

# Resources and Equality Scrutiny Panel

19 December 2022

**Time** 6.30 pm      **Public Meeting?** YES      **Type of meeting** Scrutiny  
**Venue** Council Chamber - 4th Floor - Civic Centre

## Membership

**Chair** Cllr Zee Russell (Lab)  
**Vice-chair** Cllr Udey Singh (Con)

### Labour

Cllr Milkinderpal Jaspal  
Cllr Jaspreet Jaspal  
Cllr John Reynolds  
Cllr Tersaim Singh  
Cllr Dr Paul John Birch J.P.  
Cllr Lovinyer Daley  
Cllr Louise Miles  
Cllr Greg Brackenridge

### Conservative

Cllr Jonathan Crofts  
Cllr Ellis Turrell

Quorum for this meeting is three Councillors.

## Information for the Public

If you have any queries about this meeting, please contact the Scrutiny Team:

**Contact** Earl Piggott-smith  
**Tel/Email** earl.piggott-smith@wolverhampton.gov.uk /01902 551251  
**Address** Scrutiny Office, Civic Centre, 1<sup>st</sup> floor, St Peter's Square,  
Wolverhampton WV1 1RL

Copies of other agendas and reports are available from:

**Website** <http://wolverhampton.moderngov.co.uk/>  
**Email** [democratic.services@wolverhampton.gov.uk](mailto:democratic.services@wolverhampton.gov.uk)  
**Tel** 01902 555046

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*

- 1            **Welcome and Introductions**  
[The Chair to welcome everyone to the meeting]
  
- 2            **Meeting procedures to be followed**  
[The Chair will explain how the meeting will proceed, how questions are to be asked and any matters of meeting etiquette.]

### MEETING BUSINESS ITEMS

- 3            **Apologies**
  
- 4            **Declarations of interest**
  
- 5            **Minutes of previous meeting (13 October 2022)** (Pages 3 - 12)  
[To approve the minutes of the previous meeting as a correct record]

### DISCUSSION ITEMS

- 6            **Performance, Budget Monitoring and MTFs** (Pages 13 - 66)  
[James Amphlett, Head of Data and Analytics and Alison Shannon, Chief Accountant, to present report]
  
- 7            **External Grant Funding** (Pages 67 - 78)  
[Alison Shannon, Chief Accountant, and Heather Clark, Head of External Funding and Digital Projects, to present report]
  
- 8            **Reserves Working Group report - draft minutes** (Pages 79 - 84)  
[Alison Shannon, Chief Accountant, to present draft minutes of meeting held on 8 November 2022].
  
- 9            **Land and Property Disposal Policy** (Pages 85 - 134)  
[Julia Nock, Deputy Director of Assets, to present report].
  
- 10           **Equality Diversity and Inclusion (EDI) Strategy Update** (Pages 135 - 152)  
[David Pattison, Chief Operating Officer, and Jin Takhar, Head of Equality, Diversity and Inclusion, to present report]
  
- 11           **Resources and Equality Scrutiny Panel - Draft Work Programme 2022 - 2023**  
(Pages 153 - 158)  
[Earl Piggott-Smith, Scrutiny Officer, to present report]

# Resources and Equality Scrutiny Panel

Agenda Item No: 5  
Minutes - 13 October 2022

## Attendance

### Members of the Resources and Equality Scrutiny Panel

Cllr Udey Singh (Vice-Chair)  
Cllr Jonathan Crofts  
Cllr John Reynolds  
Cllr Zee Russell (Chair)  
Cllr Tersaim Singh  
Cllr Lovinyer Daley  
Cllr Louise Miles  
Cllr Ellis Turrell  
Cllr Greg Brackenridge

### Employees

Earl Piggott-Smith  
Alison Shannon  
David Pattison  
Kieran Simpson

Scrutiny Officer  
Chief Accountant  
Chief Operating Officer  
Senior Equality Diversity and Inclusion  
Advisor  
Head of Equality Diversity and Inclusion  
Head of Procurement  
Head of Commercial  
Head of Customer Engagement and  
Registrars

