated. A range of support has been offered to care providers including:
- Grant funding
 - Access to personal protective equipment (PPE)
 - Advice and guidance from Wolverhampton Public Health, Public Health England, Wolverhampton Clinical Commissioning Group Quality Nurse team and Wolverhampton Council's Quality Assurance and Compliance and Adults Commissioning team
 - Additional community services put in place provided through the NHS including an increased team to support infection prevention control (IPC), an enhanced primary care network (GP support) and a virtual ward approach for people who have left hospital. These complement the community support already in place through the existing district nursing team and the rapid intervention team.
 - A daily provider survey was implemented to inform all partners of any provider issues to be trigger additional support
 - Additional out of hours support at the peak of the outbreak
 - A process of outbreak management and support from all partners implemented
 - Support to gain COVID-19 testing for staff and residents
 - Support to gain COVID-19 vaccinations for staff and residents

- Regular communication via updates and information to providers either through a weekly bulletin, provider drop in's or targeted meetings
- 3.4 The COVID-19 pandemic has not yet ended. Although the government is optimistic in outlining how the UK will come out of the pandemic and any restrictive measures, this will be implemented over a period of time. The impact of the COVID-19 pandemic is that the usual expected demand and take up of care services has changed, with some providers having more demand and others less. This will also impact on the future demand during 2021-2022. The short-term impact of COVID-19 to care providers is different to each care type and the long-term impact is unknown.
- 3.5 National intelligence and local provider forums confirm that one of main challenges the market is experiencing is the recruitment and retention of staff into the care sector (especially during COVID-19). There are several reasons for this, one of which is pay rates for care staff at, or just above National Living Wage (NLW).
- 3.6 From April 2021 the hourly rate of the NLW for those of 23 years and over, increases from £8.72 to £8.91 The Council has reviewed the fees, considering the NLW and seeking opportunities to secure future stability of the care and support market.

4.0 Care and Support Provider Engagement

- 4.1 Providers have been engaged through virtual provider forums to give them the opportunity to provide feedback about the approach.
- 4.2 City of Wolverhampton Council has also received feedback from providers in the form of requests for fee review in 2021-2022.

Key themes arising include:

- Increase in National Living Wage from £8.72 to £8.91 per hour.
- Shortage of care workers/impact of COVID-19 to staffing recruitment and retention
- Increases due to Consumer Price Index inflation of .09%
- Increases due to pension enrolment of 0.05%
- Increases to insurance costs
- Impact of COVID-19 to occupancy levels or cancelled packages

5.0 Methodology

- 5.1 The City of Wolverhampton Council is required to provide appropriate care and support services to meet the statutory requirement and the needs of its residents, this includes ensuring sufficiency within the local external care provision. To determine the recommended fees for 2021 to 2022, the following areas have been considered:

- Provider feedback
- Increases to the NLW from April 2021

- Benchmarking data against neighbouring and CIPFA (the Chartered Institute of Public Finance and Accountancy) nearest neighbour comparator authorities (Appendix 1).
- The demand and use of care services during 2020 (Appendix 2)
- The potential impact of the COVID-19 pandemic on sufficiency with externally commissioned care provision.
- The review does not factor in short term costs associated with COVID-19 as these have been met by the IPC grant and provision of PPE

5.2 The review has been concluded and the recommendations are set out for each type of social care service areas.

6.0 Home Care

6.1 Home Care (also known as domiciliary care) delivers care and support to people in their own homes and is regulated by the Care, Quality Commission (CQC).

6.2 External provision of home care, which includes home based respite and rapid response home care (currently known as home first and is home care to prevent delays to discharge from hospital), is provided in Wolverhampton through the Home Care Framework agreement which was mobilised in 2020. Home care is a market area of growth. During 2020 there has been an increase in the number of hours of home care delivered in Wolverhampton which supports the national and local strategic visions for people to live as independently as possible in their own home.

6.3 The Home Care framework has ensured home care needs are met including rapid response (fast discharge) and reablement (Home First) support and home-based respite. There have been two home care providers exit from the Wolverhampton market in 2020–2021. Other providers within the framework took on the packages of care. A new monitoring and performance dashboard confirms the hours planned and delivered and the capacity within the market.

6.4 In response to COVID-19, home care providers have continuously met care needs, which included managing challenges due recruitment and retention of care staff, implementing required IPC measures and introduce testing for staff.

6.5 The current home care rates are comparable when benchmarked against other local authorities and providers entered the framework based on the rate offered. The fee review has considered additional costs that providers will incur during 2021-2022.

7.0 Direct Payments

7.1 Direct Payments are cash payments made to individuals who have been assessed as being eligible for funded care and support in line with the Care Act (2014) eligibility criteria; they are intended to give individuals greater choice in their care as they enable individuals to choose not to receive services purchased by

Wolverhampton Council instead choosing to receive a payment in lieu of these to arrange their own support.

- 7.2 At present the Wolverhampton agency direct payment rate is aligned to the current supported living rates (£14.84) and for the Personal Assistants (PA) is £10.76 per hour, (these are in line with the current regional rates). The agency direct payment rate is higher as agencies have additional on costs compared to the costs when a PA is employed directly by the individual.
- 7.3 It is our intension to consult to review the PA rate during 2021 - 2022 to introduce an approach that ensures all PA's are paid at the NLW and then on an individual case by case basis determining any additional costs for the PA to be employed by the client. This means the rate paid will vary. In view of the intended review, the PA rate will not be uplifted for 2021-2022 as the current rate enable a PA to be paid NLW.
- 7.4 The fee review recommendation for Direct Payment agency rates will be based on the recommendation made for the supported living rate.

