

Time 5.00 pm **Public Meeting?** YES **Type of meeting** Executive
Venue Council Chamber - 4th Floor - Civic Centre, St Peter's Square, Wolverhampton, WV1 1SH

Membership

Chair Cllr Ian Brookfield (Lab)
Vice-Chair Cllr Stephen Simkins (Lab)

Labour

Cllr Obaida Ahmed
Cllr Paula Brookfield
Cllr Chris Burden
Cllr Steve Evans
Cllr Bhupinder Gakhal
Cllr Jasbir Jaspal
Cllr Linda Leach
Cllr Beverley Momenabadi

Quorum for this meeting is three voting members.

Information for the Public

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

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

Agenda

Part 1 – items open to the press and public

Item No. *Title*

MEETING BUSINESS ITEMS

- 1 **Apologies for absence**
- 2 **Declaration of interests**
- 3 **Minutes of the previous meeting** (Pages 3 - 6)
 [For approval]

DECISION ITEMS (AMBER - DELEGATED TO THE CABINET)

- 4 **Performance and Budget Monitoring 2022-2023** (Pages 7 - 88)
 [To provide an integrated finance and performance update against Our City: Our
 Plan priorities]

CITY OF WOLVERHAMPTON COUNCIL	Meeting of the Cabinet Minutes - 27 July 2022
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Attendance

Members of the Cabinet

Cllr Ian Brookfield (Chair)
Cllr Stephen Simkins (Vice-Chair)
Cllr Obaida Ahmed
Cllr Paula Brookfield
Cllr Chris Burden
Cllr Bhupinder Gakhal
Cllr Jasbir Jaspal
Cllr Linda Leach
Cllr Beverley Momenabadi

Employees

Tim Johnson	Chief Executive
Emma Bennett	Executive Director of Families
John Denley	Director of Public Health
Charlotte Johns	Director of Strategy
Richard Lawrence	Director of Regeneration
Claire Nye	Director of Finance
Laura Phillips	Deputy Director of People and Change
John Roseblade	Director of City Housing and Environment
Alison Shannon	Chief Accountant
Jaswinder Kaur	Democratic Services Manager
Dereck Francis	Democratic Services Officer

Part 1 – items open to the press and public

- | <i>Item No.</i> | <i>Title</i> |
|-----------------|--|
| 1 | Apologies for absence
Apologies for absence were submitted on behalf of Councillor Steve Evans. |
| 2 | Declaration of interests
No declarations of interests were made. |
| 3 | Minutes of the previous meeting
Resolved:
That the minutes of the previous meeting held on 6 July 2022 be approved as a correct record and signed by the Chair. |

4 **Draft Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026**
Councillor Obaida Ahmed reported on salient points from the report on an update on the draft budget and medium term financial strategy (MTFS) 2023-2024 to 2025-2026 along with an overview of the in-year budget monitoring position for 2022-2023. In doing so she reported that the Council had built up a strong track record over many years of managing its finances well and had consistently set a balanced budget. The Cabinet's approach to strategic financial management, by aligning budgets to service priorities and improving services and by investing in transformation priorities continued to put the Council in a strong financial position. The proposals outlined in the report would go a long way to enabling the Council to set a balanced budget for 2023-2024 without loss of services to the residents of the city.

Resolved:

1. The draft budget strategy and medium term financial strategy which underpin Our City, Our Plan, including changes to corporate resource assumptions, growth and inflation be approved.
2. That it be noted that significant progress had been made towards setting a balanced budget for 2023-2024 however there remains a high level of risk and uncertainty. Further options would continue to be explored to address the updated projected budget deficit of just under £1.0 million.
3. That it be noted that a number of assumptions have been made with regards to the level of resources that would be available to the Council as detailed in section 8 of the report. It is important to note there continues to be a considerable amount of uncertainty with regards to future income streams for local authorities. Any reduction in Government allocation of funding to the Council would have a significant detrimental impact and further increase the budget deficit over the medium term.
4. That it be noted that, due to external factors, budget assumptions remain subject to significant change, which could, therefore, result in alterations to the financial position facing the Council.
5. That it be noted that the updated projected budget deficit assumes the achievement of recurrent budget reduction and income generation proposals totalling £12.2 million over the period of 2022-2023 to 2025-2026.
6. That it be noted that a further update on the budget strategy would be presented to Cabinet in October 2022 and that there would be a period of formal budget consultation and scrutiny. This would also align to the annual refresh of Our City, Our Plan, setting out our key city priorities.
7. That it be noted that it is forecast that by 2025-2026 the budget deficit would rise to £25.7 million and that work would continue to be undertaken to bring forward proposals to deliver a sustainable medium term financial strategy.
8. That it be noted that the overall level of risk associated with the Draft Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026 is assessed as Red.

5 **Levelling Up Wolverhampton**

Councillor Ian Brookfield presented the update and progress report which set out the city's approach to levelling up following the Government proactively identifying Wolverhampton as a place that demonstrates strong local leadership and ambition, ripe to maximise catalytic economic transformation. Councillor Ian Brookfield added that he was pleased Government had recognised the Council's Our City, Our Plan and the way it had been developed was the right approach to levelling up. Included in the report were a set of initial short and medium term interventions identified as catalyst projects to accelerate levelling up in the city.

Resolved:

1. That the approach to how the City of Wolverhampton Council is responding to the Levelling Up White Paper, working with key partners including the Department for Levelling Up, Housing and Communities to deliver our strategic framework for levelling up, Our City: Our Plan be endorsed.
2. That it be noted that the City of Wolverhampton had been proactively identified by Government as a place with strong local leadership and ambition, where investment can be maximised to catalyse economic transformation.

6 **Principal Social Worker Annual Report 2021-2022**

Councillors Linda Leach and Beverley Momenabadi jointly presented the Principal Social Worker (PSW) Annual Report 2021-2022 and highlighted salient points. The report highlighted progress the PSW had made against key priorities for adults and children's services over the last 12 months and set several priorities for the year ahead. One of the key roles of a PSW was to support the continued improvement of social work practice and the Annual Report showed significant progress had been made in this regard. The Annual Report also demonstrated a continued commitment to excellence in social work through learning and development, with a variety of training and progression opportunities being offered to provide the Council's social workers with the skills and knowledge to do their jobs effectively. It was also noted that the recent Office for Standards in Education, Children Services and Skills (Ofsted) inspection of Children's Services gave a positive review of local quality assurance arrangements, that are led by the PSW. Councillors Linda Leach and Beverley Momenabadi placed on record their thanks to the PSW and her team for their work during 2021-2022 and welcomed the key priorities set for the year ahead.

Resolved:

1. That the work of the Principal Social Worker (PSW) and the continued impact it has on social work practice across Children's and Adults Services be endorsed.
2. That the main priorities for the Principal Social Worker identified for 2022-2023 be approved.

7 **Public Health Annual Report 2021-2022**

Councillor Jasbir Jaspal presented the Annual Report from the Director of Public Health for the period 2021-2022 and highlighted salient points. She also placed on record her thanks to the Director of Public Health and his public health team for their exceptional work over the last two and a half years during the Covid pandemic. She also thanked the Council's Directors and teams across the council for the way they all come together as one council, working together during the pandemic, and the city's partners, the Clinical Commissioning Group, New Cross Hospital, the care

homes, schools, businesses and the city's communities for the way they all rose to the challenge and came together to overcome the Covid pandemic.

Councillor Jaspal also informed Cabinet that the Annual Report was dedicated to the memory of Ross Jervis, Director of Public Health for the Council from April 2014 to July 2017, who sadly passed away in June 2022.

Resolved:

That the publication of the Director of Public Health Annual Report for the period 2021 – 2022 be approved.

CITY OF WOLVERHAMPTON COUNCIL	Cabinet 7 September 2022
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Report title	Performance and Budget Monitoring 2022-2023	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Obaida Ahmed Resources and Digital City	
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
	Charlotte Johns	Director of Strategy
	Tel	01902 554240
	Email	Charlotte.Johns@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	23 August 2022

Recommendations for decision:

The Cabinet is recommended to:

1. Approve the establishment of supplementary expenditure budgets for 2022-2023 as detailed in section 7.0.
2. Approve the use of £6,089 from the Schools Arts Service Reserve as detailed in paragraph 8.4 and the establishment of associated supplementary budgets.
3. Approve the use of £1.2 million from the Budget Contingency Reserve as detailed in paragraphs 8.5, 8.6 and 8.7 and the establishment of associated supplementary budgets.
4. Approve the use of £120,000 from the Budget Efficiency Reserve as detailed in paragraphs 8.8 and the establishment of associated supplementary budgets.

5. Approve the use of £100,000 from the Regional Adoption Agency Reserve as detailed in paragraph 8.9 and the establishment of associated supplementary budgets.
6. Approval of £200,000 from the Transformation Reserve as detailed in paragraph 8.10 and the establishment of associated supplementary budgets.
7. Approval of £721,000 from the Regeneration Reserve as detailed in paragraph 8.11 and the establishment of associated supplementary budgets.
8. Approve the write-off of one Council Tax debts totalling £7,005.66 as detailed in Appendix 8.
9. Approve 29 virements totalling £14.4 million, for transfers within directorates, as detailed in Appendix 9.
10. Approve that authority be delegated to the Cabinet Member for Resources and Digital and the responsible Cabinet Member of the relevant service area in question, in consultation with the Director of Finance and the relevant Director to allocate budgets from the Corporate Contingency to support Council Priorities and Growth, once business cases have been completed.

Recommendations for noting:

The Cabinet is asked to note:

1. That the General Fund projected outturn for 2022-2023 is currently forecast to be an overspend of £5.4 million due to the forecast impact of the proposed pay award for 2022-2023 as detailed in section 4.
2. The forecast outturn position for the year for the HRA shows a pressure against the approved budget of £354,000, as shown at Table 2 and in detail at Appendix 5. This will result in a forecast redemption of debt.
3. That 552 council tax accounts totalling £401,879.89, as detailed in Appendix 7, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
4. That 56 Non-Domestic Rates (NDR) debts totalling £178,017.01, as detailed in Appendix 7, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
5. That 12 housing benefit overpayments totalling £4,286.96 as detailed in paragraph 11.2 and Appendix 7, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
6. That 5 sundry debt accounts totalling £9,001.76, as detailed in paragraph 11.2 and Appendix 7, have been approved for write-off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
7. The Strategic Risk Register as at Appendix 3
8. The performance against the key indicators as set out in Appendix 1.

1.0 Purpose

- 1.1 The purpose of this report is to provide Cabinet with an integrated finance and performance update against the Our City, Our Plan priorities.
- 1.2 This is the first report of the financial year detailing the likely outturn projection for 2022-2023.

2.0 Background

- 2.1 On 2 March 2022, Council approved Our City: Our Plan, a new Council Plan building on the Relighting Our City Plan and providing the strategic framework for delivering the ambition that 'Wulfrunians will live longer, healthier lives'. Reporting against this framework for both performance and budget will take place from 2022-2023 onwards.
- 2.2 Within Our City: Our Plan, the Council has published a robust performance framework to track progress against key indicators and to encourage scrutiny of its key decisions. Performance information will be published quarterly alongside analysis and business commentary to give context.
- 2.3 The City of Wolverhampton Council has built up a strong track record over many years of managing its finances well and consistently setting a balanced budget. Our approach to strategic financial management, aligning budgets to service priorities and improving services, and investing in transformation priorities, continues to put us in a strong financial position.
- 2.4 On 2 March 2022, the Council approved the net budget requirement for 2022-2023 of £267.2 million for General Fund services. This report details the forecast outturn projection for 2022-2023.
- 2.5 This report brings together performance against our Our City, Our Plan priorities, and the financial performance for quarter 1.

3.0 Performance Update

- 3.1 The Council continues to use a variety of means in which to assess the efficiency and effectiveness of operations against organisational strategic priorities and statutory requirements.
- 3.2 Critically it continues to manage resources effectively, consistently setting a balanced budget, and delivering against the Medium Term Financial Strategy, despite austerity.
- 3.3 External verification of performance is also undertaken through external audit of the council's accounts, and key inspections such as Ofsted and other regulatory bodies. Risks continue to be managed through the strategic risk register which is reported to Audit and Risk Committee on a regular basis. Please see Appendix 3 for most recent risk register
- 3.4 Internally, the Council is evolving the way it performance manages services, with the creation of a centralised Data and Analytics team which is ensures performance data and intelligence is readily available to all staff and is analysed and reviewed regularly by operational and strategic management.

Our City: Our Plan Performance

- 3.5 Our City: Our Plan sets out the six overarching priorities which will guide the Council's approach to ensure Wulfrunians will live longer, healthier lives, with an additional priorities looking at how the Council operates. These are;
 - Strong families where children grow up well and achieve their potential
 - Fulfilled Lives for All With Quality Care For Those Who Need It
 - Healthy, Inclusive Communities
 - Good Homes in Well-Connected Neighbourhoods
 - More Local People into Good Jobs & Training
 - Thriving Economy in all Parts of the City
 - Our Council
- 3.6 A performance framework has been created to monitor performance against these priorities and includes two different types of indicators, city indicators and impact indicators.
- 3.7 City indicators are high level indicators which although the council can influence, may not be able to directly affect. Data on these indicators is published nationally, to enable a comparison against regional, statistical, and national averages. City indicators are high level indicators which although the council can influence, may not be able to directly affect. Data on these indicators is published nationally, to enable a comparison against regional, statistical, and national averages. Impact indicators demonstrate how council interventions are working to improve outcomes for residents against key priorities.

3.8 This report sets out a summary of performance against city and impact indicators, relevant financial information, and key areas of activity. A dashboard of the performance against impact indicators is included at Appendix 1.

Strong families where children grow up well and achieve their full potential

- 3.9 Our ambition is that children and young people have the best possible opportunities to fulfil their potential. As a result, we are investing to connect young people to opportunities, support our schools to improve standards, ensure education provision is inclusive whilst continuing to support our most vulnerable young people.
- 3.10 Supporting our young people, especially those that need support is a strength of the Council, as seen through the recent 'Good' rated OFSTED inspection for our Childrens Services, that included an 'Outstanding' judgement for leadership and management.
- 3.11 The Council has seen decreasing numbers of children open to the services against a backdrop of increasing numbers regionally and nationally. This performance reflects the outcome of targeted work, to ensure that children are supported in line with their assessed needs and are receiving services at the right level for as long as is necessary to their safety and wellbeing.
- 3.12 Referrals into Social Care have fluctuated during the last 12 months with an average of 320 referrals a month. At the end of the quarter the rolling twelve month period reflected a re-referral rate of 20.8%, consistent with the rate of 20.9% reported at the end of the last quarter.
- 3.13 Against decreasing numbers of Child Protection cases, the percentage that are repeat cases has increased in the quarter however is still below national and regional comparators.
- 3.14 Placement stability of our children in care remains an area of strength for the Council. Only 6% of our children and young people in care had 3 or more placements in the year. This performance is stronger than national, regional and statistical averages and Wolverhampton is in the top quartile of national performance. Wolverhampton also performance favourably against the long-term stability of placements. When older young people leave care, the Council support them to find suitable accommodation. 94% of our care leavers are currently in suitable accommodation, substantially above national and regional averages.
- 3.15 The Strategic Risk Register recognises the risk associated with our responsibilities for Safeguarding Children and the mitigations in place, details of Risk 2 on this area can be found in Appendix 3.
- 3.16 The percentage of Wolverhampton's care leavers aged 19-21, in education, training or employment saw a significant decrease in the 2020-2021 year, a reduction of 11% to 46% from the previous year's performance. This drop in performance was linked to the effect of the pandemic. However, current performance at the end of Quarter 1 shows

Wolverhampton with a rate of 60%, a higher percentage of care leavers in EET than the latest published percentage for the West Midlands, statistical neighbours, and the national average.