Jin Takhar  
John Thompson  
Parvinder Uppal  
Lamour Gayle

---

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

*Item No.*    *Title*

- 1        **Welcome and Introductions**  
The Cllr Zee Russell, Chair, welcomed everyone to the meeting and advised it was being live streamed to the press and public. A recording of the meeting would be available for viewing on the Council's website.
- 2        **Meeting procedures to be followed**  
The Chair explained the protocol to be followed during the meeting for asking questions and reminded everyone that microphones should be muted and cameras off, unless have been invited to speak by the Chair.
- 3        **Apologies**  
Apologies were received from the following:  
  
Cllr Jaspreet Jaspal

Cllr Milkinderpal Jaspal

Charlotte Johns - Director of Strategy

Claire Nye - Director of Finance

4 **Declarations of interest**

There were no declarations of interest recorded.

5 **Minutes of previous meeting (29 June 2022)**

The panel approved the minutes of the meeting held on 29 June 2022 as being a correct record.

6 **Treasury Management**

The Chair invited Alison Shannon, Chief Accountant, to present the report.

The Chief Accountant advised the panel of the background to the reports which were being presented for information and assurance.

The panel were invited to comment on the report.

There were no questions or comments about the report.

Resolved:

The panel agreed to note the contents of the Treasury Management report.

7 **Equality Diversity and Inclusion (EDI) Strategy Update**

The Chair invited Jin Takhar, Head of Equality Diversity, and Inclusion, to present the report to the panel.

The Head of Equality advised the panel that the report gives an update on progress made to deliver against the Council's Equality Diversity and Inclusion Strategy and supporting action plans. The Head of Equality outlined the four key priorities of the EDI Strategy and advised that the presentation would focus on priority one - To demonstrate Visible Leadership and Strong Organisational Culture.

The Head of Equality commented on specific sections of the report to provide the panel with reassurance that EDI is key priority for the Council.

The Head of Equality highlighted the progress of the staff equality forums and the support given by SEB leads and other initiatives.

The Council has recently adopted the Governance Forums' The Race Equality Code. The performance of the Council will be independently peer reviewed against the four principles in the Code. The Head of Equality advised the panel that the Council will receive a report detailing the strengths and recommendations for any improvements are needed. The peer review full report will be published by December 2022. The Head of Equality suggested that the report could be presented to a future meeting of the panel.

The Head of Equality commented on the work being done to tackle equalities disparities at a service level with the aim of making the Council an equitable provider

of service. The Head of Equality highlighted plans to support career progression and suggested that a report could be presented to a future meeting of the panel.

The panel were invited to comment on the report.

The panel thanked the presenter for the report. The panel queried the amount of time employees spend on equality and diversity issues and wanted reassurance that this activity was not impacting on the quality and delivery of Council services to the public. The panel asked for an estimate of employee time spent on attending and supporting the different equality forums and future for holding a Wolverhampton Pride.

The Head of Equality advised the panel that the members of the staff equality forums meet monthly, and the length of meetings vary from one to two hours depending on the agenda. The Head of Equality commented on work done by the equality forum members and the value of their contributions to the development of Council policies. The Head of Equality added that line managers of forum members support employees and commented the issues of equality is the responsibility of everyone in their daily work to make sure that people are respected and valued whether they are an employee or a resident. The agenda of forums are focused on the business that matters to the public.

The Head of Equality advised the panel that the Council supports a future Wolverhampton Pride event in 2023.

The panel suggested that future reports should include key performance indicators to help Councillors better understand the work being done and that can also be shared with the public in meetings.

The panel welcomed the introduction of the menopause policy. The panel commented that the menopause policy does not refer to a specific period policy and the issue of period poverty. The panel commented that some Councils are offering free period products

The Head of Equality advised the panel that the issue of period poverty is a priority and that a survey of employees led by Public Health will be starting shortly as evidence of the work being done to respond to the concerns highlighted.