8.0 Older Peoples Residential and Nursing placements

- 8.1 Residential Care services deliver personal care and accommodation to people within a CQC registered setting. People in nursing care placements have the need for care and support in a CQC registered care home but in addition have a primary health care need, that requires the intervention or oversight of a registered nurse to support the safe delivery of their care plan. Nursing care placements attract a financial contribution from NHS England to pay for the nursing element of the care provided. This is paid directly from Wolverhampton Clinical Commissioning Group (CCG) and is known as Funded Nursing Care (FNC) payment. The FNC for 2020-2021 is £183.92 The FNC settlement for 2021- 2022 has not been published.
- 8.2 The impact of COVID-19 to care homes has been significant. Care homes have responded to ensure they have appropriate IPC measures in place and have managed their staff resources which have been impacted by; staff sickness/shielding and/or isolation, increased requirement to test staff and residents and increased demand in the level of care needs for residents in the homes.
- 8.3 Care homes have implemented testing and vaccination of staff and residents and facilitated (within current guidance) visitors to residents from family members.
- 8.4 The City of Wolverhampton Council has monitored the occupancy and vacancy levels in care homes the vacancy levels are approximately 15%. Homes have vacancies due to:
- People not wanting to move into care homes from the local community during COVID-19
 - Deaths of residents during 2020

- Closure to new referrals when a home has an outbreak of COVID-19 (2 or more staff and/or residents testing positive for the virus)
- Unable to accept referrals for people who have tested positive for COVID-19
- Not accepting referrals for people who have tested negative for COVID-19 and are being discharged from hospital
- Not accepting referrals for people who have tested negative for COVID-19 and have been in contact with someone who has tested positive.

8.5 Placements to care homes in Wolverhampton are on a spot purchase basis. There is a current locally agreed rate of £455. for residential and nursing placements and £489.16 for residential and nursing placements for people with dementia. If a placement cannot be sourced to meet care needs at the cost of the locally agreed rate, the Personalised Support Team (PST) broker the next suitable placement. During 2020, the costs of placements has varied, as due to COVID-19 many homes were closed to new referrals. However, during this time PST has been able to still agree most placements at the locally agreed rate

8.6 Vacancy levels are confirmed each day to ensure availability to support discharges from hospital with many homes reporting higher than usual vacancies.

8.7 There is a risk that some homes may not continue to be financially viable, if they cannot increase the occupancy. Whilst the council has a duty to ensure care needs are met, this should not include subsidising an external provider to cover the cost of underoccupancy. To date the IPC grant has mitigated these costs. The Adults Commissioning Team are reviewing care homes in Wolverhampton to identify ones that may be at future risk and to further understand how they can be supported and be aware of the potential for some providers withdrawing from the Wolverhampton market.

8.8 The current locally agreed rate is at the lower end of the rates when benchmarked against other local authorities. The fee review recommendation takes into account the current situation.

9.0 Extra Care

9.1 Extra care housing is a nationally recognised model of extending the range of housing options available to older people with care and support needs and is commissioned by local authorities across the country.

9.2 Currently, the City of Wolverhampton Council has eight contracts in place with four extra care service providers for the provision of 267 funded places. all have a contract that runs until 2023. The services are provided on a 'block' basis, which means that each provider is funded to provide care and support to a specified number of people with eligible care needs at any one time. The number of funded places in Wolverhampton is in line with that commissioned by peer local authorities.

- 9.3 Extra care contracts are paid as a block amount and do not provide a detailed breakdown of the financial costs to provide extra care provision. There will be a review of the current model of extra care services to inform our future commissioning intentions including recommissioning of the existing extra care provision.
- 9.4 During COVID-19 extra care providers have met care needs.
- 9.5 The fee review recommendation will be based on ensuring sufficiency for the remaining year of the contracts based on discussion with providers, during which time the extra care provision will be reviewed, and contracts retendered.

10.0 Supported Living

- 10.1 The Supported Living Accreditation framework delivers care and support to people with disabilities. These services support people to become as independent as possible and have a focus on reablement and enablement. These services provide 24/7 care where required for people who live in supported living schemes.
- 10.2 During COVID-19 supported living providers have met care needs.
- 10.3 There is also a forensic and complex needs supported living framework which has accredited providers to meet the needs of younger adults with forensic and complex needs. This framework is in the process of being retendered and rates will be negotiated as part of the tender process.
- 10.4 Waking nights and sleeping nights provide nighttime support. Waking night for supported living is based on the supported living rate and sleeping night are at a set rate which will remain unchanged as the current rate covers the costs to pay a sleep-in shift. (There is ongoing appeal through the judicial system to make it law to pay this at the NLW and the outcome of the appeal has not been published).
- 10.4 The current supported living rates are comparable when benchmarked against other local authorities and providers entered the framework based on the rate offered. The fee review will consider additional costs that providers will incur during 2021-2022.

11.0 Residential Provision for People Under 65 Years with Complex Needs

- 11.1 The provision of residential and nursing care for people under the age of 65 years is not funded at a set rate with providers. People accessing this provision have complex needs with disabilities and each package is based on the social care assessed needs and negotiated with the provider.
- 11.2 During COVID-19 care needs have been met.
- 11.3 A 1.7% inflationary increase was awarded to this provision for 2020–2021. In the previous seven years this type of provision has not been subject to a set fee review

or received any increases. This is because each placement cost is agreed based on the individuals identifiable need. Nationally there is limited data to enable comparative benchmarking against locally agreed rates due to the variance in placement costs. City of Wolverhampton Council has determined that during this time the fees paid enable the provider to meet the NLW requirements.

11.4 The fee review recommendation will be based on maintaining sufficiency for this type of provision.

12.0 Community Activities for Older People

12.1 The current framework Community Activities for Older People was tendered for in 2016. The framework supports vulnerable adults who are at risk of isolation as well as supports carers of vulnerable adults to have a planned break from caring roles and allow them to partake in normal acts of daily living.

12.2 Due to COVID-19 many older people community activities were suspended, as they take place in communal lounges of extra care schemes and these are not available for use at present. To mitigate this the Council has funded commissioned planned sessions as opposed to delivered. The Adult Commissioning team are working with these providers to safely reintroduce services.

12.3 A new model for community activities support for older adults will be tendered for and operational by December 2021. The new model will be aimed at supporting adults to access their personal budgets whilst supporting those adults with the highest level of need to have access to good quality provision.

12.4 There is a risk to the future viability of some providers if people choose not to return to access such services.

12.5 Bench marking and engagement with regional colleagues shows that a wide variety of models and rates operate which are not comparable to the Wolverhampton model (most other local authorities have moved away from using framework providers to commission funded placements). The preferred model is to support people to access their personal budgets to take part in community activities. Specialist services tend to be commissioned for older people who have complex health (including dementia needs) and this will be considered in the review.

12.6 The fee review recommendation considers the current cost to providers and impact of COVID-19 to this provision and seeks to sustain market during the review.

13.0 Community Opportunities for Adults with Complex Needs

13.1 The framework for Community Opportunities for Adults with Complex Needs (for those with either a learning disability or physical disabilities) was awarded on 4 May 2019 for four years.