- 3.17 The impact of 'DIVERT' and the use of Outcome 22 on Wolverhampton's First Time Entrants into the youth justice system has already shown significant impact. At the end of Quarter 1 the rate per 100,000 youths aged 10 -17 years had reduced from 201 to 158. The data produced for the Safer Wolverhampton Partnership (SWP) showed that first time entrant comparative rates for Quarter 3 2020-2021 (18 young people) and Quarter 3 2021-2022 (4 young people) reported a reduction of 78%, primarily as a result of the use of Outcome 22. We expect this trend to continue, and as long as young people successfully complete their Outcome 22 interventions, this will have a significant impact on the formal decriminalisation of young people in Wolverhampton.
- 3.18 There has been a steady and sustained improvement in education outcomes across the City. The Education Excellence Strategy was launched September 2021 and built on the previous School Improvement Strategy. The new Strategy brought a similar response to Early Years settings as for schools.
- 3.19 The city continues to see an increase in the percentage of schools rated good or outstanding by Ofsted, and at quarter end was at 88%, above the national average. Ensuring inclusivity in access to this high standard of education remains a key priority. At quarter end, 89.9% of children and young people from an ethnic minority background were attending a good or outstanding school. The percentage of early years and childcare settings rated good or outstanding is slightly higher than the school's rate at 92%, consistent with the previous quarter end and slightly lower than statistical neighbours (96%).
- 3.20 There has been an improvement in the percentage of 2-year-olds benefitting from funded early education in the last 12 months by 11%, however this remains lower than west midlands, statistical neighbours and national average. Since 2019 the direction of travel has been increasing.
- 3.21 Average Attainment 8 score per pupil for both disadvantaged pupils and non-disadvantaged pupils both compare favourably against both the west midlands and national averages. For disadvantaged pupils the rate is at 42.2% and at 55.8% for non-disadvantaged pupils.
- 3.22 16 and 17 year olds in education, employment or training is an area of strength with current performance increasing by 2.2% to 98.3% when compared to last published data where the rate was 96.1%. Current performance is also higher than Wolverhampton's statistical neighbours and the national average
- 3.23 Juxtaposed to 16 and 17 year olds in education, 16 and 17 year olds with special educational needs in education has declined to 81% from 88% and is currently 9% below the next quartile target. Work in this area continues to be targeted. 16 and 17 year olds in

education, employment or education continue to be tracked through the Activity Survey. For those with special educational needs and an education, health and care plan, Connexions Careers Advisers continue to offer support whether transitioning to a new or remaining in their existing provision.

- 3.24 The percentage of children in year 6 with excess weight has decreased by 2.19 to 42.2% in 2020 (latest available data) since the pre-pandemic figure of 2019, however in comparison to west midlands, statistical neighbours and national averages the rate remains higher, even with all comparators reporting an increase in 2020. The overall direction of travel is down but Wolverhampton remains in the lowest quartile of performance.
- 3.25 Regarding financial performance, Children's Services and Education is currently forecasting an underspend of £1.2 million, due to strong financial management and transformative projects and programmes which have achieved significant and positive changes for children and young people living and learning in Wolverhampton. To date, Wolverhampton has not seen a significant increase in demand on children's social care as a result of the pandemic, however, as with adult services, there continues to be significant uncertainty over the impact of Covid-19 on this service over the short to medium term, and more recently the increased cost of living. Work will continue to model the potential financial effects of the pandemic and the impact of the increase in the cost of living on the service. Further financial analysis is included at Appendix 2.
- 3.26 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. At the end 2021-2022, maintained schools had balances totalling £15.6 million. 40 schools were identified as having balances above recognised thresholds detailed in the local scheme. In addition, there are three schools with anticipated deficits at the end of 2022-2023. Actual end of year balances for 2020-2021 and the latest projected balances in those submitted budget plans for 2021-2022 are shown at Appendix 6, along with details of the processes in place to review deficit and surplus balances.

Fulfilled lives with quality care for those that need it

- 3.27 The Council continues to provide support to those facing hardship, working with our partners to keep our city safe and build resilience to ensure all our communities can thrive.
- 3.28 Social care performance remains an area of strength in the city. Current performance, taken from the initial results of the 2021-2022 statutory returns for Adults Social Care, shows improvements or sustained strong performance against all key indicators.
- 3.29 The Adult Social Care vision is that the young people and adults we connect with lead fulfilled lives, with quality advice, care and support for those who need it. Council services are working hard to maximise people's independence and to remain living at home for as long as they are able. 71% of all residents open to Adult Social Care being supported in

their own homes, decreasing slightly from 73%. The Covid-19 pandemic meant that there were challenges in people accessing the community and family support ordinarily available for people. The Council continues to promote community support and is re-developing its early help offer.

- 3.30 The Council has seen an increase in performance in terms of reablement, with 77% of residents aged 65 or over remaining at home 91 days after discharge from hospital at quarter end. Although this indicator shows much improvement, Wolverhampton is behind the most recently published data for statistical neighbours, West Midlands, and the national average. Work continues with health colleagues to continue the upwards trend in performance to ensure progress against comparator averages.
- 3.31 The percentage of adults with learning disabilities in paid employment has experienced a slight drop in performance to 5.1% from 5.4%, it does however compare favourably to the most recently published data for the West Midlands and national average. A new In House Supported Employment Team has been established and will be launched Autumn 2022 to start to improve performance in this area.
- 3.32 Wolverhampton Adult Social Care adopt a strengths-based approach to social work, supporting young people and adults to be as in control of their own lives as much as possible. This was advocated by 81.6% of residents in the most recent Adults Social Care Survey, an improvement on the previous survey.
- 3.33 A focus of Adult Social Care is ensuring people access the right support at the right time to keep or regain their independence. People are always asked about what is important to them to make them feel safe and secure. This is reflected during the most recent survey where the indicator demonstrated strong performance at 88.3%, reporting improvements since the last survey.
- 3.34 The risk associated with our responsibilities for Safeguarding Adults can be found in risk 3 of the Strategic Risk Register in Appendix 3.
- 3.35 During the budget setting process for 2022-2023, significant cost pressures were forecast for Adult Social Care and, as a result, growth totalling £9.2 million was approved. Appendix 2 provides detail of current forecasts which indicate that, overall, the service is managing costs within the increased budget available. However, specific cost pressures are being reported across Learning Disability and Physical Disability Care Purchasing, which is currently forecast to be offset from efficiencies from across other services.
- 3.36 There continues to be uncertainty of the forecast position of Adult Services in 2022-2023 and over the medium term, as the service adjusts to the post-covid environment and also the recent increases in inflation. The redesign of Adult services has commenced and with the aim of addressing any longer term under or overspend relating to staffing, as well as stabilising the care market.

- 3.37 In December 2021, the Government presented the People at the Heart of Care – Adult Social Care Reform White Paper to Parliament. The paper sets out the 10-year vision for how care will be transformed in England.
- 3.38 Wolverhampton has agreed to be a ‘trailblazer’ authority and implement the changes from January 2023. The reform includes two key changes to charging arrangements.
- Extended mean test - From October 2023 (January 2023 for trailblazers) the Government propose to extend the means test for accessing local authority funded support. The lower capital limited, the threshold below which a person does not contribute towards their care costs from their capital will change
 - Care Cap – From October 2023 (January 2023 for trailblazers), the Government plans to introduce a new £86,000 cap on the amount a person in England will contribute towards their care costs over their lifetime
- 3.39 The Governments proposal also includes a further two elements aimed at levelling out the financial distribution of care costs. This is on the principle that local authorities can use their position as large purchasers of adult social care to obtain lower fee rates from care provides, which is less than the actual cost of care. The Government, through the proposals aim to reduce the current disparity through two key components:
- Section 18(3) - The provision in the Care Act 2014 which allows self-funders to ask the local authority to commission care on their behalf
 - Faire Cost of Care – To support the implementation of the wider reforms, local authorities need to prepare their markets and build upon their existing market sustainability plans.
- 3.40 The Council is currently undertaking a fair cost of care exercise, as prescribed by the Government, with the resulting report to be submitted to Government and published in some form for the local market. The stated aim of this exercise is to ensure local authorities are paying a ‘fair’ cost of care and also to ensure the market is compensated for the changes that charging reform will bring. The guidance states the Council needs to move ‘significantly’ towards paying the fair cost of care over the next 3 years.
- 3.41 Work is going to forecast the potential cost of these reforms, however, local authorities are concerned that the proposed level of funding will not be sufficient to cover the associated costs.
- 3.42 Risks 5 and 18 of the Strategic Risk Register recognise the pressures in our provider market, details can be found in Appendix 3. In addition, the risk of grant funding not being sufficient to cover the costs of the reform is flagged as a risk in the General Fund Budget Risk 2022-2023 at Appendix 4 and will be incorporated into the Strategic Risk Register in September for consideration by Audit and Risk Committee.

Healthy, Inclusive Communities

- 3.43 Much of the data captured for the Healthy, Inclusive Communities indicators date back to 2020. During the pandemic, Public Health England were understandably unable to produce updates non-Covid related health indicators. This means although these are key priorities for the authority with many interventions in place, we are currently unable to fully reflect their effect against the national landscape. As it remains unclear when the national data will be available for release and comparison, measures are being introduced so that this data can be collected at a local level that shows the impact of interventions.
- 3.44 It is also important to note that the indicators within the section require a whole City approach to ensure positive outcomes. As city level indicators, we understand that the Council can influence improved performance but is not fully able or responsible to do so without the work and support of wider partners and stakeholders.
- 3.45 The Council has continued to work with partners to support the roll out of the Covid-19 vaccination. At quarter end 73.4% of the adult population of Wolverhampton were vaccinated, a plateauing of the figure. Further to this, almost 94% of our residents aged 80 or above, 89% of our most clinically vulnerable residents and 96% of our care home residents are vaccinated ensuring protection to those most vulnerable.
- 3.46 Infant mortality data shows a slight positive trend with numbers improving and the distance to the statistical neighbors decreasing. Work continues to prioritise the first 1001 days (conception to age 2) with strategic oversight provided by the Children and Families Together Board, as part of the development an integrated best start for life offer with family hubs to support healthy pregnancies.
- 3.47 The indicator for deaths due to coronary heart disease has shown no significant change in the trend in Wolverhampton. However, the national data shows the average for England has improved meaning that distance between Wolverhampton and the national average has increased. Coronary heart disease remains a priority of the Core20PLUS6, an approach adopted by the Integrated Care Board to reduce health inequalities.
- 3.48 The latest available trend data (KIV 2020) showed Wolverhampton's specific alcohol mortality data deteriorating between the last two years of reporting, moving further away from the national average and the average of the city's significant neighbors. The indicator is prioritised as a local response to the 'From Harm to Hope Strategy' which will be overseen by the multi-agency stakeholder drug and alcohol strategic partnership, supported by significant national investment.
- 3.49 Wolverhampton has seen an improvement in the proportion of physically inactive adults. A whole system approach through the Health and Wellbeing Together Board with a sport and physical inactivity strategy is currently under development with a proposed launch date of January 2023.

- 3.50 The data for the over 40 health check works on a rolling 5-year average. A slow uptake in the City at the start of the first year is lowering the 5-year average value to just below a quarter (24.6%) of over 40 year olds attending for the offered health check. In forthcoming quarters, the Wolverhampton uptake will show a significant improvement as the early years take up will no longer be included in the calculation. Increasing NHS health check activity to return to pre-pandemic, top quartile levels is an ambition of the One Wolverhampton Living Well Group. The latest quarterly activity demonstrates positive progress, with current uptake above the England average.
- 3.51 Regarding the financial performance, current forecasts indicate that Public Health and Wellbeing is forecasting a net overspend of £990,000. £270,000 of this pressure relates to inflationary pressures on the leisure PFI contract in relation to utility costs. £681,000 is due to costs associated with temporary housing accommodation which will be considered in paragraph 3.55.
- 3.52 Further financial analysis can be found in Appendix 2.

Good home and well-connected neighbourhoods

- 3.53 At the end of June 2022 there had been 530 new builds completed within the city, a reduction on the previous period. It is anticipated that the number of new build completions will fluctuate across the period due to the nature of the construction sector, as there will be times when large new build projects are in development and will not contribute to each quarter's data. The service remains on target to achieve the three year completion rate and are currently in the process of developing a solution to track their progress against the longer plan, rather than reporting the variations across the period.
- 3.54 Net additional dwellings within the city have also reported a reduction to 614 when compared to 818 during the previous period, linked to an increase in the number of Right to Buy applications reducing the council stock and some small-scale demolitions.
- 3.55 The indicator for housing affordability uses data on house prices and annual earnings to understand the affordability ratios for different areas. The higher the ratio, the less affordable the house prices were when compared to the earnings of residents. At the end of Q1 Wolverhampton's ratio increased from 5.7 to 6.2 indicating that housing has become less affordable. This trend is likely to be seen in many local authorities across the country as house prices are increasing faster than salaries are. Wolverhampton is currently ranked 276th for this indicator, showing that comparatively housing is more affordable in the city.
- 3.56 Wolverhampton's percentage of dwelling stock vacant in the city remain consistent at 3.1%. between 2020 and 2021. It is slightly higher than the statistical neighbour average with Wolverhampton recording more vacant dwellings than the average for other statistical neighbours. Work continues to reduce the void turnaround time and the number of long-term empty privately owned properties.

- 3.57 The indicator for the energy efficiency of housing stock shows an increase of ten when compared to the previous year. The score for this indicator is generated based on data about a building's energy features, with 100 being the most efficient. Wolverhampton is currently at a rate of 65, lower than statistical neighbours. Continuing the same trajectory will see Wolverhampton reach the next quartile rate of 69. The energy performance of privately homes may have affected this increase as homeowners don't always have the means to fully maintain their homes, therefore affecting the energy performance of the property. The Council has secured funding from the department for Business, Energy and Industrial Strategy to support fuel poverty households with retrofit measures to increase the energy performance of the property.
- 3.58 The percentage of planning application decisions made within 13 weeks or agreed timescales has decreased from 92.1% to 82.4%. All major applications for this quarter had a decision within the 13 week timescale or had an extension of time agreed. This decrease in performance is linked to the increased volume of applications caused by the backlog created by the pandemic, which is reflected nationally.
- 3.59 Wolverhampton's total crime recorded per 1,000 population increased from 127 to 132 over the past year, ranking Wolverhampton higher than its statistical neighbours. The focus remains on reducing crime types with the highest risk and impact, with the figures adversely affected by volume crime which has increased across the West Midlands following the easing of Covid restrictions.
- 3.60 Current performance for the percentage of fly tipping incidents resolved in five working days has increased by 2% to 76%. A joint project group with environmental health and public health based officers has been created to explore additional ways to reduce the levels of fly tipping across the City, whilst continuing to respond to reports from residents. For those streets and locations where, fly tipping is most prevalent, the promotion of the new walk in household waste and recycling centres and the bulky waste collections as an alternative to fly tipping continues. The development of more reactive CCTV placement is currently underway as part of the SMART city agenda.
- 3.61 When a carriageway is assessed as high quality it is given a green rating with the percentage of carriageways in the city assessed as high quality improving across all road types with the largest increase of 5% for C Roads. A and B roads increased by 1%.
- 3.62 Regarding financial performance, City Housing and Environment overall are projecting a net underspend of £276,000. This is mainly as a result of forecast underspends within Waste Services as a result of increased income, reduced costs of waste disposal, along with a reduction in costs within Street Lighting. This is offset in part by forecast cost pressures within Environmental Services, Fleet Services and Transportation.
- 3.63 During the last financial year the council saw budget pressures in relation to temporary and supported accommodation. Wolverhampton Homes have seen a large increase in the number of homeless people being placed in temporary accommodation due to a number of factors including an increase in the cost of living, increase in people being

evicted from the private sector and increased numbers of families being asked to leave due to relationship breakdowns. An action plan is being developed that looks at increasing the amount of local authority stock utilised as temporary accommodation, increased preventative work and increased access to the private sector which will assist in mitigating the increase in cost of households in temporary accommodation. The impact was specifically felt in relation to net Housing Benefit costs which are held under the Finance Directorate. £750,000 growth was built into the Corporate Contingency in anticipation of ongoing pressures in this area. These pressures are being seen again this year and therefore it is proposed that a virement is actioned to move the contingency budget into Finance. In addition to Housing Benefit costs, we are also seeing a cost pressure in temporary housing budgets (held under Public Health and Well Being) of £681,000. Further financial analysis is included in Appendix 2.