The Head of Equality advised the panel that future reports will include performance information and the report presented today was aimed at giving an overview of the change in leadership and organisational culture. The Head of Equality added there have been meetings to discuss the equality outcomes that services could focus on and that a set of performance indicators for EDI have been developed for each business area. The Head of Equality commented that systems have been introduced to monitor progress against the indicators and this information will be included in the future reports to the panel.

The panel queried the numbers of people who have taken part in the employee mentoring programme. The Head of Equality advised that three people have taken part and future reports will give further details about the performance of the initiative.

David Pattison, Chief Operating Officer, added that a performance report was recently presented to Scrutiny Board which included data on equalities and

suggested that following a more detailed analysis that the findings could also be shared with the panel at the same time as Scrutiny Board in March 2023.

The panel thanked the presenters for the report and supported the plans to present the panel with further information.

Resolved:

1. The panel comments on the report to be on the progress being made in delivering the EDI Strategy 2022 – 2024 to be noted.
2. The panel agreed to receive updates on actions agreed to be presented to a future meeting on progress in implementing the EDI Strategy 2022 – 2024.

## 8 **Reserves Working Group**

The Chair invited Alison Shannon, Chief Accountant, to present her report. The Chief Accountant advised panel that this was an annual report to invite nominations to review the Council's earmarked reserves as part of the budget setting process.

The Chief Accountant advised that the working group will be asked to scrutinise the allocation of reserves. The panel comments will be included in the report to Cabinet. The proposed date for the meeting is 8 November 2022.

The following members indicated their wish to be a member of Reserves Working Group

Cllr Zee Russell  
Cllr Udey Singh  
Cllr Johnathan Crofts  
Cllr Louise Miles  
Cllr Tersaim Singh  
Cllr Ellis Turrell

The panel thanked the presenter for the report and supported the report recommendations.

Resolved:

1. The panel approved the terms of reference for the Reserves Working Group.
2. The panel accepted the nominations for the membership of the Reserves Working Group.

## 9 **Contract Management and Procurement Update**

The Chair invited John Thompson, Head of Procurement, to present the report.

The Head of Procurement gave an overview of the background to the Procurement Bill. The Head of Procurement advised the panel that the proposed changes to public procurement regime is expected to be introduced in early 2023, following a six-month transition period.

The Head of Procurement commented on the key changes the procurement arrangements and welcomed the proposal to give the Council new discretionary powers in the Bill to exclude suppliers for poor performance but is awaiting further national guidance on how this change will work.

The Head of Procurement commented on the work done to prepare for the implementation of the Bill and highlighted a recent peer review exercise to assess the level of readiness for the changes. The Head of Procurement advised the panel that Wolverhampton scored the highest among the cohort for the Pipeline work being undertaken.

The Head of Procurement commented on the significant resource implications of the changes in the Procurement Bill and advised the panel that when they have been approved by Parliament then meetings will be held with colleagues in audit and legal to review the Councils Constitution, policies, and procedures to ensure that they are compliant with the requirements of the Act.

The Head of Procurement briefed the panel about the progress of implementing recommendations from the Wolverhampton Pound review which relate to work of procurement service.

The Head of Procurement introduced Parvinder Uppal, Head of Commercial, to comment on progress against the contract management project objectives previously presented to the panel.

The Head of Commercial commented on the link between this work and the new Procurement Bill, the strategic priorities of the Council and the work being done to improve capabilities of employees with contract management responsibilities. The Head of Commercial briefed the panel on training of employees and the development of templates as part of a complete overview of the contract management process.

The Head of Commercial advised the panel that 176 employees had completed the mandatory foundation training and currently 74 per cent of employees have successfully completed the training. The Council has accepted the offer of 10 places for Practitioner level training, the next level of training, which has been funded through DLUC and CCS. A request has been made for extra places in response to requests from colleagues.

The Head of Commercial briefed the panel on the initial findings from the contract lifecycle management review from a sample of 346 contracts in the database as part of efforts to improve performance.

The Head of Commercial updated the panel on joint work with colleagues in legal and HR to consider changes as part of efforts to develop a streamlined contract process.