13.2 To mitigate the impact of COVID-19, the Council has funded commissioned planned sessions as opposed to delivered. The majority of people are still able to access the services safely with these being delivered creatively or/in a virtual setting. The Adult Commissioning team are working with these providers to safely reintroduce these services fully.

13.3 The rates for community opportunities for adults with complex needs are aligned to the current supported living rate and funded proportionately according to staffing ratio.

13.4 The fee review will be based on the recommendation for the supported living rate.

14.0 Recommendations:

14.1 The following table confirms the recommended fee for 2021 -2022 for each care provider sector.

Type of provision	Recommendation	Current £	Proposed £	Impact to budget £
Home Care	Increase fee levels to meet the additional costs (employee and employer) resulting from the increases to the National Living Wage. *	15.56 (hourly rate)	15.84 (hourly rate)	299
Home Care – reablement / homefirst and rapid response	These rates are set at 10% above the home care rate.	17.12 (hourly rate)	17.44 (hourly rate)	8
Home Based Respite	Home base respite is aligned to the supported living rate. *	14.84 (hourly rate)	15.12 (hourly rate)	8
Direct Payments Agency Rate	Direct payment agency rate is aligned to the supported living	14.84 (hourly rate)	15.12 (hourly rate)	22
Direct Payments for Personal Assistants	No increase	10.76 (hourly rate)	10.76 (hourly rate)	0

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[NOT PROTECTIVELY MARKED]

Residential and Nursing Care for Older People	Increase agreements with a current rate of less than £468.65 to £468.65 to meet NLW increases, on costs and to maintain market sufficiency (any above this amount will receive a payment to meet NLW increase with on costs).	455.00 (weekly rate)	468.65 (weekly rate)	128
Residential and Nursing care for Older People with dementia support needs	Increase agreements with a current rate of less than £503.86 to £503.86 to meet NLW increases, on costs and to maintain market sufficiency (any above this amount will receive a payment to meet NLW increase with on costs).	489.16 (weekly rate)	503.86 (weekly rate)	324
Extra Care	Increase each contract to reflect NLW, on costs and to ensure market sufficiency	N/A part of block contract	3% Increase to all contracts	79
Supported Living	Increase fee levels to meet the additional costs (employee and employer cost) resulting from the increases to the National Living Wage. *	14.84 (hourly rate)	15.12 (hourly rate)	289
Nursing and Residential for people under 65 years old	Increase fees of placements to meet NLW increases	N/A no locally agreed rate in place	2% Increase to all contract totals	183
Community Activities for Older People	Increase based on supporting market sufficiency	25.36 sessional rate	27.90 sessional rate	20
Community Opportunities for Adults with Complex Needs	Ensure that the rate is consistent with the supported living rate and proportionate to 1:1 1:2 1:3 staffing ratios	14.84 per hour for 1:1 staffing 7.42 per hour for 1:2 staffing	15.12 per hour for 1:1 staffing 7.56 per hour for 1:2 staffing	9

		4.94 per hour for 1:3 staffing	5.04 per hour for 1:3 staffing	
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15.0 Reason for decision:

15.1 The proposed recommendations are based on ensuring the Council meets its statutory duties in relation to Section 5 of the Care Act to ensure a sustainable market of care in Wolverhampton, which has including considering benchmarking information, provider feedback and local market trends and available budget to determine the final recommendation.

16.0 Financial Implications

16.1 The costs identified above are funded from Adults Services care purchasing which has a net controllable budget of £71.8 million in 2021-2022.

16.2 The recommendations being considered in this report represent a total estimated cost increase in of the region of £1.4 million.

16.3 The Council's 2021-2022 Final Budget and Medium Term Financial Strategy (MTFS) for 2021-2022 to 2023-2024 which was presented to Full Council on 3 March 2021 includes growth for Adult Services to support the fee uplift of totalling £1.5 million for 2021-2022
[MK/04032021/V].

17.0 Legal Implications

17.1 The increase would mean that care providers are supported to meet their legal obligations to pay the increase in the National Living Wage and pension contribution from 5 April 2021. The implementation of a cost rate increase supports local providers to meet the requirements of the National Living Wage and cost of living increases falls within the remit of the Care Act 2014. The Care Act 2014 has reiterated and strengthened this expectation with explicit requirements to maintain market sustainability and responsibilities for dealing with provide failure for both assisted and self-funding people.
[TS/02032021/T]

18.0 Equalities Implications

18.1 There are no equalities implications arising from this report.

19.0 All other Implications

19.1 A values-driven, quality workforce will enhance the experience of people requiring formal support through paid assistance and enhance health and wellbeing.

20.0 Schedule of background papers

20.1 None.

24.0 Appendices

24.1 Appendix 1: Benchmarking of Wolverhampton care provision costs for 2020-2021 comparing neighbouring local authorities and CIPFA (the Chartered Institute of Public Finance and Accountancy) comparators.

24.2 Appendix 2: Placement numbers and/or hours delivered or planned for each care sector in Wolverhampton

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Appendix 1: Benchmarking of Wolverhampton care provision costs for 2020-2021 comparing neighbouring local authorities and CIPFA (the Chartered Institute of Public Finance and Accountancy) comparators:

Table 1 Home Care

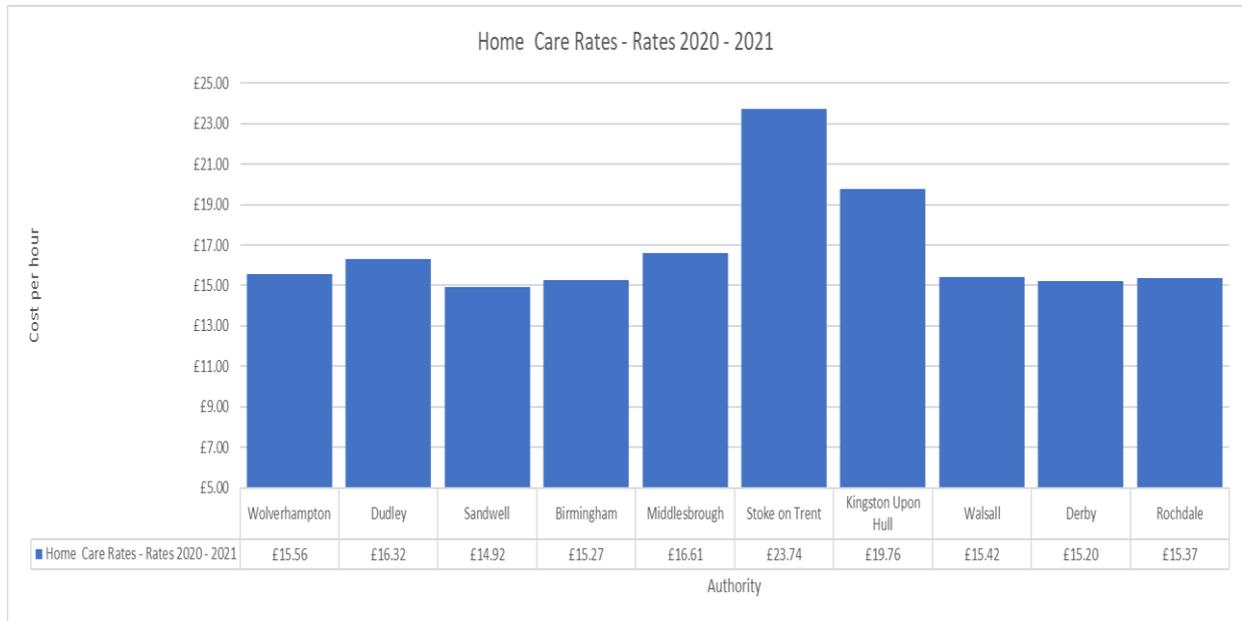


Table 2 Direct Payments Agency Rate



Table 3 Direct Payment Personal Assistant Rate



Table 4 Residential Care Home rates



Table 5 Residential Care Homes to support dementia needs

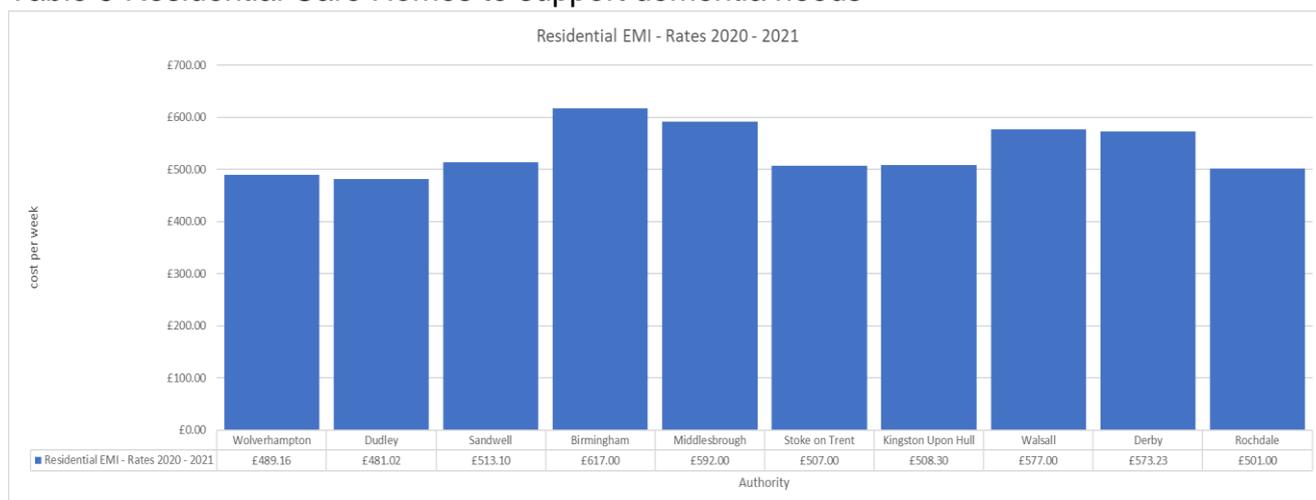


Table 6 Nursing Care Homes

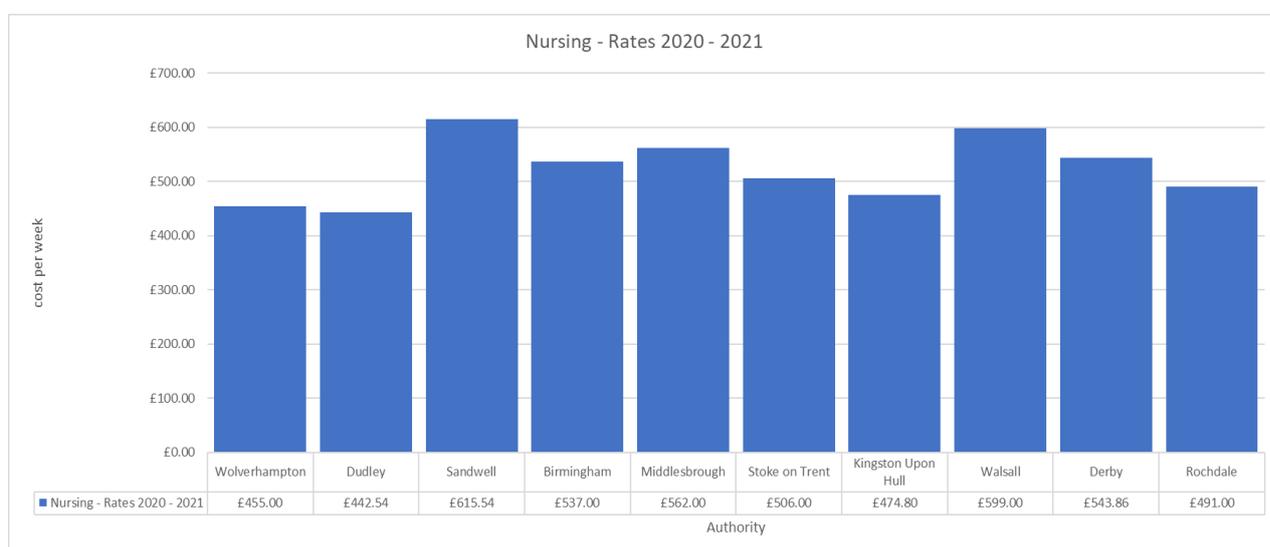


Table 7 Nursing Care Homes to support dementia care needs

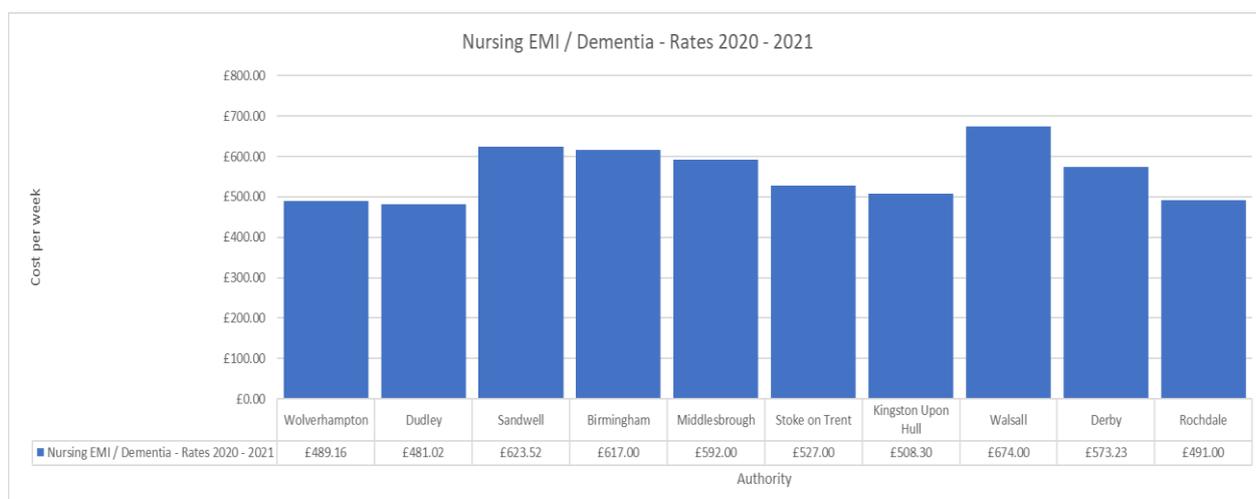
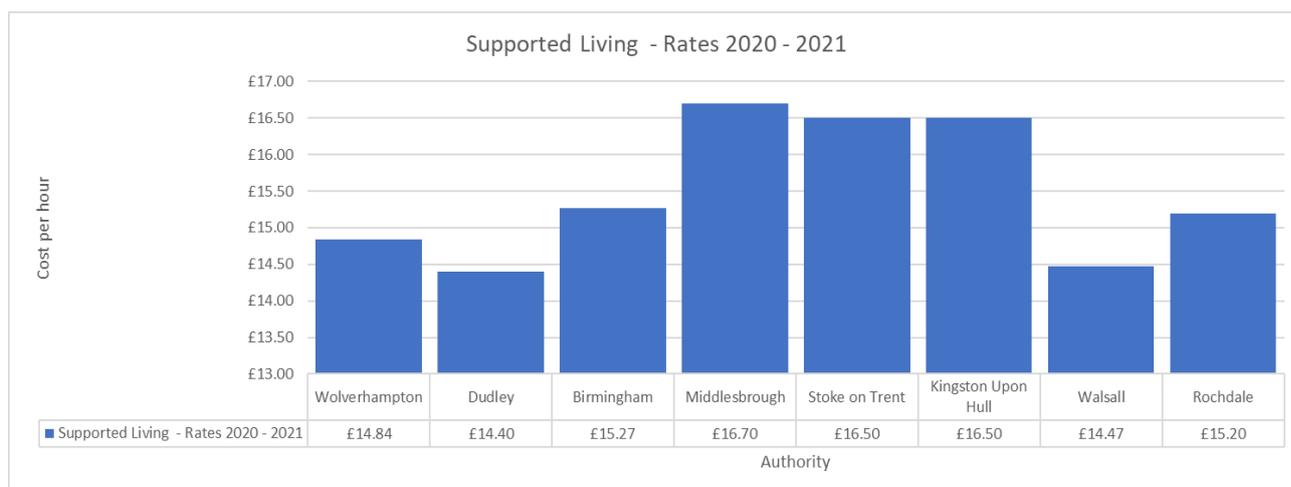


Table 8 Supported Living rates



West Midlands Association of Directors of Adults Services (ADASS), completed a survey of fee benchmarking and intended fees for West Midlands Local Authorities (LA's). (This was received after the report was published), again not all LA's completed it and this will be added to the final CRP, it has been anonymised as requested by other LA's but where there's an * - they are the Black Country (BC) LA's.

COUNCIL	Per hour	£ per week	£ per week	£ per week	£ per week	% INCREASES
anom	Home Care	Res OP	Res dem	Nurs OP	Nurs dem	
anom	17.59	614.40		888.54 (inc FNC)		0% apart from Res OP at 0.96%
Wolverhampton	15.56	455	489.16	455	489.16	Dom 1.8%, Res 3%
* anom BC	15.42	511	577	599	674	1%
anom	18.40 urban, 21.24 rural	516.07	516.07	588.69	588.69	Dom 1.91%, Res 1.56%
anom	16.92	535.15	620.13	625.80	684.25	Dom 8.27%, Res 3.90-4.04%
* anom BC	14.92	455.90	513.10	633.90	641.88	Dom 1.6%, Res 1%, Nurs 1.14%
anom	15.27 gen,	537		617		Dom 1.99%, Res 1.78%