- 3.64 The Housing Revenue Account (HRA) is forecasting a pressure against the approved budget of £354,000, this result in a forecast redemption of debt.
- 3.65 As detailed in section 6, there are remains considerable uncertainty around inflationary pressures and the proposed pay award for 2022-2023 on the HRA. As well as the impact on our direct costs within the HRA, we recognise the pressures that will be felt by Wolverhampton Homes and our Tennant Management Organisations. Work is ongoing to understand the implications of these pressures on their management fee which is funded from the HRA. Further detail is included in section 6 and Appendix 5.

More local people into good jobs and training

- 3.66 Historically Wolverhampton has had higher unemployment claimant count rates than the national average, which have been exacerbated by the pandemic and subsequent period. A whole city approach is needed to improve outcomes for our residents and the Council has played a leading role in bringing together key stakeholders in this area. As city level indicators, we understand that the Council can influence improved performance but is not fully able to do so without the work and support of these partners.
- 3.67 Since March 2021, Wolverhampton has seen a 3.20% reduction in the number of people claiming unemployment benefits (16-64). However, at quarter end Wolverhampton had the 2nd highest rate for overall unemployment.
- 3.68 The Wolves at Work team, and its partners are working hard to support residents into sustainable employment. DWP's Restart Scheme is the largest welfare to work programme in a generation with around 2,500 city jobseekers currently participating, with over 450 already having found work. To ensure an easy pathway for residents seeking support, the Council's is opening a new city centre site, where our skills and employment team will co-locate with other partners like the DWP and Princes Trust.
- 3.69 Wolverhampton has the highest Claimant Count rate for 18-24 year olds nationally. The number of 18-24 year olds claiming unemployment related benefits has reduced over the last 12 months, although the Claimant Count rate in Wolverhampton has consistently

been considerably higher than both the national, regional and statistical nearest neighbour averages.

- 3.70 The City Council is spearheading Wolves at Work 18 to 24, a citywide programme focused specifically on youth employment. A city taskforce has been established, comprising council leaders, city employers, and representatives from the education sector and voluntary and community sectors. A dedicated team has been created to engage, communicate and listen to young people to understand the barriers they face in finding work, and to implement activities to break down those barriers permanently. The city council is supporting the initiative with £3 million of funding.
- 3.71 Through Wolves at Work 18-24, the City Ideas fund was created, whereby local residents and organisations were able to bid for small grants to enable them to implement new and innovative projects to help young people find work. To date, £212,277 has been spent through this scheme with many jobs and opportunities already created for young people in the city. There has also been 122 jobs have been created or safeguarded in the City through the Investment Team in the quarter.
- 3.72 In the initial release of the Our City: Our Plan performance framework, it was stated that we work track 18-24 year olds who were supported into sustained work by Wolves at Work. However, with the continued development of the programme it is now recognised that this indicator does not cover all impacts of the work being delivered. Work is ongoing to develop a robust performance framework that clearly shows the impact of this important work, with a more appropriate indicator to be published in the next cabinet report.
- 3.73 The Strategic Risk Register details the risk of high unemployment in the City and the work in place to mitigate this, Risk 9 can be found in Appendix 3
- 3.74 The Council pledged to recruit 50 apprentices throughout 2021-2022, to support young people in starting their careers. To date 58 new apprentices and graduates have started with the authority in the last 12 months.
- 3.75 The Council wants to ensure that all staff have access to ongoing training and development through the apprentice levy. Last year the Council were able to spend 84% of its levy an increase from 68% during the previous period. The apprenticeship levy can only be spent on qualifications and not employment, funding the continuous development and the upskilling of staff. The Council has also run many dedicated programmes to aid the progression of minority groups within the local authority.
- 3.76 Regarding financial performance, the Regeneration Directorate, which includes the Skills service, is projecting a net overspend of £46,000. Further analysis is shown at Appendix 2.

Thriving Economy in all part of the City

- 3.77 Post-pandemic, it is more important than ever to deliver against our ambitious plans to transform and reimagine our city, conscious of the changes in how we work, live, travel and spend our leisure time. We continue to deliver our plans to be an events city building on our strong cultural offer and drive investment into our communities, particularly focussed on our council's climate change commitment to be next carbon neutral by 2028.
- 3.78 Latest published data shows that Wolverhampton is in the second highest quartile of performance for businesses that survive over one year. Latest data shows that over 91% of businesses in Wolverhampton survive over one year and Wolverhampton is very close to being in the highest quartile of performance. Comparative data does, however, relate back to data collated pre Covid in 2019, though, a recent study by the School of Marketing named Wolverhampton as one of the top three places in the country to launch a new business.
- 3.79 The city has continued to see high numbers of new business start up in the city and the council's support for this includes the launch of Ignite, a free to use business and enterprise hub, and a commission with Access 2 Business who support people some of whom have previously been unemployed and struggling to find a route to start their businesses.
- 3.80 In the last quarter the Council supported 157 businesses through a combination of business support, tailored programmes and business reviews, remaining comparable to performance during the previous quarter. Current business support is undergoing significant transformation as EU funded programmes come to a close. The council is working with key partners and stakeholders including the WMCA to establish a new business support programme, which will meet the needs of the businesses in the city.
- 3.81 Risks 1 and 8 of the Strategic Risk Register in Appendix 3 identify the specific risks associated with businesses closing and the city wide regeneration.
- 3.82 Throughout the quarter, 11 new investment opportunities were generated. Successes include Wintech Façade Engineering, a local company in the sustainable construction sector, who are creating 70 new jobs and are looking to assist with the nation's net zero building transformation requirement. One of the council's key strategic businesses, Fablink, is also expanding with plans for a new facility at i54 Business Park. Other enquiries received include one from another off-site construction company, building on the city's growing reputation as a leader in sustainable construction. This enquiry resulted from attendance at the UKREIIF event in Leeds in May where a total of 234 new contacts were made with a number of leads being followed up.
- 3.83 At the end of Quarter 1 2022-2023 the percentage of dwelling stock in the city was at 3.10%, consistent with the previous quarter.

- 3.84 The percentage change in activity in city retail and recreational setting shows activity below the baseline, there has however been a large increase in activity seen in the quarter from -40% to -9%.
- 3.85 An additional 16 rapid charging electric car points have been installed across the City during Quarter 1 increasing the number to 43. Further to this there has been the introduction of four 150kw rapid charge points offering higher levels of charge. Plans are also being finalised to procure an operator to deliver 80 charge points to cover the infrastructure requirements up to 2025 as defined in the Black Country Ultra Low Emission Vehicle Strategy.
- 3.86 Wolverhampton's full fibre coverage has increased significantly since last year from 6% to 18% following a series of initiatives such as Local Full Fibre Network, barrier busting activity and initiatives such as block wayleaves to support the rollout on housing estates. This indicates positive performance, however compared to other local authorities it is still low. The deployment of a new full fibre network (to be completed by 2025) and upgrades to existing networks to full fibre by other infrastructure providers is rapidly improving performance and puts the city on track to significantly improve its quartile position. . Gigabit coverage in the city is now at 93%.
- 3.87 Regarding financial performance, as mentioned above, the Regeneration Directorate which includes Enterprise, is projecting a net overspend of £46,000. Further analysis is shown at Appendix 2.

Our Council

- 3.88 To deliver against our key city priorities, the Council continues to become more efficient and effective through ongoing improvements in relation to assets, use of data, technology and digital, our people and money.
- 3.89 There has been a 1.04% reduction in sickness absence (excluding Covid) during between Quarter 4 2021-2022 and Quarter 1 2022-2023, with mental health and musculoskeletal issues recording the highest issues. Preventative support is offered through a wide range of methods such as practical, emotional and mental wellbeing support, including financial wellbeing via our employee assistance programme, confidential counselling, and access to our 60 Mental Health First Aid practitioners. Other training and support includes manual handling, Toolbox talks, Workstation and Homeworking risk assessments supported with reasonable adjustments to working arrangements and the provision of specialist equipment. Access to Occupational Health practitioners and Physiotherapists is available quickly and health benefits such as subsidised gym membership and cycle to work schemes are also promoted
- 3.90 The Employee Turnover rate for 2022-23 Quarter 1 was 2.47%, an increase of 0.20 percentage points when compared to the previous quarter. Published data available for other local authorities across England shows that the turnover rate for Wolverhampton in 2021-2022 Quarter 4 was lower than the national average. The service continues to take

proactive measures to address the national issues associated with recruitment and retention with the creation of a HR jobs site that showcases the careers, rewards, benefits, people offer and culture of the council, engaging with the workforce to review the our people offer including different ways of working, continuously reviewing the health and wellbeing offer and continuing to embed a culture of fairness and inclusivity.

- 3.91 The Mean Gender Pay Gap for Council Employees as of March 2021 decreased by 0.20 percentage points from the previous year. The largest pay gap occurred within the upper pay quartile with a negative pay gap shown in the lower middle pay quartile. The Gender pay gap for March 2021 remains below that of some other local authorities in the region.
- 3.92 The Mean Ethnicity Pay Gap for Council Employees as of March 2021 decreased by 0.42 percentage points from the previous year, with employees from ethnic minority groups earning on average 76p less per hour than white employees. The pay gap between employees from ethnic minority groups and white employees continues to be more prominent for female employees than for male employees. There is no direct comparison to other local authorities at this time as there is currently no statutory requirement to publish this.
- 3.93 Equality, Diversity and Inclusion is at the heart of everything the council does. HR monitor workforce equalities across all areas of employment on a continuous basis and will continue to work in partnership with the Equality, Diversity and Inclusion team, the appointed equalities officer, and in consultation with our people and the employee forum for Race, Religion and Belief to develop future actions to address inequalities.
- 3.94 The average customer services wait time increased by 26 seconds between Quarter 4 2021-2022 and Quarter 1 2022-2023. During this period Customer Services reopened face to face services, including surgeries for Schools and Blue Badges. Coinciding with the reopening of face to face services, customer services were faced with significant challenges to telephony performance, including increased customer contact due to initiatives such as Council Tax rebate schemes and wider cost of living crisis. Despite the challenges the call and email response rate remained high. A new customer services strategy is in development to support further improvement and will include pre-decision scrutiny.
- 3.95 The Council is due to launch its own ongoing survey based upon the regional LGA Resident Satisfaction Polling so that the satisfaction of residents can be assessed and analysed against regional and national averages.
- 3.96 In line with our commitment to the Wolverhampton Pound, the number of local businesses the council spent with increased to 463 Wolverhampton based companies from 451 between Quarter 4 2021-2022 and Quarter 1 2022-2023.

4.0 Quarter One 2022-2023 Budget Performance

- 4.1 On 2 March 2022, the Council approved the net budget requirement for 2022-2023 of £267.2 million for General Fund services.
- 4.2 Overall, the General Fund projected outturn for this year is currently forecasting an overspend of £5.4 million, mainly due to the forecast in-year cost implication of the potential pay award.

Pay Award

- 4.3 At the time of writing negotiations are still ongoing in respect of the 2022-2023 pay award. The current proposal, if accepted, is forecast to cost in the region of £9.0 million in year. The approved budget for 2022-2023 includes a provision of 2% amounting to £2.8 million, we therefore have an in year forecast pressure of £6.1 million. It should be noted that, if this proposal is rejected the costs could be much higher putting further pressure on the budget in year and over the medium term.
- 4.4 In order to manage our costs within the approved budget the Council will continue to work to identify in-year efficiencies in order to mitigate the pay award costs. Our work will focus on a number of specific themes. Firstly, we will be looking to identify further targeted in year underspends from across the council.
- 4.5 Secondly, we will review budgets held corporately to support new initiatives aligned to corporate priorities, this would likely result in activity being delayed or reduced.
- 4.6 We will also review corporate contingencies and assess the risk of reducing these. As a last resort we will consider the use of reserves.

Inflation

- 4.7 In addition, inflation in the UK is at the highest it has been for four decades, which means the country is facing an increase in the cost of living, with food, petrol and energy bills all increasing. Current projections are forecasting cost pressures of around £1.7 million in 2022-2023, these have been reflected in this forecast outturn position. However, it is not yet known what the full extent this will have on direct costs of the Council and the impact this will have on our contracts, as well as our residents and businesses.
- 4.8 We are tracking the impact of inflation carefully, gathering information from a number of sources to build up an accurate picture however we recognise that the impact will continue to emerge throughout the year.
- 4.9 The current forecast includes projected inflationary costs where they are known, and these are detailed in Appendix 2. This will continue to be monitored and updates will be provided in future reports. Inflation is a significant risk and as such is included in the Strategic Risk Register at Appendix 3.

- 4.10 The 2022-2023 approved budget also incorporates a number of approved budget reduction and income generation targets. Recurrent savings targets total £4.6 million, progress against these targets, where appropriate is detailed in Appendix 2.
- 4.11 Table 1 below summarises the projected outturn position for 2022-2023. Further detail on the most significant variances against the budget are reported on a service-by-service basis in Appendix 2.

Table 1 – 2022-2023 General Fund Revenue Budget Projected Outturn

	Net Controllable Budget 2022-2022	Projected Outturn 2022-2023	Projected Variation	
			Over/(Under)	
	£000	£000	£000	%
Adult Services	81,179	81,152	(27)	(0.03%)
Children's Services and Education	52,259	51,040	(1,219)	(2.33%)
Public Health and Wellbeing	5,428	6,418	990	18.24%
City Housing and Environment	30,507	30,231	(276)	(0.90%)
City Assets	10,671	10,618	(53)	(0.50%)
Regeneration	3,064	3,110	46	1.50%
Finance	15,648	15,729	81	0.52%
Governance	12,477	12,477	-	-
Strategy	11,772	11,430	(342)	(2.91%)
Communications and Visitor Experience	2,408	2,518	110	4.57%
Corporate Budgets	41,746	41,723	(23)	(0.06%)
Net forecast impact of pay award		6,120	6,120	-
Net Budget Requirement	267,159	272,566	5,407	2.02%
Council Tax (including Adult Social Care Precept)	(118,072)	(118,072)	-	-
Enterprise Zone Business Rates	(1,422)	(1,422)	-	-
Top Up Grant	(27,399)	(27,399)	-	-
Business Rates (net of WMCA growth payment and Collection Fund deficit)	(64,000)	(64,000)	-	-
New Homes Bonus	(1,632)	(1,632)	-	-
Section 31 Grant - Business Rates Support	(21,170)	(21,170)	-	-
Collection Fund (Surplus)/Deficit	1,781	1,781	-	-
Services Grant	(5,492)	(5,492)	-	-
Social Care Grants	(16,305)	(16,305)	-	-
Improved Better Care Fund	(14,761)	(14,761)	-	-
Lower Tier Funding	(487)	(487)	-	-
Contribution to / from reserves	1,800	1,800	-	-
Total Resources	(267,159)	(267,159)	-	-
Net Budget (Surplus) / Deficit	-	5,407	5,407	2.02%

5.0 Risk Management

- 5.1 The Council is no different to any other organisation and will always face risks in achieving its objectives and priorities. Sound risk management can be seen as the clear identification and management of such risks to an acceptable level.
- 5.2 The Strategic Risk Register is reviewed in conjunction with risk owners, reviewed by SEB and presented to the Audit and Risk Committee on a regular basis. The Strategic Risk Register was presented to Audit and Risk Committee on 25 July 2022 and is showed at Appendix 3. A further update will be presented to Audit and Risk Committee in September.
- 5.3 In addition to the Medium Term Financial Strategy being incorporated in the Strategy Risk Register, there is also a separate General Fund budget risk register. The overall level of risk associated with the budget 2022-2023 is assessed as Amber. As detailed in section 4 it is forecast that the Council is currently forecasting an overspend for 2022-2023, mainly due to the proposed pay award which is currently out for consultation. The Council will continue to work to identify in-year efficiencies in order to mitigation against this overspend and provide updates in future reports.
- 5.4 Inflation and the increasing cost of living could are considered to be a significant risk, not only the direct costs of the council but on our businesses and residents. This will continue to be monitored and updates provided in future reports. Inflation is incorporated in the Strategic Risk Register and the General Fund budget risk register.