The Head of Commercial added that work had been done to procure a contract management system that would provide a strategic overview of contracts and performance monitoring but unfortunately, the submissions received did not meet this aim. A business analyst has been recruited to help develop other options for an online tendering and contract management system and to support work being done to meet the requirements of the Procurement Bill, for example, reviewing the roles of employees with contract management responsibilities.

The Head of Commercial invited the Head of Procurement to continue with the presentation.

The Head of Procurement briefed the panel on the background to Council's involvement and other public sector bodies in the development of the Commercial Standards and Continuous Improvement Framework as part of the peer review exercise. The Head of Procurement commented on the assessment rating overall for Wolverhampton against the nine framework themes was either 'good' or 'better'.

The Head of Procurement commented on further action planned against the themes to further improve performance as part of an ongoing continuous improvement programme.

The panel were invited to comment on the report and presentation.

The panel thanked the presenters for the report and congratulated them on the performance of the service. The panel commented on the reference in the presentation to working with Wolverhampton University to encourage students to study for a career in procurement and to provide professional training for the Chartered Institute of Procurement and Supply.

The panel were concerned that the University is looking to reduce the number of courses offered and suggested that an update on progress of this idea be reported to a future meeting.

The Head of Procurement agreed to update the panel on progress of discussions with the University.

The panel queried the creation of the post Head of Wolverhampton Pound and the grade for the role and added this was not a recommendation from the review. The Head of Procurement confirmed that this is a new post, and that the salary grade has not yet been agreed. The Head of Procurement agreed to provide the information requested when available.

The panel commented on the findings from the Wolverhampton Pound review which highlighted the challenges facing local businesses when bidding for Council contracts and queried the support offered to support them.

The Head of Procurement accepted the challenges facing local suppliers and outlined the action being taken to support them. The Head of Procurement commented on changes made to the procurement process in response to comments at a recent meet the supplier event at the Molineux. The Head of Procurement highlighted that a recent change has been the reduction in level of employer liability insurance for business wanting to bid for contracts from £10 million to £5 million, which is the industry standard level of cover.

The panel thanked the presenters again for the report.

Resolved:

1. The panel comments on the report and presentation to be noted.
2. The panel agreed to receive updates on actions agreed to be presented to a future meeting.



**10 Customer Services – 2021/22 performance and future strategy**

The Chair invited Lamour Gayle, Head of Customer Engagement and Registrars, to give the presentation to the panel.

The Head of Customer Engagement outlined the areas that would be covered during the presentation.

The Head of Customer Engagement highlighted the key improvements and achievements of the service to date in the way it is working to meet the needs of both internal and external customers.

The Head of Customer Engagement gave an overview of the performance of the Customer Services contacts during 2021 – 2022 and a detailed analysis of enquiries by telephone, email, and face-to face, services delivered, and the call abandoned rate. The service handled 592,922 customer contacts in 2021-2022.

The Head of Customer Engagement advised the panel that face-to- face customer enquiries re-started in March 2022 and the service dealt with 1125 customer enquiries and an average of 60 – 70 customers visiting the Civic Centre daily. Most of these customers queries received related to Wolverhampton Homes.

The Head of Customer Services commented on the findings from the data analysis and highlighted issues facing the service in improving performance and the need to have a joined up digital transformation approach to address them. The Head of Customer Services commented on reduction in abandoned calls rate from 21 per cent in 2019 to 10.2 percent 2022-2023 and further work was planned to reduce this further to better understand the issue.

The Head of Customer Services commented that in response to customer feedback a new Customer Services Strategy is being developed to address issues highlighted in the data analysis.

The Head of Customer Services commented on service specific reviews covering the following areas taxi licensing, council tax and housing benefit and blue badge scheme. The findings from the reviews will inform the development of the strategy. The Head of Customer Services outlined the timeline for the development of the customer services strategy, and the aims and principles aimed at achieving specific objectives and outcomes.

The Head of Customer Services commented on the plans for replacing the current telephone systems and detailed the advantages of introducing such a system in improving the service to customers. The main objective of the strategy is to deliver a consistent positive customer experience. The Head of Customer Services advised the panel that companies have been invited to demonstrate different telephony solutions to the Council next week.