anom	16.20	515	596	760	907	Dom 4.95%, Res 2.2%

Appendix 2: Placement numbers and/or hours delivered or planned for each care sector in Wolverhampton

Table 1: Home care

Service Type	Weekly Planned Hours	All Planned Hours in Year from 1 April 2020 – 15 February 2021
Home Care	16,647	684,110
Home Based Respite	533	23,953
Home-first * (also known as rapid response)	1,901	30,048
Total	19,081	738,111

Table 2: Direct Payments and Individual Service Funds

Service Type	Weekly Planned Hours	All Planned Hours in Year from 1 April 2020 – 15 February 2021
Direct Payments	8,193	367,836
ISF	2,119	66371
Total	10,312	434,207

Table 3: Older People Nursing and Residential Care Homes

Service Type	People in Placement as at 31 January 2021 *
Residential 65+	112
Residential Dementia 65+	309
Nursing 65+	86
Nursing Dementia 65+	152
Total	659

*These are council funded placements (and do not include self-funders).

Table 4: Supported Living

Snapshot of hours of supported living
There were 19822 hours of planned supported living provided w/c 8 February 2021

Table 5: Nursing and residential Care Home for People under the age of 65 years

Service Type	People in Placement as at 31 January 2021 *
Residential	154
Nursing	73
Total	227

Table 6: Community Activities for Older People

Number of people accessing sessions
67 people took up services prior to COVID-19. 47 people have returned (or indicated their intention to return to services by April 2021).