6.0 Housing Revenue Budget Monitoring

- 6.1 Table 2 shows the latest forecast revenue outturn against budget for the Housing Revenue Account (HRA). The forecast outturn position for the year shows a pressure against the approved budget of £354,000. This will result in a forecast redemption of debt.

Table 2 – Housing Revenue Account Projected Outturn 2022-2023

	Budget	Projected Outturn	Projected Variation
	£000	£000	£000
Total income	(99,833)	(99,495)	338
Total expenditure	72,219	72,235	16
Net cost of HRA services	(27,614)	(27,005)	354
Interest payments etc.	10,233	10,233	-
Contribution to capital financing	2,990	2,990	-
(Surplus)/deficit before transfers to/from reserves and provision for redemption of debt	(14,391)	(14,037)	354
<i>Allocation of (surplus)/deficit</i>	14,391	14,037	(354)
Provision for redemption of debt			
Balance for the year	-	-	-

- 6.2 Income from rents and service charges is forecast to be £338,000 lower than budgeted. When setting the budget, assumptions were made about the loss of income due to empty properties, this level of loss is currently higher than anticipated. Empty properties include properties which are being held for demolition for estate regeneration projects. The impact of these void properties on forecast income levels will be kept under review and updates will be provided in future reports.
- 6.3 Expenditure on repairs and maintenance is currently forecast to be £138,000 higher than the budget, this is as a result of the cost of section 11 legal claims – these are compensation claims made by tenants for repairs not carried out. Offsetting these pressures is a reduction in the forecast in year provision for bad debt of £200,000 based on the current levels of arrears. The assumptions underpinning the budget were prudent, due to the continued roll out of universal credit and the current economic conditions
- 6.4 As detailed in section 4 there remains considerable uncertainty around the cost of inflation and the impact of the proposed pay award for 2022-2023. As well as the impact on our direct costs within the HRA, we recognise the pressures that will be felt by Wolverhampton Homes and our Tennant Management Organisations and we will be working with them to consider the implications for their management fees which are funded through the HRA. The forecast cost pressures will continue to be monitored and updates provided in future reports.
- 6.5 Further detail is shown in Appendix 5

7.0 Changes to Grant Funded Expenditure

- 7.1 It is not always possible to reflect all grant funded or externally funded expenditure in the budget approved by Full Council prior to the start of the financial year. This is due to the late notification from grant awarding bodies of grant amounts, use of historic grants and proactive grant applications during the year and confirmation of other external funding.
- 7.2 Approval is sought from Cabinet to establish supplementary budgets within the 2022-2023 approved budget as set out in the table below, and in accordance with the funding terms and conditions. This will have no effect on the Council's net revenue budgets as the expenditure is fully funded from the grant / external income.

Table 3 – Supplementary budget approvals sought from Cabinet

Grant Name / Funding source	Description of the Activities this grant will fund	Awarding Body	Expenditure 2022-2023 £000
Homelessness / Rough Sleeping Care Leavers Support Grant	Grant funding to support Care leavers	Department of Education	48
Social Worker in Schools Programme	Grant funding to support social workers within schools	What works for Children's Social Care	322
Re-Imagine	Grant funding to support the Making Space project which will reimagine an exhibition space in Wolverhampton Art Gallery to be a new space for collaboration, creativity, cohesion and community	Arts Fund	40
National Cyber Security Programme	Grant funding for cyber security skills uplift	Improvement and Development Agency	5
Covid-19 Regional Recovery and building Back Better Fund	Grant funding to implement an Office of Immigration Services Commissioner (OISC) level 3 regional advisor - Commissioning an external service	West Midlands Association of Director Childrens Services Network-Solihull	50
Strategic Migration Partnership	Grant funding for West Midlands Strategic Migration Partnership Service	Department of Levelling Up, Housing & Communities	10

Grant Name / Funding source	Description of the Activities this grant will fund	Awarding Body	Expenditure 2022-2023 £000
Strategic Migration Partnership	Grant funding to support a Strategic Migration Partnership in the West Midlands	Home Office	327
Hong Kong BN (O) 'Welcome Hub' Grant	Grant funding to support the varied needs of Hong Kong BN(O) status holders, their families and the wider community	Department of Levelling Up, Housing & Communities	240
Controlling Migration Fund	Grant funding to support the migration service in the West Midlands	Department of Levelling Up, Housing & Communities	82
Income from licencing fees	Creation of an apprenticeship post funded from licencing income to support the financial monitoring	N/A	25
Safe Streets Fund*	Grant funding to address issues of anti-social behaviour, violence against women and girls, and neighbourhood crime.	Home Office	366
Implementation Support Funding Grant	Grant funding to support the implementation of the Adult Social Care charging reform	Department of Health and Social Care	98
Early Assessment Funding	Grant funding to support the early assessment related to the Adult Social Care reform	Department of Health and Social Care	227
External income from legal services	An increase in external income to support the creation of an additional solicitor	N/A	68
Drugs and Alcohol Treatment Grant	Grant funding to support drug and alcohol treatment services	Department of Health and Social Care	81

*A report is on the agenda for Cabinet (Resources) Panel for 7 September 2022 requesting supplementary budget approval.

8.0 Reserves

- 8.1 Reserves play a vital role in the financial sustainability of the Council. The Council's General Fund Balance stands at £13.7 million. This represents approximately 5% of the net budget for 2022-2023 and is in line with recommended good practice.
- 8.2 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 2021-2022 these earmarked reserves were £55.9 million. In addition, 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.

Transfers to / from Earmarked Reserves

- 8.3 Approval is sought for a number of transfers to/from earmarked reserves, as set out in the following paragraphs and the establishment of associated supplementary budgets in 2022-2023.

Schools Art Service Reserve

- 8.4 Approval is sought from this meeting for the use of £6,089 from the Schools Art Service Reserve and the establishment of associated supplementary budgets, to support cultural learning within schools, delivering arts projects regarding climate change and developing the digital offer to schools.

Budget Contingency Reserve

- 8.5 Approval is sought from this meeting for the use of £128,000 from the Budget Contingency Reserve and the establishment of associated supplementary budgets to fund dilapidations costs following the end of the lease on the Slade Rooms.
- 8.6 Approval is sought from this meeting for the use of £44,000 from the Budget Contingency Reserve and the establishment of associated supplementary budgets to fund feasibility work associated with the improvements at East Park.
- 8.7 Approval is sought from this meeting to the use of £983,000 from the Budget Contingency Reserve and the establishment of associated supplementary budgets to fund the 'true up' payment due to the Pension Fund following the reconciliation of pre-payments for 2021-2022.

Budget Efficiency Reserve

- 8.8 Approval is sought from this meeting for the use of £120,000 from the Budget Efficiency Reserve and the establishment of associated supplementary budgets to fund one-off additional resources within the Banking, Payments Payroll to support development work.

Regional Adoption Reserve

- 8.9 Approval is sought from this meeting for the use of £100,000 from the Regional Adoption Agency Reserve and the establishment of associated supplementary budget to support the Regional Adoption Agency.

Transformation Reserve

- 8.10 Approval is sought from this meeting for the use of £200,000 from the Transformation Reserve and the establishment of associated supplementary budgets to support the transformation of HR to deliver on additional HR responsibilities to meet organisation needs.

8.11 Regeneration Reserve

Approval is sought from this meeting for the use of £721,000 from the Regeneration Reserve and the establishment of associated budgets as detailed in the table below:

Purpose	Amount £000
Additional funding is sought for professional consultancy fees to support regeneration projects across the City, including legal, specialist contracting advice and risk reporting and monitoring. As well as funding to support costs associated with required project due diligence, such as feasibility studies; initial design and costings, this work supports project development and bringing forward appropriate business cases. This additional approval of £675,000 will take the overall approval for this work to £1.0 million	675
Additional funding to support the commercial understanding of key sites and / or developer proposals as well as preparing collateral for commercial property. This additional approval will take the overall approval to £100,000	46
Total	721

9.0 Corporate Contingency

- 9.1 The 2022-2023 Budget and Medium Term Financial Strategy 2022-2023 to 2025-2026 report to Cabinet on 22 February 2022, included budget held corporately to fund council priorities and growth. In order that decisions can be made in a timely manner, approval is recommended in this report to delegate authority to the Cabinet Member for Resources and Digital and the responsible Cabinet Member of the relevant service area in question, in consultation with the Director of Finance and the relevant Director to allocate budgets from the Corporate Contingency to support Council Priorities and Growth, once business cases have been completed.

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.
- 10.2 This report seeks approval to a number of debt write offs in relation to Council Tax. The details of these write-offs are provided in Appendix 7.

11.0 Evaluation of alternative options

- 11.1 In accordance with the Council's financial procedures rules, all virements in excess of £50,000, or those that result in a transfer between employees and other controllable expenditure headings, require the approval of Cabinet. Contributions to and from reserves and the creation of supplementary budgets also require Cabinet approval. The write-offs, virements, use of reserves and creation of supplementary budgets detailed in this report which seek the approval of Cabinet are all considered prudent in the opinion of the Director of Finance.

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

13.0 Financial implications

- 13.1 The financial implications are discussed in the body of the report.
[EM/30082022/H]

14.0 Legal implications

- 14.1 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.
[SZ/30082022/P]

15.0 Equalities implications

- 15.1 The method by which the Budget is developed is governed by Our City, Our Plan priorities, which itself is guided by consultation and equality analysis. The development of various budget proposals includes an initial equalities screening for each proposal and, where necessary, a full equalities analysis which will provide for an initial understanding of the equality impact of the draft proposals. All of this will enable Councillors to pay, “due regard” to the equalities impact of their budget decisions at that point in the budget development process. The resulting and final report to Cabinet and Council will contain a supporting equality analysis that will offer information across the whole range of proposals and in doing so will enable Councillors to discharge their duty under Section 49 of the Equality Act 2010.
- 15.2 Fairness and inclusion is a key cross cutting theme within Our City, Our Plan. As part of performance reporting, there is ongoing work to ensure that where possible data is collected and able to be analysed by protected characteristic, to ensure that the Council is meeting its responsibilities and commitments in relation to equality and diversity.

16.0 All other implications

- 16.1 There are no other implications.

17.0 Schedule of background papers

- 17.1 [Relighting Our City: City of Wolverhampton Council Recovery Commitment](#), report to Full Council on 16 September 2020
- 17.2 [Relighting Our City Recovery Commitment Refresh](#), report to Cabinet on 17 March 2021
- 17.3 [2021-2022 Budget and Medium Term Financial Strategy 2022-2023 to 2025-2026](#), report to Cabinet on 23 February 2022 and Full Council on 2 March 2022
- 17.4 [Our City Our Plan](#), report to Cabinet on 23 March 2022 and Full Council on 2 March 2022
- 17.5 [Draft Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026](#), report to Cabinet on 27 July 2022

18.0 Appendices

- 18.1 Appendix 1 - Performance Update

- 18.2 Appendix 2 - Budget Monitoring
- 18.3 Appendix 3 – Strategic Risk Register
- 18.4 Appendix 4 - General Fund Budget Risks 2022-2023
- 18.5 Appendix 5 - Housing Revenue Account
- 18.6 Appendix 6 - School Balances
- 18.7 Appendix 7 - Debt Write Offs
- 18.8 Appendix 8 – Council Tax Write offs
- 18.9 Appendix 9 – General Fund Budget Virements

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Q1 2022 PERFORMANCE DATA

● = Increase performance

Strong families where children achieve their full potential

Indicator	Source	Lowest Performance Rate by English Authority	Highest Performance Rate by English Authority	Statutory Neighbour Average Rate	Latest W'hampton Performance	Is Performance Improving?
Rate of children open to social care per 10,000 population under 18	LAIT	885	173.2	399.49	289.4	●
% of repeat referrals into Children's Social Care with 12 months	LAIT	35.6	10.6	22.5	20.8	●
% of children and young people in care who have had 3 or more placements in the year	LAIT	16	0	8	6	●
First time entrants into the Youth Justice System per 100,000 10-17yrs population	LAIT	348	57	173	158	●
% of care leavers in education, employment or training	LAIT	46	91	50	60	●
% of Early Years and Childcare settings rated Good or Outstanding	OFSTED	89	100	96	92	●
% of schools in the city that are rated Good or Outstanding	OFSTED	71	100	84	88	●
% of 2-year-olds benefitting from funded early education	LAIT	34	88	62.5	65	●
Average Attainment 8 score per pupil - disadvantaged pupils	LAIT	32.1	52.3	38.7	Data due Sept 2022	
Average Attainment 8 score per pupil - non disadvantaged pupils	LAIT	43.6	65.1	51.7	Data due Sept 2022	
% of Children in year 6 with excess weight	LAIT	44.5	23.1	40.1	42.5	
% of 16 and 17 year-olds in education, employment or training	LAIT	87.4	100	92.4	98.3	●
% of 16 and 17 year-olds with SEND in education, employment or training	LAIT	66	100	82.5	81	

Q1 2022 PERFORMANCE DATA

● = Increase performance

Fulfilled lives for all with quality care for those that need it

Indicator	Source	Lowest Performance Rate by English Authority	Highest Performance Rate by English Authority	Statutory Neighbour Average Rate	Latest W'hampton Performance	Is Performance Improving?
% of older people (aged 65 and older) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services	SALT	28.3	100	71.5	77	●
% of adults with learning disabilities in paid employment	SALT	0	22.3	3.6	5.1	●
% of adults in receipt of long-term services who are in control of their own lives	ASC User Survey	63	92.4	77.5	81.6	●
% of adults who use services who say social care services help them to feel safe and secure	ASC User Survey	72.6	100	87.1	88.3	●

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System Indicators

Indicator	2021/22 Performance	Current Performance
% of social care users supported to remain in their own homes	73%	71%

Q1 2022 PERFORMANCE DATA

● = Increase performance

Healthy, inclusive communities

Indicator	Source	Lowest Performance Rate by English Authority	Highest Performance Rate by English Authority	Statutory Neighbour Average Rate	Latest W'hampton Performance	Is Performance Improving?
% of adult residents in the city who have received their COVID-19 vaccination	NHS England	62.6	90.5		73.4	●
Years of life lost - Infant deaths per 1,000	PHOF	6.6	1.7	5	6.3	●
Years of life lost - Coronary heart disease mortality rates per 100,000	PHOF	1519.8	584.2	1153.2	1058.4	
Years of life lost - Alcohol specific mortality per 100,000	PHOF	29.3	5.5	19.9	29.3	
% of physically inactive adults	PHOF	33.5	9.7	29.24	28	●
% of 40-74 years attending offered health checks	PHOF	1.7	65.2	30.3	24.6	●
% Personal well-being estimates by local authority - Low Life satisfaction	PHOF	10.4	3.8		5.6	●
% Personal well-being estimates by local authority - Low Worthwhile	PHOF	8.3	4		3.7	●
% Personal well-being estimates by local authority - Low Happiness	PHOF	14.9	6.2	10.2	8.9	
% Personal well-being estimates by local authority - High Anxiety	PHOF	32.4	15.9	24.8	24.6	●

Q1 2022 PERFORMANCE DATA

● = Increase performance

Good homes in well-connected neighbourhoods

Indicator	Source	Lowest Performance Rate by English Authority	Highest Performance Rate by English Authority	Statutory Neighbour Average Rate	Latest W'hampton Performance	Is Performance Improving?
Number of new builds completed in the city	DCLG	0	2530	586	643	
Net additional dwellings in the city	DCLG	0	4024	654	614	
Housing affordability ratio	DCLG	2.7	36.5	7.6	5.2	
% of dwelling stock that is vacant in the city	LG inform	5.1%	0.7%	3%	3.10%	
Energy efficiency of housing stock	ONS	45 (Isles of Scilly)	77	66.3	65	●
Total crime recorded per 1000 population	ONS	225	25	127	132	