The panel were invited to comment on the presentation.

The panel thanked the presenter for the report and the progress made to improve the performance of the service.

The panel queried the arrangements for dealing with enquiries from the public who contact the Council on services which are the responsibility of Wolverhampton Homes and suggested if having a representative from Wolverhampton Homes at the

Civic Centre rather having to refer them on to resolve the issue would give a better experience.

The Head of Customer Services commented that the service meet regularly with colleagues from Wolverhampton Homes since the building was re-opened to the public to discuss issues. The public footfall in the Civic Centre about Wolverhampton Homes enquiries is monitored and there have been discussions about the co-location of services and the idea of having a Wolverhampton Homes Customer Service Officer.

The Head of Customer Services added that the service currently does not offer a dedicated service to customers about Wolverhampton Homes and agreed to update the panel on progress at a future meeting.

The panel discussed the presentation of the call abandonment rate figures, the calculation of average call rate times, calculation of the number of customer service contacts and what further action was being proposed to reduce it further.

The panel queried the reference in the presentation which showed staffing levels at a lower level than the industry standard and the reliance of customer self-service. The panel welcomed the recognition of the issue in the presentation and that would be included in the strategy review. The panel expressed concern about the number of residents without digital access and how they would manage and the importance of making provision for people in this situation wanting help with Council services.

The Head of Customer Services reassured the panel that the issue of digital poverty across the City is being addressed and outlined a range of initiatives aimed at supporting residents.

The Chief Operating Officer advised the panel that a report on Digital Wolves will be presented to Cabinet next week which will focus on the issue of addressing digital exclusion and suggested the report be presented to the panel at a future meeting.

The panel thanked the presenter for the report.

Resolved:

1. The panel agreed to note the report and the progress made.
2. The panel agreed to add a report on Digital Wolves to the panel work programme.
3. The panel comments on the presentation to be noted and information requested provided as appropriate.

#### 11 **Resources and Equalities Scrutiny Panel - Draft Work Programme 2022 - 2023**

The Chair invited Earl Piggott-Smith, Scrutiny Officer, to present the report.

The Scrutiny Officer commented on the agenda for future panel meetings and advised that date for the Reserves Working Group will be added when details have been agreed. The draft work programme will be updated to include any specific actions arising from this meeting.

The panel were invited to comment on the draft work programme and suggest topics for future meetings.

The panel thanked the presenter for the report.

The panel suggested adding an extra meeting date to the work programme in February 2023 to better manage the agenda items.

The panel suggested that a report on the findings of the LGA Resident Satisfaction Polling should be added to the panel work programme.

Resolved:

1. The panel agreed to note the report.
2. The panel agreed to add an extra meeting to the panel work programme in February 2023.
3. The panel agreed to receive a report on the LGA Resident Satisfaction Polling to a future meeting of the panel.

This page is intentionally left blank

# Performance, Budget and MTFS

Resources and Equality Scrutiny Panel

19 December 2022

Page 13

Agenda Item No: 6

## Introduction

### Budget Scrutiny for

- Background
- 2022-2023 Performance and Budget monitoring update – as at quarter 2
- 2023-2024 Draft Budget and Medium Term Financial Strategy
- Future Challenges
- Strategic Risk Register