Table 7: Community Opportunities for Younger Adults with Complex Needs

Number of people accessing sessions
114 people took up services prior to COVID-19. 85 people have returned (or indicated their intention to return to services by April 2021).

CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Acquisition of Privately-Owned Empty Property by Agreement or Compulsory Purchase Order: 4 Moathouse Lane East, Wednesfield, Wolverhampton, WV11 3BN	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Jacqueline Sweetman City Assets and Housing	
Key decision	No	
In forward plan	Yes	
Wards affected	Wednesfield South	
Accountable Director	Ross Cook, Director for City Environment	
Originating service	Private Sector Housing	
Accountable employee	Natalie Healy Tel Email	Housing Improvement Officer 01902 550554 natalie.healy@wolverhampton.gov.uk
Report to be/has been considered by	City Assets and Housing Leadership Team	2 March 2021

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Authorise the Director of City Environment to negotiate terms for the acquisition of the property 4 Moathouse Lane East, Wednesfield, Wolverhampton, WV11 3BN and, in default of that acquisition, give authority for a compulsory purchase order (CPO) to be made under Part II Section 17 Housing Act 1985 in respect of the property.
2. Approve expenditure for the potential acquisition of the property, with subsequent capital receipts being recycled within the Empty Property Strategy programme.

3. In the event that the property is improved and re-occupied to the satisfaction of the Director of City Environment, authorise withdrawal of the property from the CPO.
4. Following any acquisition, authorise the Director of City Environment to dispose of the property on the open market on condition that the property is refurbished and re-occupied within six or 12 months (as appropriate to the scale of the works).
5. Authorise the Director of Governance to:
 - a) Take all reasonable steps as soon as it is reasonably practical to secure the making, confirmation and implementation of the CPO including the publication and service of all Notices and the presentation of the Council's case at any Public Inquiry.
 - b) Approve agreements with the owners of the property setting out the terms for the withdrawal of objections to the CPO, and/or making arrangements for re-housing or relocation of any occupiers.
 - c) Approve the making of a General Vesting Declaration (the property is brought into Council ownership via this process).
 - d) Approve the disposal of the whole and/ or parts of the property by auction, tender or private treaty.

1.0 Purpose

- 1.1 The purpose of this report is to request the Panel to authorise the acquisition of 4 Moathouse Lane East, Wednesfield, Wolverhampton, WV11 3BN, by negotiation or by the making of a Compulsory Purchase Order (CPO) under Section 17 of Part II of the Housing Act 1985 (CPO). Should it be possible to reach agreement on a mutually acceptable undertaking, agree to the withdrawal of the property from the CPO.
- 1.2 The decision is in support of the Council's Empty Properties Strategy which aims to bring long term empty properties back into use.
- 1.3 The reoccupation of empty properties brings in additional income to the Council via the New Homes Bonus paid to Local Authorities as a result of increased housing supply.

2.0 Background

- 2.1 The property, highlighted on the attached plan, is a detached bungalow that has been empty since September 2012. There have been a number of interactions with the owner since it was reported to the Council in 2015, which to date has failed to resolve the situation and there has been no firm information provided regarding the owners intention for the property.
- 2.2 In order to deal with the external disrepair of the property and overgrown land, a notice under Section 215 of the Town and Country Planning Act 1990 requiring the owner to remedy the detrimental effect of the property and land was served. No appeal against the notice was made and the notice has not been complied with.
- 2.3 The principle of establishing a revolving fund to drive forward the Private Sector Empty Property Strategy was approved by Cabinet on 11 January 2006. The revolving fund provides for properties that are consistent with the strategy to be acquired, marketed for sale and brought back into residential occupation. The arrangements proposed for the property identified are consistent with that strategy. Should the Compulsory Purchase Order be confirmed in favour of the Council, the Council would seek to dispose of the property by tender, auction, or private treaty. The property would be sold with the condition that the property is brought back to a required standard of repair within a specified time limit.

3.0 Evaluation of alternative options

- 3.1 There are three options that the Council could consider:
 - a) Do nothing – the property is likely to remain empty, continue to be a wasted housing resource, continue to have a detrimental effect on the amenity of the area and continue to be a drain on the public purse.
 - b) Empty Dwelling Management Order (EDMO) – An EDMO is considered to be a less draconian option than a compulsory purchase. However, the cost of refurbishment could place a strain on the Council's finances. It may not be possible to recover the

cost of initial refurbishment and subsequent management/ maintenance through the rental income generated over the seven years that a Final EDMO could be in place.

- c) Compulsory Purchase Order (CPO) – The prospect of a CPO often prompts the owner to act leading to the property being refurbished and re-occupied. However, if it is necessary to acquire the property, the proposals for the onward disposal and refurbishment set out at 5.0 of this report ensure that the property is brought back into use.

3.2 Based on the above it is recommended that the option of a Compulsory Purchase Order is progressed.

4.0 Reasons for decisions

4.1 The reasons for the decision are:

- a) To ensure that the property provides much needed housing by prompting the owner(s) either act voluntarily or via enforcement through a CPO.
- b) To ensure that the property does not continue to be a drain on public resources.
- c) To ensure that the detrimental effect that the property is having on the area is removed.
- d) To ensure that the property has a positive financial impact on the public purse through additional New Homes Bonus funding.
- e) The proposal to pursue a CPO is the most cost effective in terms of financial and physical resources for the Council.

5.0 Reasons for decision(s)

5.1 Where it is necessary to make a Compulsory Purchase Order and this is subsequently confirmed in favour of the Council, the Council would usually seek to dispose of the property by tender, auction, or private treaty. The property would be sold with the condition that the property is brought back to a required standard of repair within a specified time limit.

5.2 Dependant on suitability and the resources available at the time of the acquisition, the property may be suitable to be brought back into the housing stock of the Council. If this option is considered appropriate, this would be the subject of a further report to Cabinet (Resources) Panel.

6.0 Financial implications

6.1 In the event of an acquisition, the costs can be met from the approved capital budget for 2020-2021 of £243,000 for the Empty Property Strategy. The subsequent sale of the property would result in a capital receipt ring-fenced to finance future purchases through the Empty Property Strategy. Any non-capital costs incurred between purchase and sale, for example security measures, must be met from current private sector housing budgets.