System Indicators

Indicator	2021/22 Performance	Current Performance
% of carriageways in city assessed as high quality	A Road 78% B Road 72% C Road 74% Unclassified 65%	A Roads 79% B Roads 73% C Roads 79% Unclassified 66%
% of planning application decisions made with 13 weeks or agreed timescales	92.1	82.4
% fly tipping incidents resolved in 5 working days	74%	76%

Q1 2022 PERFORMANCE DATA

● = Increase performance

More local people into good jobs and training

Indicator	Source	Lowest Performance Rate by English Authority	Highest Performance Rate by English Authority	Statutory Neighbour Average Rate	Latest W'hampton Performance	Is Performance Improving?
% of working age adults (16-64) claiming unemployment benefits	nomis	8.60%	1.20%	5.50%	7.50%	●
% of young adults (18-24) claiming unemployment benefits	nomis	9.40%	0.00%	6.50%	9.40%	●

System Indicators

Indicator	2021/22 Performance	Current Performance
Spend through Wolves at Work 18-24 City Ideas Fund	N/A	£212,277
Number of jobs created / safeguarded in the city through the Investment Team	N/A	122
Local Authority spend on apprenticeship levy	68%	84%
Number of apprentices and graduate placements within the council	40	58
18-24 supported by Wolves at Work who are in sustained employment after 12 weeks	More appropriate indicator to be added in Q2	

Q1 2022 PERFORMANCE DATA

● = Increase performance

Thriving economy in all parts of the city

Indicator	Source	Lowest Performance Rate by English Authority	Highest Performance Rate by English Authority	Statutory Neighbour Average Rate	Latest W'hampton Performance	Is Performance Improving?
Business that survive one year in city	ONS - Business Demography	62.50%	100.00%	89.40%	91.20%	●
% change in activity in city retail & recreational settings – Google Analytics	Google - Community Mobility Reports	148%	-49%	-9.10%	-9%	●
% of premises in the city with full fibre coverage	Ofcom - Connected Nations Update Spring 2022	1.10%	97.60%	34.30%	18%	●
% of dwelling stock that is vacant in the city	LG inform	5.1%	0.7	3%	3.10%	●

System Indicators

Indicator	2021/22 Performance	Current Performance
New of new investment opportunities generated	N/A	11
Wolverhampton based businesses supported by the Council	161	157
New businesses supported by commissioned service Access to Business	41	41
Number of rapid charging electric car points in the city	27	43

Q1 2022 PERFORMANCE DATA

Our Council

System Indicators

Indicator	Previous Performance	Current Performance
Gender Pay Gap for Council Employees	4.2%	4.0% (2020-21)
Ethnicity Pay Gap for Council Employees	5.13% (2019-20)	4.71% (2020-21)
Customer Service call wait times (average call wait time)	00:05:07 (2021-22 Q4)	00:05:33 (2022-23 Q1)
Sickness absence rates – non covid	5.42% (2021-22 Q4)	4.38% (2022-23 Q1)
Employee Turnover rate	2.27% (2021-22 Q4)	2.47% (2022-23 Q1)
Spend With Local Businesses	451 Wolverhampton bases companies (2021-22 Q4)	463 Wolverhampton bases companies (2022-23 Q1)

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General Fund Revenue Budget Monitoring

Quarter One 2022-2023 Budget Performance

Summary

On 2 March 2022, the Council approved the net budget requirement for 2022-2023 of £267.2 million for General Fund services.

Overall, the General Fund projected outturn for 2022-2023 is currently forecasting an overspend of £5.4 million, mainly due to the forecast in-year cost implication of the proposed pay award which is currently out for consultation. At the time of writing negotiations are still ongoing in respect of the 2022-2023 pay award. The current proposal, if accepted, is forecast to cost £9.0 million in-year. The approved 2022-2023 budget includes a provision of 2% equating to £2.8 million, we therefore have an in year forecast pressure of £6.1 million. It should be noted that, if this proposal is rejected the costs could be much higher putting further pressure on the budget in year and over the medium term.

In order to manage our costs within the approved budget the Council will continue to work to identify in-year efficiencies in order to mitigate the pay award costs. Our work will focus on a number of specific themes. Firstly, we will be looking to identify further targeted in year underspends from across the council. Secondly, we will review budgets held corporately to support new initiatives aligned to corporate priorities, this would likely result in activity being delayed or reduced. We will also review corporate contingencies and assess the risk of reducing these. As a last resort we will consider the use of reserves.

The tables below provide an analysis by directorate and service.

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Adult Services					
<p>Overall Adult Services is projecting a small underspend of £27,000 (-0.03%). During the budget setting process for 2022-2023, significant cost pressures were forecast for Adult Social Care and, as a result, growth totalling £9.2 million was approved. Appendix 2 provides detail of current forecasts which indicate that, overall, the service is managing costs within the increased budget available. However, specific cost pressures are being reported across Learning Disability and Physical Disability Care Purchasing, which is currently forecast to be offset from efficiencies from across other services. There continues to be uncertainty of the forecast position of Adult Services in 2022-2023 and over the medium term, as the service adjusts to the post-covid environment and also the recent increases in inflation. The redesign of Adult services has commenced and with the aim of addressing any longer term under or overspend relating to staffing, as well as establishing the care market. In December 2021, the Government presented the People at the Heart of Care – Adult Social Care Reform White Paper to Parliament. The paper sets out the 10-year vision for how care will be transformed in England. The Council is currently undertaking a fair cost of care exercise, as prescribed by the Government, with the resulting report to be submitted to Government and published in some form for the local market. The stated aim of this exercise is to ensure local authorities are paying a ‘fair’ cost of care and also to ensure the market is compensated for the changes that charging reform will bring. The guidance states the Council needs to move ‘significantly’ towards paying the fair cost of care over the next three years. Work is ongoing to forecast the potential cost of these reforms, however, local authorities are concerned that the proposed level of funding will not be sufficient to cover the true costs. The Strategic Risk Register will be updated in September to incorporate this risk. In addition, it is also flagged as a risk in the General Fund Budget Risk 2022-2023 at Appendix 4.</p> <p>Further analysis is provided below.</p>					
Adults Assessment and Care Management	5,650	5,619	(31)	(0.55%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Adults Safeguarding	1,123	890	(233)	(20.75%)	The forecast underspend is mainly 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 local authority.
Carer Support	742	679	(63)	(8.49%)	
Community Financial Support	1,629	1,629	-		
Community Support	142	142	-	-	
Director of Adults services and Additional Monies	(6,878)	(6,878)	-	-	
Emergency Duty Team	-	-	-	-	
Independent Living Service	1,731	1,685	(46)	(2.66%)	
Learning Disabilities Care Purchasing	27,155	27,451	296	1.09%	The forecast overspend is due to additional demand for care packages.
Learning Disability Provider	4,984	4,966	(18)	(0.36%)	
Mental Health Assessment & Care Management	7,522	7,503	(19)	(0.25%)	
Older People Care Purchasing	26,413	26,338	(75)	(0.28%)	
Older People Provider Services	3,866	3,838	(28)	(0.72%)	

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General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Physical Disabilities Care Purchasing	5,519	5,709	190	3.44%	The forecast overspend is due to additional demand for care packages.
Strategic Commissioning – Adults	1,581	1,581	-	-	
Total Adult Services	81,179	81,152	(27)	(0.03%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Children's and Education Services					
<p>Overall Children's and Education Services is projecting an underspend of £1.2 million (-2.33%), due to strong financial management and transformative projects and programmes which have achieved significant and positive changes for children and young people living and learning in Wolverhampton. To date, Wolverhampton has not seen a significant increase in demand on children's social care as a result of the pandemic, however, as with adult services, there continues to be significant uncertainty over the impact of Covid-19 on this service over the short to medium term, and more recently the increased cost of living. Work will continue to model the potential financial effects of the pandemic and the impact of the increase in the cost of living on the service. Savings targets totalling £100,000 have been incorporated into the 2022-2023 budget for Children's and Education Services, these are currently projected to be delivered in full.</p> <p>Further analysis is provided below</p>					
Children & Young People In Care	31,539	31,400	(139)	(0.44%)	A forecast underspend against placement budgets as a result of the robust oversight and management of demand across the service.
Director of Children's Services	652	644	(8)	(1.27%)	
Head of Children's Improvement	1,054	1,023	(31)	(2.94%)	
Headstart	-	-	-	-	
Regional Adoption Agency Consortium	-	-	-	-	
Safeguarding	681	680	(1)	(0.13%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Specialist Support	3,791	3,196	(595)	(15.69%)	The forecast underspend is mainly due to one-off, in year savings from the closure of Key to Inspiration. Cabinet (Resources) Panel on 6 July 2022, received a report on the strategy to develop two new Children's Homes within the City.
Strengthening Families	10,385	9,940	(445)	(4.29%)	The forecast underspend is due to one-off in-year social worker vacancies (partially offset by agency costs) as the service has experienced difficulties in recruiting to these posts. The majority of unfilled posts are expected to be in post by September 2022.
Youth Offending	1,174	1,174	-	-	
Strategic Commissioning – Childrens	1,582	1,582	-	-	
Central Education	(1,174)	(1,174)	-	-	
Director of Education	128	128	-	-	
Early Years	315	315	-	-	
Inclusion Support	1,225	1,225	-	-	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
	Schools	-	-	-	
Education Excellence	810	810	-	-	
Special Educational Needs	(359)	(359)	-	-	
School Business and Support Services	456	456	-	-	
Total Children's and Education	52,259	51,040	(1,219)	(2.33%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
City Assets					
Overall, a net underspend of £53,000 (-0.50%) is projected for City Assets, mainly due to projected lower running costs for the Civic Centre. Further analysis is provided below.					
Catering	(117)	(52)	65	(55.56%)	
Cleaning	1,268	1,268	-	-	
Corporate Asset Management	9,315	9,315	-	-	Inflationary pressures in relation to energy costs are currently forecast within this service. This break-even position is after a virement of £491,000 from corporate budgets held to fund increases in utility costs.
Estates and Valuations	(4,884)	(4,884)	-	-	This breakeven position is after a virement of £65,000 from corporate budgets to support loss of income due to the pandemic.
Facilities Management	1,497	1,379	(118)	(7.88%)	The forecast underspend is primarily due to the projection of lower running costs for the Civic Centre.
Project and Works Team – Capital Programmes	166	166	-	-	
Project and Works Team – Maintenance Programme	3,426	3,426	-	-	
Total City Assets	10,671	10,618	(53)	(0.50%)	

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General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
City Housing & Environment					
<p>Overall, a net underspend of £276,000 (-0.90%) is projected for City Housing and Environment. This is mainly as a result of forecast underspends within Waste Services as a result of increased income, reduced costs of waste disposal, along with a reduction in costs within Street Lighting. This is offset in part by forecast cost pressures within Environmental Services, Fleet Services and Transportation. City Housing and Environmental Services include a savings target of £250,000 for 2022-2023, the majority of this target is forecast to be delivered in line with the original plan, with £30,000 currently being reported to be at risk of delivery, based on the original plan. Further analysis is provided below.</p>					
Bereavement Services	(2,050)	(2,104)	(54)	(2.63%)	
Black Country Transport	-	-	-	-	
Coroners Service	364	364	-	-	
Director City Environment	284	284	-	-	
Energy and Sustainability	117	117	-	-	
Environmental Services	6,772	6,903	131	1.93%	An overspend is forecast due to an increase in forecast fuel costs.
Fleet Services	1,698	2,153	455	26.80%	An overspend is projected as a result in increased costs of hiring vehicles, partly offset by additional income. There is a planned fleet replacement capital programme in delivery to mitigate the increasing hire costs.
Highways Maintenance	1,579	1,579	-	-	
Housing	(379)	(388)	(9)	2.37%	
Landscaping	49	49	-	-	
Licensing	-	-	-	-	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Markets	(196)	(57)	139	(70.92%)	The forecast overspend is mainly due increase in agency costs incurred whilst implementing a restructure.
Operation & Maintenance of Existing Network	844	835	(9)	(1.07%)	
Private Sector Housing	543	545	2	0.37%	
Parking Services	(1,712)	(1,712)	-	-	Parking Services is forecasting a reduced levels of income as a result of lower economic activity post pandemic. A virement of £1.2 million is proposed from corporate budgets to support this shortfall in 2022-2023.
Public Protection	1,884	1,897	13	(0.69%)	
Street Lighting	3,109	2,863	(246)	(7.91%)	This forecast underspend is due to efficiencies in energy costs following the implementation of the LED lighting scheme.

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General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Transportation	6,097	6,247	150	2.46%	A virement of £358,000 is proposed to support the increased costs due to demographic growth on Special Educational Needs transport. The service is currently forecasting costs pressures due to an increase in fuel costs. This increase will be monitored, and mitigating actions will be taken were possible to offset this pressure.
Waste and Recycling	11,504	10,656	(848)	(7.37%)	The forecast underspend is due to increased income, reduced costs of waste disposal and efficiency savings, partly offset by additional employee costs and increased fuel costs due to rising inflation.
Total City Housing and Environment	30,507	30,231	(276)	(0.90%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Communications and Visitor Experience					
<p>Overall, the projected overspend of £110,000 (4.57%) for Communications and Visitor Experience is mainly due to forecast overspends within Communications due to a reduction in income within the service. In addition, the saving target of £50,000 which is currently being forecast at risk of delivery, this will be kept under review and updates provided in future reports.</p> <p>Further analysis is provided below</p>					
City Events	641	641	-	-	
Arts and Culture	911	888	(23)	(2.52%)	
Communications	856	989	133	15.54%	An overspend is forecast due to a reduce income within the service. The savings target of £50,000 for 2022-2023 is at risk of delivery. This will be kept under review and an update will be provided in future reports.
Total Communications and Visitor Experience	2,408	2,518	110	4.57%	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Finance					
Overall an overspend totalling £81,000 (0.52%) is forecast for the year against Finance. This is as a result of forecast overspends within Procurement and Strategic Finance due to the appointment of agency staff covering vacancies whilst recruitment is ongoing. This is offset in part by underspends across Audit Services due to in-year vacancies and underspends on Central Corporate Budgets. The directorate is experiencing difficulties in recruiting to permanent posts across a number of service areas. Finance includes a savings target of £150,000 for 2022-2023, in Central Corporate Budgets, this is on target to be delivered in full. Further analysis is provided below.					
Audit Services	1,810	1,610	(200)	(11.05%)	An underspend is forecast as a result of in-year savings against staffing due to unfilled vacancies within internal audit services and insurance.
Central Corporate Budgets	3,060	2,912	(148)	(4.84%)	An underspend is forecast due to a significant reduction in enhanced pension costs, combined with other lesser underspends against a range of corporate budgets. This service includes a savings target of £150,000 for 2022-2023 – which is being reported to be on target for delivery.
Commercial Services	394	394	-	-	
Finance Director	167	167	-	-	
Procurement Services	857	1,184	327	38.16%	The forecast overspend is due to continued reliance on agency staff as the service experiences difficulties in recruiting to permanent posts. This challenge is faced by procurement teams across the region.