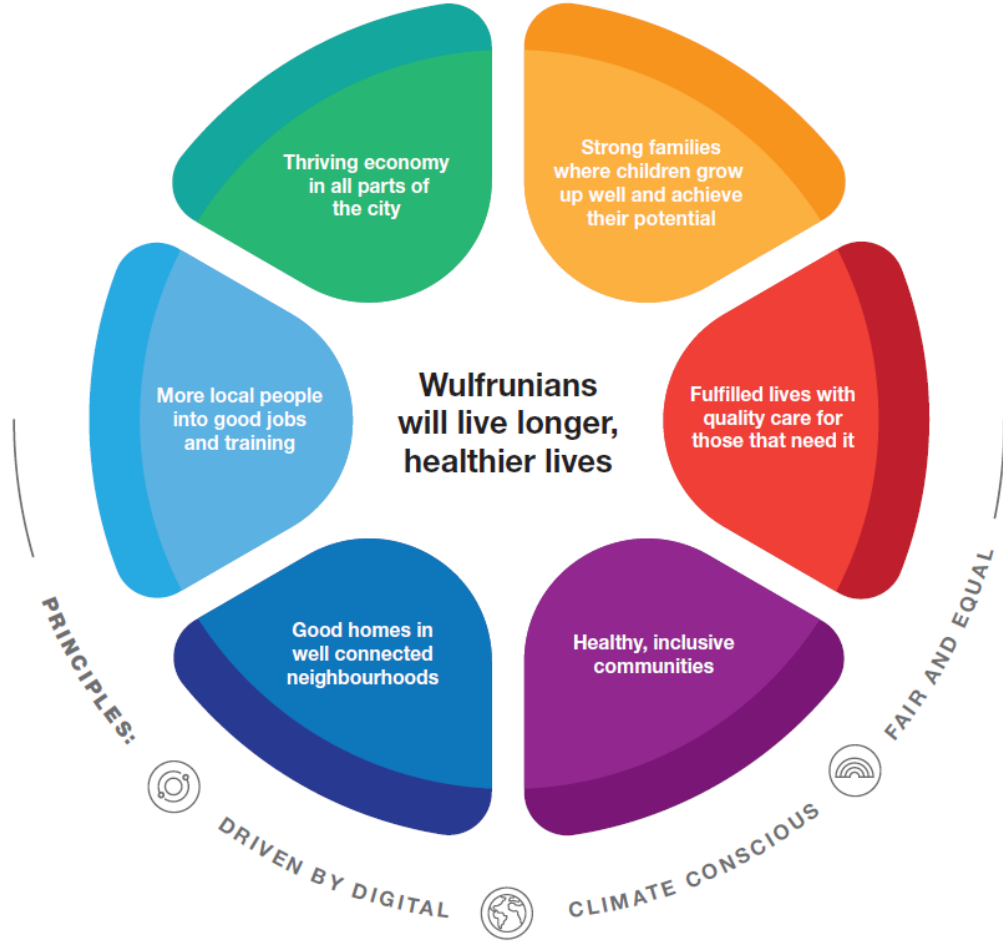
## Background

- The Council has built up a strong track record over many years of managing its finances well despite reductions in funding
- The Council's strategic approach to strategic financial planning is to align resources to Our City, Our Plan which was approved by Full Council on 2 March 2022
- Our City: Our Plan a new Council plan building on the Relighting Our City and providing a strategic framework for delivering the ambition that 'Wulfrunians will live longer, healthier lives.'

## Background

- This presentation provides an update on the in-year performance and budget position and the draft budget for 2023-2024.
- Scrutiny are asked to:
  - consider and comment on the draft budget and how it is aligned to priorities of the Council
  - Provide feedback to Scrutiny Board for consolidation and onward response to Cabinet on the Draft Budget and Medium-Term Financial Strategy 2023-2024 to 2025-2026





# **2022-2023 Performance and Budget Monitoring Quarter 2**

## Performance and Budget Monitoring – Quarter 2

- On a quarterly basis an integrated performance and budget monitoring report is presented to Cabinet.
- The quarter 2 position was presented to Cabinet on 16 November 2022
- Overall, a forecast overspend was reported across the Council of £1.5 million – this is in the main as a result of the 2022-2023 pay award.
- The following slides provide an overview of the services that fall under the remit of this panel.

## Overall Our City: Our Plan Performance – Quarter 2

In total there are currently 56 KPI's in the Our City: Our Plan performance framework.