- 6.2 As the Notice under Section 215 of the Town and Country Planning Act 1990 has not been complied with, the additional statutory 7.5% compensation payment will not be applicable in this case.
- 6.3 Bringing empty properties back into use additional council tax attracts New Homes Bonus to the City Council and will result in revenue.
[JM/17022021/P]

7.0 Legal implications

- 7.1 Section 17 of the Housing Act 1985 empowers local housing authorities to compulsorily acquire land houses or other properties for the provision of housing accommodation. However, the acquisition must achieve a qualitative or quantitative housing gain. In order to make a Compulsory Purchase Order under this power and achieve successful confirmation, the Council will need to show compliance with the requirements of the relevant statutory provision and circular 06/2004 Compulsory Purchase and the Crichel Down Rules. Where there are objections to a Compulsory Purchase Order the matter may go forward to a public inquiry and specialist Counsel may need to be engaged to present the Council's case.
- 7.2 Article 1 of Protocol 1 of the Human Rights Act 1988 guarantees peaceful enjoyment of possessions and would be engaged by the making of a CPO. However, the contents of this report and the actions recommended are considered to be proportional and compatible with the Human Rights Act 1988, particularly bearing in mind the above checks and balances on the Local Authority's power.
[JM/17022021/H]

8.0 Equalities implications

- 8.1 Equalities Implications have been considered throughout the process and in assessing the outcome. An Equality Analysis has been completed and this does not indicate any adverse implications. Bringing an empty property back into use will improve the visual amenity of the area and can make the area more welcoming to some groups covered by the Equality Act 2010, in doing so this will promote participation in public life.

9.0 All other Implications

- 9.1 Long term empty properties can have a detrimental impact on neighbourhood sustainability and cause environmental blight. Bringing the property back into residential use will improve the appearance of the neighbourhood, enhance property conditions, contribute to the regeneration of the City and help to meet the Council's strategic objectives.
- 9.2 Where applicable, Corporate Landlord Estates Team will be required to produce valuations and arrange for the appropriate disposal of the property by auction or private treaty.

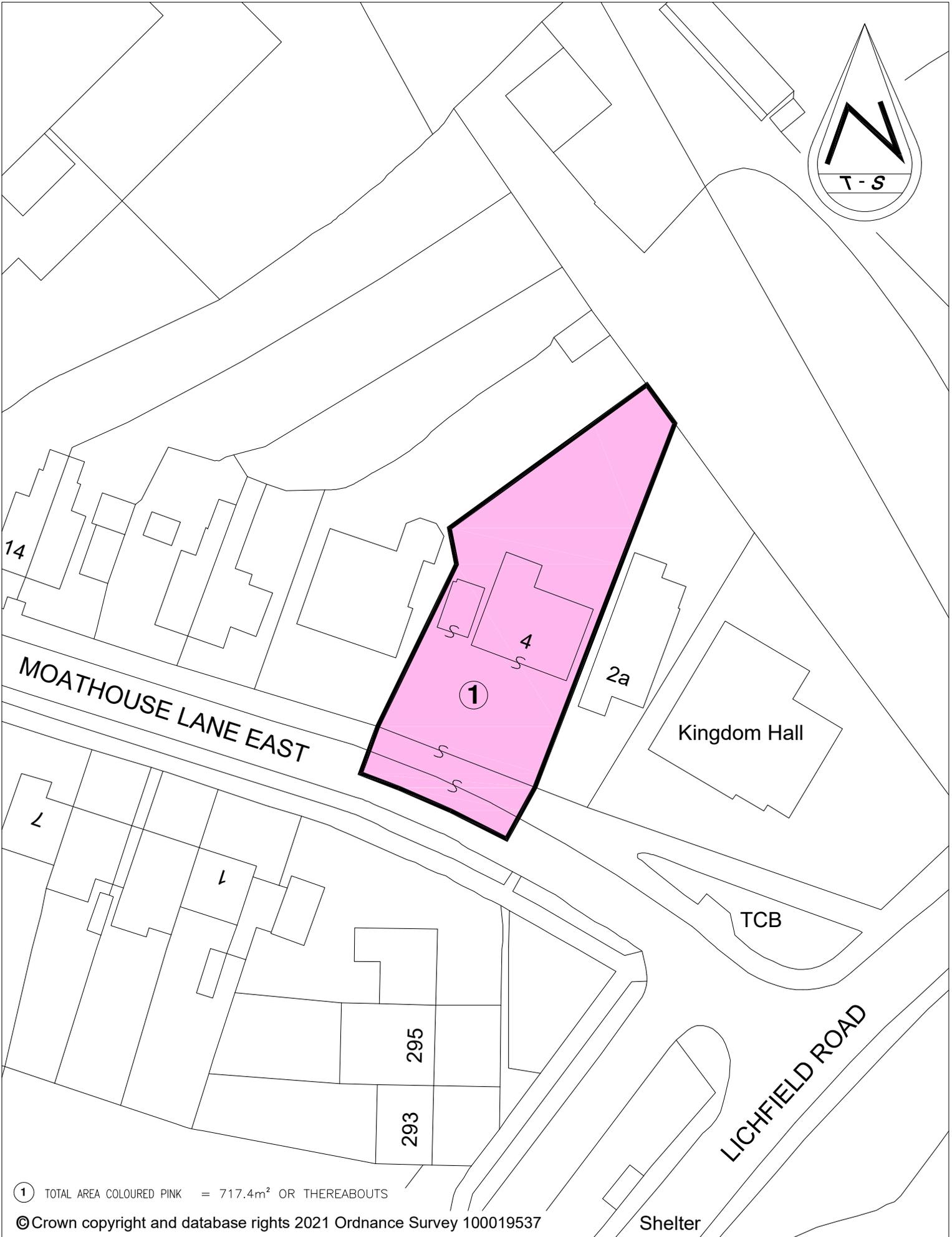
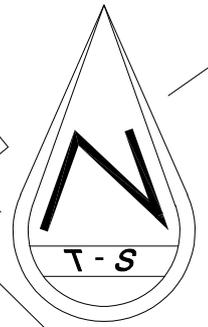
- 9.3 Bringing an empty property back into use will improve the health and wellbeing of the new occupants by providing safe and secure housing.
- 9.4 Enabling occupation and removing the detrimental effect of the property will reduce the anxiety associated with crime and the fear of crime that living adjacent to an empty property can cause.

10.0 Schedule of background papers

- 10.1 An Action Plan to Deliver the Empty Property Strategy 11 January 2006.
- 10.2 Private Sector Empty Property Policy and Strategy Action Plan 2019-2024.
- 10.3 The Council's Annual Housing Supply Statement, 31 March 2020.