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Housing Benefit Payments & Subsidy	1,498	1,498	-	-	Forecast pressures are being reported due an increase in temporary accommodation. As part of the 2022-2023 budget setting, this risk was anticipated and in response £750,000 was set aside in corporate to fund forecast pressures. A virement is recommended at quarter 1 from corporate budgets to support this forecast cost pressures, thereby resulting in a breakeven position for this service.
Revenues & Benefits	2,900	2,900	-	-	
Strategic Finance	3,175	3,277	102	3.21%	The forecast overspend is due to the appointment of agency staff in vacancies pending recruitment. Recruitment to vacant posts is currently ongoing.
The Hub	1,787	1,787	-	-	
Total Finance	15,648	15,729	81	0.52%	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Governance					
Overall a breakeven is forecast for the year against Governance. The Governance Directorate includes a saving target of £100,000 for 2022-2023, this is currently being forecast to be on target for delivery.					
Further analysis is provided below					
Deputy Director of People and Change	133	133	-	-	
Chief Operating Officer	180	180	-	-	
Governance Services	3,324	3,324	-	-	
Health and Safety	262	257	(5)	(1.91%)	
Human Resources	1,871	1,871	-	-	
Legal Services	1,568	1,655	87	5.55%	
Ward Funds	200	200	-	-	
Projects and Change	428	428	-	-	
Equalities	173	173	-	-	
Support Services	4,338	4,256	(82)	(1.89%)	
Total Governance	12,477	12,477	-	-	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Public Health & Wellbeing					
Overall an overspend totalling £990,000 (18.24%) is projected for the year against Public Health & Wellbeing which is mainly due to an increase in the number of referrals for bed and breakfast accommodation and inflationary pressures on the leisure PFI in relation to utility costs. Further analysis is provided below.					
Business Continuity & Emergency Planning	8	8	-	-	
Commissioning	-	-	-	-	
Community Safety & Community Cohesion	697	697	-	-	
Healthier Places Service	-	-	-	-	
Healthy Ageing	-	-	-	-	
Healthy Life Expectancy	-	-	-	-	
Homelessness and New Communities	1,792	2,473	681	38.00%	The forecast overspend is due to an increase in the number of referrals for bed and breakfast accommodation.
Leisure Services	1,430	1,700	270	18.88%	The forecast overspend is due to inflationary pressures on the PFI in relation to utility costs.
Public Health Business Management	-	-	-	-	
Starting and Developing Well	-	-	-	-	
Local Economy	1,501	1,540	39	2.6%	
System Leadership	-	-	-	-	
Total Public Health & Wellbeing	5,428	6,418	990	18.24%	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Regeneration					
Overall an overspend of £46,000 (1.5%) is projected for the year against Regeneration mainly due to reduction in income within Adult Education and City Planning. In total Regeneration have savings targets totalling £665,000 in 2022-2023, these are reported to be on target to be delivered, with the exception of £13,000 against a target of £30,000 within Adult Education. Further analysis is provided below					
Adult Education	(334)	(321)	13	3.89%	
City Development	541	541	-	-	
City Planning	868	901	33	3.80%	
Director Regeneration	495	495	-	-	
Enterprise	570	570	-	-	
Skills	924	924	-	-	
Visitor Economy	-	-	-	-	
Total Regeneration	3,064	3,110	46	1.50%	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023 £000	Net Controllable Forecast 2022-2023 £000	Q1 Variance		Reason for Variance Q1
			£000	%	
<p>Strategy Overall an underspend totalling £342,000 (-2.91%) is projected for the year against Strategy, mainly as a result of budget efficiencies within ICTS. In total Strategy have savings targets totalling £200,000 across ICT and Data and Analytics, these are reported to be on target for delivery in full in 2022-2023 Further analysis is provided below</p>					
Customer Services	2,172	2,315	143	6.58%	The forecast overspend is due to an increase in staffing costs due to staff sickness levels and an increase in demand for Blue Badges. To meet the demand, a team has been established to process blue badge applications and respond to queries and provide Blue Badge surgeries in the community. In order to continue with to meet the increase in demand for Blue Badges and processing of desk based assessments and the reduce processing times there needs to be an increase in resources. An update on Blue Badges was presented to Scrutiny with a proposal to increase support on a 12 month trial to measure impact and improve processing times. This cost pressure includes a forecast for these additional resources. The forecast cost of this additional resource can be funded from efficiencies across from across the wider directorate.

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
ICTS	6,613	6,199	(414)	(6.26%)	An underspend is projected as a result of part year vacant positions and additional income from printing. This service also includes a savings target of £150,000 for 2022-2023 which is forecast to be delivered in full.
Data and Analytics	927	927	-	-	This service includes a savings target of £50,000 for 2022-2023, which is forecast to be on target for delivery.
Policy and Strategy	450	324	(126)	(28.0%)	The forecast underspend is as a result of part year vacancies
Organisational Development	1,200	1,254	54	4.50%	
Register Officer	(38)	(38)	-	-	
External Funding and Digital Projects	277	278	1	0.36%	
Strategy	156	156	-	-	
West Midlands Strategic Migration Partnership	15	15	-	-	
Total Strategy	11,772	11,430	(342)	(2.91%)	

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Corporate Accounts					
<p>Overall an overspend totalling £6.1 million (14.60%) is forecast for the year. This is mainly as a result of the projected impact of the proposed 2022-2023 pay award. At the time of writing pay negotiations are still ongoing in respect of the 2022-2023 pay award. As reported to Cabinet in February 2022 and July 2022, the approved 2022-2023 budget includes an annual provision within the pay budget for a 2% pay award. The proposed pay award for 2022-2023 which is currently out for consultation is forecast to cost an addition £9 million, a cost pressure of £6.2 million. The Council will continue to work to identify in-year efficiencies in order to mitigate against this potential cost pressures if accepted and provide updates in future reports. Savings targets totalling £2.7 million, of which £1.2 million relates to a staff vacancy factor and £1.5 million for efficiencies is held within corporate budgets. Excluding the potential impact of the pay award, it is currently forecast that these targets can be delivered in full from across the council.</p> <p>Further analysis is provided below</p>					
Chief Executive and Deputy Chief Executive	397	397	-	-	
Corporate Adjustments	2,342	2,342	-	-	
Corporate Budgets	(13,560)	(10,860)	2,700	19.91%	This service includes savings targets totalling £2.7 million, of which £1.2 million is for a staff vacancy factor and £1.5 million for general efficiencies. This is forecast to be delivered from efficiencies and vacancies held across the Council. However the impact of the proposed pay award creates a corporate pressure.
Apprenticeship Levy	540	540	-	-	
West Midlands Transport Levy	10,523	10,523	-	-	

Approved

General Fund Revenue Budget Monitoring

Service/Budget	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q1 Variance		Reason for Variance Q1
	£000	£000	£000	%	
Environment Agency Levy	78	78	-	-	
Birmingham Airport – Rent	(69)	(69)	-	-	
Treasury Management	38,614	35,891	(2,723)	(7.05%)	An underspend is forecast against the Treasury Management budget as a result of rephasing of the capital programme.
Central Provision Pay Award costs	2,881	9,001	6,120	212.43%	At the time of writing, negotiations in respect of the pay award for 2022-2023 are ongoing. However, the proposed pay award for 2022-2023 is in excess of the 2% provision built into the 2022-2023 budget. The Council will work to identify in-year efficiencies in order to mitigate against this cost pressure. Updates will be provided in future reports.
Total Corporate Accounts	41,746	47,843	6,097	14.60%	

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City of Wolverhampton Council – Strategic Risk Register

Risks reviewed by risk owners as reported to Audit & Risk committee on 25 July 2022

Risk Ref	Risk title and description	Our City Our Plan	Previous Risk Score	Current Risk and Target Score	Direction of Travel	Update position and further actions to take to mitigate risks	Sources of Assurance	Updated
1	<p>Businesses Closing Loss of businesses within the City, potentially impacting on regeneration and the achievement of the Council Plan.</p> <p>Risk Owner: Richard Lawrence Cabinet Member: Cllr S Simkins</p>	Thriving economy in all parts of the city	8 Amber	8 Amber Target 4 Amber	↔	<p>Across all sectors reports are coming in about difficulties to recruit staff. This is impacting on services and production in the local economy. The cost of inflation fuel prices and the impact on the war in Ukraine are also creating challenges for business around affordability and managing global supply chains, construction and food businesses have been particularly affected by the challenges in the supply chain.</p> <p>All covid support grants closed on 31 March 2022 and the Council has now returned to delivery of existing programmes of support, the main one being AIM for GOLD. This is an EU funded programme and comes with criteria around the sector and type of business who can be supported.</p> <p>The team is 70% funded by EU money which is going to come to a close on 31 March 2023. The UK Shared Prosperity Fund (UKSPF) doesn't offer the same level of funding. Currently a review and plan for future of business support including the role of the Council is being prepared.</p> <p>With the announcement of Levelling Up and the focus towards Business Support the Council is taking steps to have a clear proposition for the City to be included in regional asks through the West Midlands Combined Authority. This takes in to account the work Metro Dynamics has helped inform the council on key focus areas and provided a framework for taking forward the immediate and longer-term business support model for the council and the city</p> <p>Further actions to take to mitigate risk The Council is continuing to support local businesses to adapt and invest in new ways of working and strengthen areas which the pandemic has highlighted as weakness in their business through existing programmes and with partners including the Chamber of Commerce. The Council is also funding IGNITE, a new business and enterprise hub to support small businesses in the city.</p> <p>Working with key partners such as WMCA, and other business support delivery partners to ensure Wolverhampton businesses can access relevant support.</p>	<p>Regeneration have commissioned an external consultancy group (Metro Dynamics) to review the City's strategic priorities, the economic/ business context and current business support offer and develop an approach to business support that will help deliver the City's ambitions for future success. This work is to be captured in the City's investment plan for Levelling up and Shared Prosperity funds</p> <p>Internal audit review planned for 2022-2023 of the IGNITE business and enterprise hub.</p>	
2	<p>Safeguarding Children Failure to safeguard the City's most vulnerable children.</p> <p>Risk Owner: Emma Bennett Cabinet Member: Cllr B Momenabadi</p>	Strong families where children grow up well and achieve their potential	8 Amber	8 Amber Target 8 Amber (being met)	↔	<p>Referral rates have consistently been higher than 2019-2020 since June 2021. This has resulted in higher numbers of children in Assessment.</p> <p>There has been an increase in social work turnover, although the annual turnover rate remains below national levels. Additionally, in line with the national and regional position there is a shortage of suitable agency social workers to back fill temporary vacancies we have created by secondment opportunities, and maternity leave. This does mean that we have seen an increase in caseloads for social workers, particularly in the Disabled Children and Young People's team and in the Strengthening Families Service. As we successfully recruit to permanent posts and secondments come to an end, we are starting to see social workers returning to working with an appropriate level of children</p> <p>A newly established peripatetic team of nine permanent social workers are being deployed into teams where there are uncovered vacancies. Recruitment to these posts is underway. Social workers across Children's social care have been supporting the work of the teams most affected to ensure caseloads across all services are manageable.</p> <p>MASH24 was launched on 14 June 2021, these arrangements support greater consistency of practice and response during the daytime, evening and at weekends. A 12-month review of the new arrangements is currently taking place.</p> <p>The Executive Team are briefed every 6 months to offer reassurance regarding safeguarding of the children in the city.</p> <p>Further actions to take to mitigate risk Actions are being taken to try to attract experienced agency workers locally and regionally to cover short term vacancies whilst we also recruit to vacant permanent posts. Actions to support this include:</p> <ul style="list-style-type: none"> The regional memorandum of understanding regarding the use of agency workers within the West Midlands has been updated Recruitment is ongoing to recruit permanent social workers, both newly qualified and experienced social workers. Recruitment processes have been adapted to speed up start dates for new employees. Rebranding of recruitment material is underway A review of progression opportunities for experienced social workers is taking place 	<p>Internal Quality Assurance report, alongside regular analysis of performance information offers Senior Leadership Team reassurance regarding practice.</p> <p>Quality assurance and performance information is shared with SEB, Cabinet Member and the Leader regularly, together with Ofsted on a quarterly basis,</p> <p>Monthly data continues to be submitted to the DfE and is being closely monitored.</p> <p>Although referral rates are higher, overall, they appear to remain in line with the England/West Midland average.</p> <p>Feedback from a deep dive undertaken in Wolverhampton by members of the National Independent Care Review team was positive and offered further reassurances about practice with children and families.</p> <p>Senior leaders have regular oversight of caseloads and have responded by ensuring social work resource and capacity is utilised across the service</p> <p>Positive outcome of Ofsted Inspection of Children's Services,(21 March - 1 April 2022) with services rated overall as Good offering external reassurance that children and families are supported and safeguarded well in Wolverhampton.</p> <p>Assurance provided to Wolverhampton Safeguarding Together Partnership through a number of mechanisms including scrutiny of practice through priority groups and specific activity such as the COVID response group and Multi-agency casefile audits. Reviews of the impact of learning from Children's Safeguarding Practice Reviews is also assured through the One Panel.</p>	
3	<p>Safeguarding Adults Failure to safeguard the City's most vulnerable adults.</p> <p>Risk Owner: Becky Wilkinson Cabinet Member: Cllr L Leech</p>	Fulfilled lives for all with quality care for those that need it	12 Amber	12 Amber Target 8 Amber	↔	<p>All statutory assessments and safeguarding enquiries are undertaken and more face to face visits are taking place. Service providers and inhouse provision continue to reopen services safely. An increase in contacts to MASH and Adult Social Care has been experienced.</p> <p>Covid related safeguarding risks have reduced, current risks are related to resources through sickness and vacancies which is being picked up through the Adult Service redesign.</p>	<p>Additional short-term measures including increasing staff in the MASH are in place to manage the caseloads coming directly into the service.</p> <p>Assurance provided to Wolverhampton Safeguarding Together Partnership through a number of mechanisms including scrutiny of</p>	