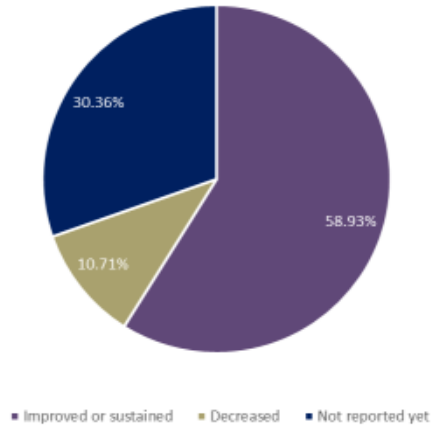
Of these;

- 33 have shown improvement or have seen similar performance
- 17 are yet to be update in the YTD (8 of these in Healthy Communities)\*
- 6 saw a decrease in performance

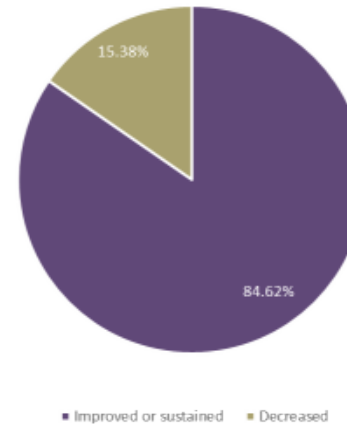
\* Those not updated are where we are awaiting the publication of national data sets and the release schedule is not in our control. An example of this is Educational Attainment, which is a yearly updated that had not been published before the end of Q2 2022-2023

## Overall Our City: Our Plan Performance – Quarter 2

% of indicators improving  
(all indicators)



% of indicators improving  
(those with available updates)



## Overall Our Council Q2 Performance

Number of indicators	Number showing improved or sustained performance -YTD	Number showing decreased performance -YTD	Number with no update in YTD
6	5	1	0

Page 22

### Decreased performance

Employee turnover rate – although lower than most recent national data.

### No update in YTD

N/A

## Our Council

Indicator	Previous Performance	Current Performance	Is Performance Improving
Customer Service call wait times (average call wait time)	00:05:33 (2022-23 Q1)	00:05:00 (2022-23 Q2)	Y
Employee Turnover rate	2.72% (2021-22 Q2)	3.54% (2022-23 Q2)	
Ethnicity Pay Gap for Council Employees	5.13% (2019-20)	4.71% (2019-20)	Y
Gender Pay Gap for Council Employees	4.2% (2019-20)	4.0% (2020-21)	Y
Sickness absence rates (non covid)	3.88% (2021-22 Q2)	3.79% (2022-23 Q2)	Y
Spend With Local Businesses	463 Wolverhampton bases companies	467 Wolverhampton bases companies	Y

Page 81  
Page 23

## Our Council Performance - Our People

Data published in this financial year for **gender and ethnicity pay gaps** relates to 2020-21. Both pay gaps saw a narrowing in comparison to the previous financial year.

The **sickness absence rate** 2022-23 Q2 has increased by 0.31 percentage points when compared to the previous quarter. However, when compared to the same quarter last year (3.88%), the sickness absence rate has decreased by 0.09 percentage points.

Mental health, musculoskeletal and operations were recorded as the most common sickness absence reasons. Work is underway to review our employee support offer including an all staff survey on mental health.

The **Employee Turnover** rate for 2022-23 Q2 was 3.54%, which is an increase of 0.82 percentage points when compared to the previous quarter. However, published data available for other local authorities across England shows that the turnover rate for Wolverhampton in 2021-22 Q4 was lower than the average reported by other areas (4.1%) during the same timeframe.



## Our Council Performance – Customer Services

There has been an improvement in average **Customer Service call wait times** in the quarter by 33 seconds, from 5 mins 33 seconds to 5 minutes, across all family groups. This can be attributed to an increase in Customer Services Officers and process improvements for taxi licensing, one of the busiest lines the service offers, which has directly improved wait times and abandonment rates in the area.

Whilst there have been improvements in the average call wait time at Q2, there a longer call wait times on lines for revenue and benefits, council tax and housing benefits.

Page 25

### Average wait time for Q2 :

- Family Group 3 (Revs and Bens) 00:10:56
- Council Tax Line 00:14:06

To support improvement, there has been an increase in face-to-face services including relaunched Council Tax Surgeries and a review of resources is underway.