11.0 Appendices

- 11.1 Appendix 1 – Site plan
- 11.2 Appendix 2 and 3 - Photographs



① TOTAL AREA COLOURED PINK = 717.4m² OR THEREABOUTS

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date	February 2021
scales	1:500
drawn by	AJP
dwg. no.	Moathouse Lane East 4.dwg

THE MAP REFERRED TO IN
THE WOLVERHAMPTON CITY COUNCIL
(4 Moathouse Lane East)
COMPULSORY PURCHASE ORDER 2021

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City of Wolverhampton Council

Strategic Director – Place
Civic Centre, St. Peter's Square, Wolverhampton
Tel. (01902) 556556

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 17 March 2021
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Report title	Schedule of Individual Executive Decision Notices	
Decision designation	AMBER	
Cabinet member with lead responsibility	All	
Key decision	No	
In forward plan	No	
Wards affected	All	
Accountable director	Mark Taylor, Deputy Chief Executive	
Originating service	Democratic Services	
Accountable employee	Kirsty Tuffin Tel Email	Democratic Services Officer 01902 552873 Kirsty.tuffin@wolverhampton.gov.uk
Report to be/has been considered by	N/A	

Recommendation for noting:

The Cabinet (Resources) Panel is asked to note:

1. The summary of open and exempt individual executive decisions approved by the appropriate Cabinet Members following consultation with the relevant employees.

Schedule of Individual Executive Decision Notices

Part 1 – Open Items

City Environment

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Steve Evans	Director of City Environment	19 February 2021	Amanda Millard 01902 551799
Title and summary of decision			
Transportation Network – Traffic Regulation Orders Cleveland Road			
<ol style="list-style-type: none">1. Approved the recommended action to implement waiting restrictions to parts of Cleveland Road (Plan T4/4382).2. Approved the proposed revocation (in part) of existing Traffic Regulation Orders (TROs) in Cleveland Road where necessary to allow the implementation of the new TROs.3. Authorised the Director of Governance to implement the relevant traffic regulation orders.			

Governance

Decision maker	In consultation with	Date Approved	Contact Officer
Leader of the Council	Director of Governance	11 February 2021	Shelley Humphries 01902 554070
Title and summary of decision			
Appointment to the Corporate Parenting Board			
<ol style="list-style-type: none">1. Approved the appointment of Councillor Rupinderjit Kaur to the Corporate Parenting Board for the remainder of the 2020 - 2021 Municipal Year.			

Joint Cabinet Member Approvals

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Stephen Simkins and Councillor Louise Miles	Director of Finance and Director of Regeneration	25 February 2021	Isobel Woods 01902 551814
Title and summary of decision			
Additional Restriction Grant -Taxi and Private Hire Grant Scheme			
<ol style="list-style-type: none">1. Approved a new business support grant scheme, to award a one-off grant payment to taxi and private hire drivers who live in the city that are not eligible for either the Mandatory Business grants or the Discretionary schemes which have been in place since October 2020.			

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Stephen Simkins and Councillor Louise Miles	Director of Finance and Director of Regeneration	25 February 2021	Isobel Woods 01902 551814
Title and summary of decision			
Amend Additional Restriction Grant Assessment (Jan) Supply chain			
1. Approved the amendment of the assessment of the current discretionary business grants, funded by the Additional Restrictions Grant which will assist businesses that are not eligible for the Local Restrictions Grants.			

Part 2 – Exempt Items

Public Health

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Jasbir Jaspal	Director of Public Health and Wellbeing	24 February 2021	John Thompson 01902 554503
Title and summary of decision			
Mobile Lateral Flow Testing 1. Approved the award of a contract for Mobile Lateral Flow Testing following a negotiated direct award to GPDQ Limited 727-729 High Road London N12 0BP. This will be for a term of six months with a contract value of £581,000.			

Housing

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Jacqueline Sweetman	Deputy Chief Executive	3 March 2021	Julie Nock 01902 550316
Title and summary of decision			
Land and Property Transactions - IEDN 052 Approved the completion of the transactions listed below: 1. New lease for part of the ground floor Civic Centre to the CCG, and approval of the fit out works to the CCG's area. 2. New lease – electricity substation for Civic Halls.			
Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Jacqueline Sweetman	Deputy Chief Executive	3 March 2021	Julie Nock 01902 550316
Title and summary of decision			
Land and Property Transactions - IEDN 053 Approved the completion of the transaction listed below: 1. Deed of Surrender – St. Chad's Former Church Hall.			

Education

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Dr Mike Hardacre	Director of Children and Adult Services Director of Finance	25 February 2021	Dave Kirby 01902 554152
Title and summary of decision			
<p>Primary School Expansion Programme</p> <ol style="list-style-type: none"> 1. Approved a grant to Manor Multi Academy Trust to cover surveys and fees required as part of the pre-construction work stages in respect of Hill Avenue Academy. 2. Approved the Council entering into a Grant Agreement with Manor Multi Academy Trust in respect of Hill Avenue Academy. 3. Approved the capital allocation from existing funds within the Primary Expansion Programme budget to permanently expand Hill Avenue Academy to cater for two forms of entry (60 places per year group). 4. Approved that capital funding be released in order that the expansion project is progressed in a timely manner. 			

Joint Cabinet Member Approvals

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Louise Miles Councillor Stephen Simkins	Director of Finance Director of Regeneration	11 November 2020	Zareena Ahmed-Shere 07890397677
Title and summary of decision			
<p>i54 Western Extension - Self Lay Agreement and Wayleave Agreements</p> <ol style="list-style-type: none"> 1. Approved that the City of Wolverhampton Council as landowner enters into Self Lay Agreement with Staffordshire County Council, Severn Trent Water, Amey and Harlaxton for the installation of water mains and service pipes that is the contestable element of the Severn Trent Water work scope which will be undertaken by Harlaxton. 2. Approved that the City of Wolverhampton Council enters into all associated Wayleave Agreements with relevant parties for the installation of pipes, wires and conduits across City of Wolverhampton Council owned land in relation to the supply of water, gas, electricity and any third-party communications as required to deliver serviced platforms on the i54 western extension. 			

Decision maker	In consultation with	Date Approved	Contact Officer
Councillor Louise Miles Councillor Stephen Simkins	Director of Finance Director of Regeneration	12 February 2021	Claire Prince 07392137573
Title and summary of decision			
i9 Substation Lease Approved entering into an underlease for the electricity substation at i9.			

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