Risk Ref	Risk title and description	Our City Our Plan	Previous Risk Score	Current Risk and Target Score	Direction of Travel	Update position and further actions to take to mitigate risks	Sources of Assurance	Updated
						<p>Further actions to take to mitigate risk The long-term plan to manage the increase in demand is being planned through the adult service redesign.</p>	practice through priority groups and specific activity such as the Covid response group and Multi-agency casefile audits. Reviews of the impact of learning from Serious Adult Reviews is also assured through the One Panel.	
4	<p>Reputation / Loss of Public Trust There is a risk that the Council loses public trust and confidence by:</p> <ul style="list-style-type: none"> • failing to respond to the needs of local people, especially those most vulnerable • failure to inform the public about delivery of key City priorities. <p>Risk Owner: Ian Fegan Cabinet Member: Cllr I Brookfield</p>	Our Council	12 Amber	12 Amber Target 10 Amber	↔	<p>As the City continues its recovery from the pandemic, new challenges have emerged such as the national cost of living crisis. The Council is also delivering a number of key City priorities including delivering opportunities for young people, regeneration and investment projects, a high-quality events programme and tackling health inequalities.</p> <p>Strategic Executive Board (SEB) and Council Cabinet are aware of the issues and challenges facing local people and developed Our City: Our Plan – the new Council plan, which launched in May 2022 and provides a framework on how we will deliver our objectives to ensure Wulfrunians live longer, healthier lives.</p> <p>The plan aims to demonstrate that we are dealing with the things that matter to local residents and businesses. Proactive and sustained communication with residents, businesses and key stakeholders will inform and engage with the aim of demonstrating that we are dealing with the things that matter, thereby building trust and confidence in, as well as support for the Council's work.</p> <p>Further actions to take to mitigate risk Comprehensive targeted and regular communications with residents and other key stakeholders on all council priorities will play a key role supporting specific plan and priority objectives.</p>	<p>National youth employment figures</p> <p>Supportive data provided by Insight and Performance</p>	
5	<p>Social Care Providers Adults There is a risk that we may lose service providers and not be able to maintain adequate service provision.</p> <p>Risk Owner: Becky Wilkinson Cabinet Member: Cllr L Leech</p>	Fulfilled lives for all with quality care for those that need it	16 Red	12 Amber Target 8 Amber	↓	<p>Levels of sickness has reduced, and closures/outbreaks have reduced. Spot purchasing is still in place to mitigate pressures on the framework.</p> <p>Risks to sustainability are being mitigated with:</p> <ul style="list-style-type: none"> • Robust outbreak management processes • High percentage of staff and residents are now vaccinated • Use of the daily provider survey to alert to trigger contact and support if providers report they are having issues remains in place through the Capacity Tracker <p>Risk is amber due to resource and cost of living pressures. Provider support has been stood down following consultation with providers. National Level 4 emergency stood down.</p>	<p>Daily capacity tracker provides daily information on outbreaks, sickness levels and staff turnover – this provides the necessary data for commissioning to act to support outbreaks or protect residents.</p> <p>Regular updates to SEB/Cabinet Member are provided with respect to home care.</p>	
68	<p>Employee Wellbeing There is a potential impact on the health and wellbeing of the Council's staff due to unprecedented levels of service demand and changes to working practices.</p> <p>Risk Owner: Laura Phillips Cabinet Member: Cllr P Brookfield</p>	Our Council	12 Amber	12 Amber Target 8 Amber	↔	<p>Employee well-being continues to be a Council priority, a number of initiatives have been embedded for employees which include (but are not limited to) the Council's Our People Portal, access to mental health first aiders, access to face to face well-being checks and work-outs led by WV-Active, the introduction of Council wide wellbeing leads and the creation of wellbeing pledges. Further directed work has been undertaken to promote financial wellbeing support to support employees with the cost of living rises.</p> <p>Further actions to take to mitigate risk Organisational Development (OD) are continuing to work with Human Resources and Health and Safety to monitor, analyse and proactively respond to sickness absence data (both Covid and non-Covid) to ensure appropriate support is provided for employee health and wellbeing. We continue to monitor the health and wellbeing of our employees and the effectiveness of Our People support offer. Targeted work is continuing with our frontline workers and there has been increased engagement initiatives and communications regarding health and wellbeing across the organisation. The OD team will be creating more opportunity to meet with employees face to face to ensure they are getting information on Wellbeing and understand where to access all the support that is available to them.</p>	<ul style="list-style-type: none"> • Operational Health & Wellbeing Group • Our People Board • Employee Surveys • Professional Conversations which include discussions around well-being • SafeSpace Reporting Line • Mental Health Support App for employees (My Possible Self) • OD Wellbeing roadshows out to sites across the City. 	
7	<p>Education Provision There is a risk to the consistent provision of education to all children and young people in Wolverhampton due to Covid-19 outbreaks in schools, children and young people not regularly being in school and parents' confidence that children are safe in schools due to the pandemic</p> <p>Risk Owner: Emma Bennett Cabinet Member: Cllr C Burden</p>	Strong families where children grow up well and achieve their full potential	8 Amber	8 Amber Target 4 Amber	↔	<p>School attendance continues to be a concern. There are higher numbers of children and young people with persistent absenteeism than pre-pandemic and school attendance overall disappointingly low, particularly in the secondary sector.</p> <p>Formal examinations and assessment tests have recommenced in schools (the first since 2019) and there are concerns that the performance and outcomes may be negatively impacted as a result of the lockdowns as well as the absence of staff and students affected by Covid.</p> <p>Increasing numbers of referrals are being made through the Special Needs Early Years' Service and for Education Health and Care Plan assessments following the lockdown periods.</p> <p>Electively home education numbers have increased throughout the pandemic and continue to rise (although at a slower rate).</p> <p>Further actions to take to mitigate risk The Inclusion service has undertaken an analysis of school attendance across the city and work is ongoing with targeted schools to increase the focus on attendance. Statutory powers have been reinstated to ensure parents and carers understand their responsibilities in respect of ensuring their children access learning. Proactive engagement between parents and the local authority is ongoing. Extensive support is also being made available by the Education Psychology Service to address emotional and mental health and well-being issues that are emerging for pupils and school staff. This is being well-received by schools with take-up at a high level. A graduated response toolkit to support children in schools with Special Educational Needs (who are not at the level of need to require an Education Health and Care Plan) is in development and will be launched in September 2022.</p>	<p>Regular updates to Lead Member and SEB on attainment of pupils in schools although data from this year's formal assessments will not be available until end of Autumn term 2022.</p> <p>Each school has had School Improvement Advisor support, guidance and challenge to mitigate the impact of Covid on outcomes.</p> <p>As more young people are vaccinated the numbers contracting the virus are reducing slowly but steadily.</p>	

Risk Ref	Risk title and description	Our City Our Plan	Previous Risk Score	Current Risk and Target Score	Direction of Travel	Update position and further actions to take to mitigate risks	Sources of Assurance	Updated
						The National Tutoring Programme is being promoted in schools to support students whose progress has been negatively impacted by the pandemic.		
8	<p>City Wide Regeneration There is a potential impact on the City if the Council do not take effective action to regenerate and repurpose. In addition, there are risks to ongoing Council managed and operated capital projects and programmes in terms of costs, timings and ensuring that original business cases continue to align with the Council's strategic aims.</p> <p>Risk Owner: Richard Lawrence Cabinet Member: Cllr S Simkins</p>	<p>Thriving economy in all parts of the city</p> <p>Good homes in well connected neighbourhoods</p>	12 Amber	12 Amber Target 8 Amber	↔	<p>With regards to the Council's major capital projects work is underway at pace to ensure we secure Levelling Up funding for rounds 2 and 3, with the original submission date being 6 July (this has now been delayed due to technical issues). We continue to deliver funded programmes for Towns Fund and Future High Streets Fund.</p> <p>An interim Transformation Programme Management Office (TPMO) function has been set up to deliver Towns Fund and further work is being carried out to address constituent project delivery and development for a wider Levelling Up agenda for the City in delivering regeneration and infrastructure objectives.</p> <p>Further actions to take to mitigate risk Local Enterprise Partnership support will be in place within the next 3 – 6 months to take over the programme role to mitigate any additional risk and to co-develop and implement projects across all funding sources and service areas. The TPMO function will support and complement existing activities and resources to ensure successful project delivery and implementation.</p> <p>The Council is pro-actively working with partners and stakeholders to mitigate risk and continue operations in accordance with Government guidelines.</p> <p>Inflation is at the highest it has been for four decades and there is considerable uncertainty and risk of inflationary pressures across the capital programme, increases in the cost of materials are already being realised. Project contingency budgets are viewed in light of these pressures in order to build in and mitigate against such cost increases, however these are unprecedented market conditions, and the ongoing risk should be noted.</p>	<p>Internal audit review of Westside Leisure now complete, and the advisory actions are being undertaken.</p> <p>Internal audit review planned for 2022-2023 regarding the new TPMO.</p>	
9	<p>High Unemployment (previously Rising Unemployment) There is a risk that high levels of unemployment caused by historic trends and more recently the impact of Covid will persist and the gap between Wolverhampton and other areas will continue to grow without focused action.</p> <p>Risk Owner: Richard Lawrence Cabinet Member: Cllr S Simkins</p>	<p>Thriving Economy in all parts of the city</p> <p>More local people into good jobs and training</p>	16 Red	16 Red Target 15 Red	↔	<p>Young people (18 – 24) and the over 50s have been particularly affected. With the 18-24 group, at the point of last report, Wolverhampton's unemployment claimant count had dropped one place to the second highest in England, and another monthly decrease in claimants. Whilst this month-on-month decrease is good to see, the gap to regional and national figures persists. For the over 50 group, latest data shows Wolverhampton in 14th position overall against the same measure of unemployment with no change in rate from the previous month.</p> <p>Further actions to take to mitigate risk The Council £3m Wolves at Work 18-24 Programme is underway, with a number of initiatives, including the City Ideas Fund, which has awarded over £212,000 to local organisations to implement a wide range of activities, to help young people access the world of work. The Youth Summits continue to take place across the city, bringing young people together with employers and training providers to understand the barriers facing the young people, and to find ways to collectively work together to create opportunities. Vacancies are being promoted to a wider audience via Wolves Workbox and its regular newsletters, whereby job seekers are able to apply for jobs directly</p> <p>Wolves at Work continues to offer its employment support service for job seekers of all ages. Regular "Let's Talk Jobs" sessions are held, focusing on either vacancies in a particular sector or for specific employer, to which all those organisations who advise job seekers are invited, to hear about the opportunities in detail.</p> <p>Employment Workshops taking place with OD on a monthly basis in conjunction with BCI and Wolves at Work – targeting those applying for Grade 5 posts within the council (or below).</p> <p>Drop-in information/screening session in operation to support Strategic Employers and other large scale vacancies – these operate weekly/bi-weekly dependant on employer need.</p> <p>Black Country Impact continues to deliver support to those aged 16-29 across Wolverhampton, and will continue to do so until the funding ends in mid-2023. Currently there is £1.31m available to support this age group, with a heavy focus on upskilling the workforce via vocational and L3 upwards qualifications in order to provide sustainability.</p> <p>The Restart Scheme was rolled out in June 2021, and referrals to programme will continue until June 2024 at the earliest. Currently the council has £1.64m (talks pending around an increased market share) in funding to support residents.</p> <p>Increased collaborative working between all employability contracts and Yoo Recruit / the Council in order to meet the recruitment needs of the Council with local unemployed residents on the programme. Intrinsicly linked to the One Council approach to tackle Youth Unemployment, and the individual pledges made by various departments.</p>	<p>The Insights team provide detailed monthly analysis of the unemployment data in the City and have provided comprehensive analysis of the historical picture and present trends – which show a general improvement from pandemic peaks. This data monitoring work is now firmly embedded into the ongoing Wolves at Work 18-24 Programme arrangements.</p> <p>Ongoing Covid impact on employment in the City is now monitored and reported regularly as part of this work. The team have been assessing the data alongside labour market information for any signs that the end of furlough arrangements might be having a impact on overall employment statistics, but have not found any evidence so far to suggest this is happening on a scale that would negatively impact the overall figures.</p> <p>The Wolves at Work 18-24 Programme has now been established and there is a pipeline of planned activity with a focus on partnership collaboration and actively engaging with those directly impacted.</p> <p>A scoping session has been held to discuss how all key City partners can be well engaged in the development of effective interventions.</p> <p>Internal audit review planned for 2022-2023 of the Wolves at Work 18-24 Programme (Youth Employment Scheme).</p> <p>As of July 2022 2,526 Wolverhampton residents have started on the Restart Scheme, with 597 (24%) entering sustainable employment. Of these 597, 109 (18%) have been supported directly by the Council, despite only receiving 8% of all referrals to programme</p> <p>Conversations pending about possible increase in market share of Restart Scheme for the Council, which will lead to increased staffing levels and funds to support Wolverhampton residents of all ages into sustainable employment</p> <p>Activity to date has seen 749 BCI participants offered employment, with a view to this increasing to approx. 1,200 minimum in the next 11 months (remainder of contract).</p>	
10	<p>Information Governance If the Council does not put in place appropriate policies, procedures and technologies to ensure the handling and protection of its data is undertaken in a secure manner and consistent with relevant legislation then it may be subject to regulatory action, financial penalties, reputational damage and the loss of confidential information.</p> <p>Risk Owner: David Pattison</p>	Our Council	6 Amber	6 Amber Target 4 Green	↔	<p>Five newly approved level-1 IG policies were being rolled out to employees during May 22. A review of the internal procedures and guidance documents (level 2) that underpin the new polices continues, with rollout being incremental between now and September 2022. Mandatory training levels (level 1) continue to be monitored through quarterly leadership team updates; a refresh and reset of IG priorities within each leadership area has commenced to maintain compliance at service level. Meetings between the Caldicott Guardian (CG) and the Data Protection Officer (DPO) have recommenced and are scheduled quarterly to provide an update on performance in key areas such as information requests, breaches and training for teams falling under the Caldicott function and to discuss any potential or current risks identified within Caldicott linked projects so that they are flagged to the CG and mitigating actions agreed. Key corporate projects continue to be supported to ensure IG compliance and to ensure privacy by design is initiated in a timely manner. Collaborative working between IG and Digital and IT continues to maintain technical and cyber compliance and to mitigate associated risks; collaborative work has commenced between IG and Data & Analytics with monthly meetings scheduled. Information incidents reported during the period have been contained,</p>	<p>E-learning take up and ongoing training development</p> <p>Privacy by design – DPIA, IG Impact Assessments</p> <p>Quarterly updates and regular touch points with Leadership teams</p> <p>Robust breach management procedures in place with assessment and monitoring at service level (leadership feedback)</p> <p>SEB/IG Board and Caldicott function to continue to monitor, challenge, support and champion IG compliance initiatives</p>	

Risk Ref	Risk title and description	Our City Our Plan	Previous Risk Score	Current Risk and Target Score	Direction of Travel	Update position and further actions to take to mitigate risks	Sources of Assurance	Updated
	Cabinet Member: Cllr P Brookfield					<p>investigated with mitigating actions put in place locally with relevant teams. An additional temporary resource has been successfully recruited and will support the IG team for a 12-month period in terms of the delivery of statutory functions and work programme activities.</p> <p>Further actions to take to mitigate risk</p> <ul style="list-style-type: none"> Continue to progress the review and creation of level two procedures and guidance to support level one policies Progress the development and rollout of Level 2 and level 3 training for specialist roles Progress the collaboration with Audit Services to support the DPO reporting function and ongoing corporate compliance assurance. 		
11	<p>Medium Term Financial Strategy</p> <p>If the Council does not manage the risks associated with the successful delivery of its in year budget and medium term financial strategy then this may exhaust reserves, result in the potential loss of democratic control and the inability of the Council to deliver essential services and discharge its statutory duties.</p> <p>Specific risks include the impact of Covid-19, rising inflation, demand pressures and the effective management of the key MTFS programmes.</p> <p>Risk Owner: Claire Nye Cabinet Member: Cllr Obaida Ahmed</p>	Our Council	20 Red	20 Red Target 12 Amber	↔	<p>On 16 December 2021, the Government announced the Provisional Local Government Finance Settlement for 2022-2023. The announcement was for one year only.</p> <p>The 2022-2023 Budget and Medium Term Financial Strategy 2022-2023 to 2025-2026 report (Cabinet 23 February and Council 2 March) presents a balanced budget for 2022-2023 without the use of general reserves.</p> <p>The report notes that the Council is now faced with finding further projected budget reductions estimated at £12.6 million in 2023-2024, rising to £25.8 million over the medium-term period to 2025-2026. Work to develop budget reduction and income generation proposals for 2023-2024 onwards in line with the Five-Year Financial Strategy will continue, with an update on progress to be reported to Cabinet in July 2022.</p> <p>The level of uncertainty over future funding levels continues to be a significant risk. A prudent approach has been taken to forecasting resources over the MTFS period and all assumptions are detailed in the report.</p> <p>On 28 June 2022 the Secretary of State announced that there will be a 2 year settlement and that a consultation will be launched shortly.</p> <p>Further actions to take to mitigate risk</p> <p>The assumptions underpinning the MTFS will continue to be reviewed throughout 2022-2023 and updates will be reported to Cabinet, with the next update to Cabinet on 27 July 2022.</p> <p>External advice will be sought where appropriate to support financial modelling as an when further information is available on a 2-year settlement and or fair funding review.</p> <p>Regular monitoring of the delivery of MTFS programmes is undertaken and reported to Strategic Executive Board.</p>	<p>Regular budget monitoring at all levels.</p> <p>A local more detailed risk register is maintained within Finance.</p> <p>External Audit Annual Report</p>	
70	<p>Cyber Security</p> <p>Failure to maintain a high level of cyber security (technology, processes and awareness) throughout the Council may result in cyber-attacks and theft or loss of confidential data leading to financial penalties, reputational damage and a loss in public confidence.</p> <p>Risk Owner: Charlotte Johns Cabinet Member: Cllr O Ahmed</p>	Our Council / Driven by Digital	6 Amber	9 Amber Target 6 Amber	↑	<p>Nationally there has been an increase in cyber security threats to local government, with high profile cyber incidents impacting on some local authorities. Cyber security at CWC is externally verified through both PSN accreditation and Cyber Essentials Plus accreditation.</p> <p>Digital and IT continue to deploy security enhancements across the infrastructure to further improve security, key activity undertaken includes:</p> <ul style="list-style-type: none"> Implementation of multi factor authentication Conditional policies which prevent access to the Council's network on personal devices unless it is via the internet. Amending the Council's password policy to move to passphrases. Implementation of Windows Defender Advance threat protection, user risk detection and mitigation. Training and development Working with the LGA on a £10,000 grant to further invest in cyber security enhancements <p>Further actions to take to mitigate risk</p> <p>There is a continued work programme to address cyber threats and a further update will come forward to a future Audit and Risk Committee.</p>	<p>The Council has achieved external accreditation of its cyber security, through achievement of Cyber Essentials Plus and PSN compliance.</p> <p>Internal Audit review of Cyber Security and Disaster Recovery planned for this year.</p> <p>Quarterly updates provided to SEB.</p>	
13	<p>Civic Halls</p> <p>There is a significant reputational and financial risk to the Council and to the City's wider visitor economy if the revised Civic Halls refurbishment programme is not effectively managed in terms of project timings, costs, and scope.</p> <p>Risk Owner: Richard Lawrence Cabinet Member: Cllr S Simkins</p>	Thriving economy in all parts of the city	12 Amber	12 Amber Target 8 Amber	↔	<p>In conjunction with the professional project team the ongoing scrutiny and monitoring of the project continues at pace. In preparation for AEG's opening and the recommencement of commercial events (subject to Covid restrictions and national guidance), the Council continues its collaborative working relationship with AEG.</p> <p>This world class operator is bringing forward exciting and ambitious plans for the venue with bigger and better acts and events. Plans will also benefit local businesses, see new jobs created and raise the city's profile. The public realm works are progressing well and are on schedule to complete in time for the opening of the building.</p> <p>Further actions to take to mitigate risk</p> <p>Monthly Civic Halls Restoration Boards take place in order to ensure assurance on the project. This is supported by bi-weekly operational group meetings, end user operator and public realm meetings, which all feed into the overall programme board. Directors are also supplied with weekly project updates.</p>	<p>Project Assurance Group</p> <p>Civic Halls Restoration Board</p> <p>AEG Contract</p> <p>Specialist external advice – project and risk management</p> <p>Internal Audit representation on Civic Hall's Operational Group</p>	
14	<p>Climate Change</p> <p>Failure to achieve the Council's commitments in relation to Climate Change, including the pledge to make</p>	Climate conscious	6 Amber	6 Amber Target 3 Green	↔	<p>The Council's Climate Change Action Plan was approved by Cabinet in July 2021. The action plan clearly sets out all activity needed to meet the Council's net zero ambitions by 2028 as well as setting out the framework for the 2041 target for the whole City.</p>	<p>Governance and action plan monitoring arrangements being established.</p> <p>Quarterly update to SEB and Member reference panel.</p>	

Risk Ref	Risk title and description	Our City Our Plan	Previous Risk Score	Current Risk and Target Score	Direction of Travel	Update position and further actions to take to mitigate risks	Sources of Assurance	Updated
	<p>Council activities net-zero carbon by 2028 may result in significant reputational damage and a loss in public confidence.</p> <p>Risk Owner: John Roseblade Cabinet Member: Cllr S Evans</p>					<p>Further actions to take to mitigate risk Resource requirements identified – certain posts have been created and have/are being recruited to. Additional graduate support for sustainable staff travel policy has been secured. SEB update with draft structure approved and supported.</p>	Internal audit review planned for 2022-2023 of the Climate Change Action Plan.	
15	<p>Related Parties The Council has a number of bodies that it either owns or has a potential liability for. There is a risk that poor performance of these bodies could adversely impact on the Council both financially and reputationally.</p> <p>Risk Owner: Claire Nye Cabinet Member: Cllr Obaida Ahmed</p>	Our Council	12 Amber	12 Amber Target 8 Amber	↔	<p>A detailed financial review of each company was undertaken as part of the preparation of the Statement of Accounts, this included the going concern position of each party. It was concluded that there is currently no material financial impact on the Council. Regular monitoring is undertaken and there are no areas of concern.</p> <p>The Council is currently undertaking a review of Yoo Recruit Ltd which will in turn inform a refreshed business plan being prepared by the Company.</p> <p>WV Living presented an updated Business Plan which was approved by Cabinet on 27 April 2022.</p> <p>Wolverhampton Homes presented an updated Delivery Plan which was approved by Full Council on 6 April 2022.</p> <p>On 29 June the Resources and Equality Scrutiny Panel received a report from the Chief Operating Officer on the arrangements in place to monitor linked bodies, further reports are being taken on the approach to each specific body to the relevant Committee/Panel.</p> <p>Further actions to take to mitigate risk Regular monitoring of the related parties is undertaken, and monthly reports are provided to the Executive Team.</p> <p>Financial implications of our related parties have been referenced in the 2022-2023 Budget and Medium Term Financial Strategy 2022-2023 to 2025-2026 report (Cabinet 23 February and Council 2 March) and will be referenced in future budget reports.</p>	<p>The Annual Governance Statement incorporates related parties.</p> <p>External audit of each related party.</p>	
16	<p>Safeguarding Ukrainian refugees from exploitation. Risk to Ukrainian refugees ability to access safe and appropriate local accommodation.</p> <p>Risk Owner: John Denley Cabinet Member: Cllr J Jaspal</p>	Healthy Inclusive Communities	New risk	9 Amber Target 4 Amber	Not applicable	<p>Development of CWC criteria, home visits for residents who have been offered accommodation, continued dialogue with Government via West Midlands Strategic Migration Partnership.</p> <p>Further actions to take to mitigate risk Ongoing dialogue with the Department for Levelling Up, Home Office and local and national multi-agency Homes for Ukraine forums.</p>	Department for Levelling Up, Home Office and local and national multi-agency Homes for Ukraine forums.	
17	<p>Financial wellbeing and resilience – Risk that the financial wellbeing strategy does not address the impact of the cost-of-living crisis for residents of the city</p> <p>Risk owner: Alison Hinds/ Emma Bennett Cabinet members: Councillor B Momenabadi, Councillor L Leach and Councillor J Jaspal</p>	<p>Strong families where children grow up well and achieve their full potential</p> <p>Healthy, inclusive communities</p>	New risk	12 Amber Target 8 Amber	Not applicable	<p>The Council's Financial Wellbeing Strategy was approved by Cabinet in March 2022.</p> <p>The strategy details our partnership approach to tackling the cost-of-living crisis in the city through our graduated response offering essential support when required, responding to emerging need and offering an early intervention approach to support resilience in the city.</p> <p>Further actions to take to mitigate risk Partnership approach to delivery of the strategy Supporting our faith, community, and voluntary sector to build resilience Continued distribution of any Department of Work and Pension or government grants to ensure those in need are supported by those closest to them, maintaining dignity and choice wherever possible.</p>	Strong governance arrangements, with Health and Wellbeing Board being responsible for the implementation of the strategy, monitoring the progress of the partnership cost of living action plan	

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General Fund Budget Risks 2022-2023

Risk	Description	Level of Risk
Medium Term Forecasting	Risks that might materialise as a result of interest rates, energy costs, non-pay inflation and pay awards, uptake of pension auto enrolment, and National Living Wage.	Red
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 2022-2023

Risk	Description	Level of Risk
Government Policy	Risks that might materialise due to structural uncertainties including the impact of exiting the European Union.	Amber
	Risk that the cost pressures from the implementation of the polices outlined in the Adult Social Care Reform White paper are greater than Government Grant Funding	Red
	Risks that might materialise as a result of changes to Government policy including changes in VAT, taxation rules and economic measures	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.	Amber

Housing Revenue Account Revenue Budget Monitoring

	2022-2023 Budget £000	2022-2023 Forecast Outturn £000	2022-2023 Forecast Variance £000
Income			
Gross rents – dwellings	(93,126)	(92,908)	218
Gross rents – non dwellings	(564)	(580)	(16)
Charges to tenants for services and facilities	(6,143)	(6,007)	136
Total income	(99,833)	(99,495)	338
Expenditure			
Repairs and maintenance	27,530	27,668	138
Supervision and management	21,501	21,513	12
Rents, rates and taxes	800	866	66
Increase in provision for bad debts	2,000	1,800	(200)
Depreciation of fixed assets	20,388	20,388	-
Total expenditure	72,219	72,235	16
Net cost of HRA services	(27,614)	(27,260)	354
Interest payable	10,234	10,234	-
Interest and investment income	(1)	(1)	-
Contribution to capital financing	2,990	2,990	-
(Surplus)/deficit before transfers to/from reserves and provision for	(14,391)	(14,037)	354
Allocation of (surplus)/deficit			
Provision for redemption of debt	14,391	14,037	354
Balance for the year	-	-	-

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Schools' Budgets

1.0 Revenue Budget Monitoring – Schools' Budgets

- 1.1 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.
- 1.2 Table 1 shows the schools' actual end of year balances for 2021-2022 and the latest projected balances in those submitted budget plans for 2022-2023.

Table 1 – Projected Movement on Schools' Balances 2022-2023

Sector	Balances as at 31 March 2022 Surplus / (Deficit) £000	Forecast Use of Balances in 2022-2023 Surplus / (Deficit) £000	Forecast Balances as at 31 March 2023 Surplus / (Deficit) £000
Secondary	2,523	228	2,751
Primary	8,271	(1,954)	6,317
Junior	284	(161)	123
Infant	495	(130)	365
Nursery	1,202	(847)	355
Special	2,239	(636)	1,603
Pupil Referral Units	601	(368)	233
Total	15,615	(3,868)	11,747

Table 2 – Number of schools as at 31 March 2022 with surplus balances

Sector	Total number of schools	Schools with Excess Surplus
Secondary	3	2
Primary	30	25
Junior	2	1
Infant	2	2
Nursery	7	5
Special	4	3
Pupil Referral Units	3	2
Total	51	40

Schools' Budgets

Schools with Surplus Balances

- 1.3 At the end of 2021-2022 maintained schools had balances of £15.6 million. 40 schools were identified as having balances above recognised thresholds detailed in the local scheme.
- 1.4 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 may have 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 2021-2022 Revenue Budget Outturn report to Councillors.
- 1.5 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

- 1.6 As part of its overview of schools in deficit, a Schools at Financial Risk Board (SFR) chaired by the Head of Service for School Organisation, 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 2021-2022 is as follows:

Table 2 – Schools with anticipated deficits in 2022-2023

Name	Actual Balance at end of 2021-2022 Surplus / (Deficit) £000	Anticipated Balance at end of 2022-2023 Surplus / (Deficit) £000	Status
The King's Church of England	(104)	(163)	A licensed deficit application has been received and approved.
Phoenix Nursery	(34)	(73)	The school has an approved licensed deficit and are

Schools' Budgets

Name	Actual Balance at end of 2021-2022 Surplus / (Deficit) £000	Anticipated Balance at end of 2022-2023 Surplus / (Deficit) £000	Status
			submitting progress reports.
Windsor Nursery	(14)	(22)	The school has been asked to submit a licensed deficit request.

Inflation and Pay Award

- 1.7 We recognise that schools are likely to see increasing costs associated with inflation and the impact of any pay award in excess of budgets. Those schools with surplus balances are likely to require to use these to support the Teachers Pay Award this year. We will work with schools to monitor this.

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Debt Write Offs

- 1.1 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

- 1.2 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.
- 1.3 Overall, five debt write offs totalling £9,001.76 have been incurred. All of which have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedures Rules.

The Collection Fund

- 1.4 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.
- 1.5 **Council Tax** – Overall, 552 debt write offs totalling £408,885.55 have been incurred. All but one valued at £7,005.66 requires approval of Cabinet (see Appendix 7), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
- 1.6 **Non-Domestic Rates (NDR)** – Overall, 56 debt write offs totalling £178,017.01 have been incurred. All have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

Housing Benefits

- 1.7 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.

Debt Write Offs

- 1.8 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.
- 1.9 Overall, 12 overpayments totalling £4,286.96 have been incurred. All have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

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

Account Ref	Write-off Reason	Write-Off Amount £
61234515561	Recovery prohibited by statute	7,005.66
	Total	7,005.66

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General Fund Budget Virements

From		To		£000	Reason for Virement
Division	Service	Division	Service		
Adult Services	Adults Assessment & Care Management West	Adult Services	Adults Assessment & Care Management West	161	Reversal of prior year one-off budgets funded from reserves
Adult Services	Director of Adults services and Additional Monies	Adult Services	Director of Adults services and Additional Monies	344	Reversal of prior year one-off budgets funded from grant.
Adult Services	Various	Strategic Director of People	Strategic Commissioning	350	Realignment of budgets within Adult Services and Strategic Commissioning.
Adult Services	Various	Adult Services	Various	7,448	Realignment of budgets across Adult Services
Adult Services	Director of Adult Services and Additional Monies	Adult Services	Director of Adult Services and Additional Monies	102	Transfer of salary budgets for two Adults posts to new cost centre.
Adult Services	Learning Disabilities Care Purchasing	Adult Services	Learning Disabilities Care Purchasing	152	Virement to reflect the reduction in 2022-2023 Community Discharge Grant allocation.
Education and Skills	School Business and Support Services	Finance	Commercial Services	58	Transfer of Contract Manager post between services.
Corporate Accounts	Corporate Accounts	Finance	Commercial Services	136	Transfer of budget for ongoing costs of new Contract Management System.
Finance	Central Corporate Budgets	Finance	Strategic Finance	20	Transfer between salary and non-salary budgets to fund 0.5 finance post.
Strategic Director People	Strategic Commissioning	Finance	The Hub	27	Transfer of budget from non-salary to salary budget
Strategic Director People	Strategic Commissioning	Governance	Support Services	27	Transfer of a contract budget to an employee budget.
Strategy	ICTS	Strategy	ICTS	225	Realignment of budgets within ICT to reflect restructure
Strategy	ICTS	Strategy	ICTS	200	Realignment of budgets within ICT reflect a restructure.

General Fund Budget Virements

From		To		£000	Reason for Virement
Division	Service	Division	Service		
City Assets	Facilities Management	City Assets	Project and Works Team – Maintenance Programme	108	Realignment of budgets to centralise repairs and maintenance budgets
Corporate Accounts	Corporate Accounts	Regeneration	Director Regeneration	81	Transfer of budget from non- salary budget to salary budget
Corporate Accounts	Corporate Accounts	Corporate Accounts	Corporate Accounts	270	Realignment of budgets within Corporate Accounts
Regeneration	Skills	Regeneration	Skills	83	Removal of unfilled posts budgets with corresponding reduction in grant income.
Public Health & Wellbeing	Various	Public Health & Wellbeing	Various	594	Realignment of Staffing budget across Public Health
Public Health & Wellbeing	Commissioning	Public Health & Wellbeing	Commissioning	72	Removal of budgets no longer required funded from grant
Corporate Budgets	Corporate Adjustments	City Assets	Corporate Asset Management	491	Virement from corporate contingency to support the cost of increases in utilities costs due to rising inflation.
Corporate Budgets	Corporate Adjustments	City Assets	Estates and Valuations	65	Virement from the covid contingency budget to fund forecast loss of income.
Corporate Budgets	Corporate Adjustments	City Housing & Environment	Markets	281	Virement from the covid contingency budget to support the forecast loss of income
Corporate Budgets	Corporate Adjustments	City Housing & Environment	Parking Services	1,175	Virement from the covid contingency budget to support the forecast loss of income.
Corporate Budgets	Corporate Adjustments	City Housing & Environment	Project and Works Team – Maintenance Programme	500	Growth from corporate contingency or budget growth to fund maintenance and compliance works within City assets.
Corporate Budgets	Corporate Adjustments	City Housing & Environment	Transportation	358	Virement to support demographic growth on Special Educational Needs transport

General Fund Budget Virements

From		To		£000	Reason for Virement
Division	Service	Division	Service		
Corporate Budgets	Corporate Adjustments	Communications and Visitor Experience	City Events	135	Virement to fund support core city events
Corporate Budgets	Corporate Adjustments	City Housing & Environment	Energy and Sustainability	83	Virement to fund a Head of Green Cities and Circular Economy.
Corporate Budgets	Corporate Budgets	Finance	Housing Benefit Payments & Subsidy	750	Growth funding to support costs pressures to fund pressures on housing subsidy grant due to increasing numbers in temporary accommodation.
Corporate Budgets	Corporate Budgets	Finance	Strategic Finance	75	Virement to support additional capacity within the Agresso Business Support Team

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