Consultation is currently underway on the forthcoming Customer Services strategy, an outline of which has been reported to this Scrutiny Panel and the final strategy will come for pre-decision scrutiny in 2023.

## Our Council Performance – Wolverhampton Pound

**Spend with local businesses** - there has been a slight increase in the number of Wolverhampton businesses that the council spent money with in the quarter, from 463 to 467.

This links to the Council's key priority of increasing the value of the Wolverhampton Pound.

Regular monitoring of the recommendations from the Wolverhampton Pound Select Committee is in place.

## Forecast Budget Position – Summary

Service	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Quarter 2 Variance
	£000	£000	£000	%	
	Catering	(117)	(62)	55	
Cleaning	1,268	1,254	(14)	(1.10%)	
Corporate Asset Management	9,353	9,368	15	0.16%	
Estates and Valuations	(4,884)	(4,870)	14	0.29%	
Facilities Management	1,497	1,282	(215)	(14.36%)	The forecast underspend is primarily due to the lower running costs for the Civic Centre, along and various staffing vacancies.
Project and Works Team – Capital Programmes	166	194	28	16.87%	
Project and Works Team – Maintenance Programme	3,426	3,426	-	-	
<b>Total City Assets</b>	<b>10,709</b>	<b>10,592</b>	<b>(117)</b>	<b>(1.09%)</b>	

## Forecast Budget Position – Summary

	Net Controllable Revised Budget 2022-2023 £000	Net Controllable Forecast 2022-2023 £000	Q2 Variance		Reason for Quarter 2 Variance
			£000	%	
Audit Services	1,811	1,551	(260)	(14.36%)	The forecast underspend is as a result of in-year savings against staffing due to unfilled vacancies within internal audit and insurance services.
Central Corporate Budgets	3,055	2,794	(261)	(8.54%)	The forecast underspend is due to a reduction in enhanced pension costs, combined with other less underspends against a range of corporate budgets. This service includes a savings target of £150,000 for 2022-2023, which is on target for delivery.
Commercial Services	393	393	-	-	
Housing Benefit Payments & Subsidy	1,498	1,892	394	26.30%	The forecast overspend is due to continued increase in temporary, supported and exempt accommodation where full subsidy grant is not received for this type of accommodation. This forecast overspend is after a virement of £750,000 was actioned at quarter 1.
Finance Director	167	167	-	-	
Revenues & Benefits	2,900	2,660	(240)	(8.28%)	The forecast underspend is as a result of increased income from recovery action.

## Forecast Budget Position – Summary

	Net Controllable Revised Budget 2022-2023 £000	Net Controllable Forecast 2022-2023 £000	Q2 Variance		Reason for Quarter 2 Variance
			£000	%	
Procurement Services	857	1,182	325	37.92%	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. The current forecast is based on a successful recruitment of four Procurement Manager vacancies which will be shortly advertised. If this campaign is unsuccessful the reliance on these current interims in post will continue and this could lead to an additional overspend by year end in the region £110,000. The budget position is kept under continuous review and assumptions updated regularly.
Strategic Finance	3,168	3,248	80	2.53%	The forecast overspend is due to the appointment of agency staff in vacancies pending recruitment. Recruitment to vacant posts is currently ongoing.
The Hub	1,784	1,699	(85)	(4.76%)	The forecast underspend is due to being unable to fill several vacant positions, either through recruitment or use of agency. Although work is being done to optimise appointment to positions, it is unknown if the inability to fill vacant posts will be longer term or might be addressed short term, due to the nature of the current recruitment market. Therefore, the budget is forecasting that positions will not be filled immediately but will be filled within the next few months. This means the actual outturn might be higher or lower, dependent on appointment success. This position will be kept under review through regular budget monitoring.
<b>Total Finance</b>	<b>15,633</b>	<b>15,586</b>	<b>(47)</b>	<b>(0.30%)</b>	

## Forecast Budget Position – Summary

	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Quarter 2 Variance
	£000	£000	£000	%	
Chief Operating Officer	179	179	-	-	
Deputy Director of People and Change	133	133	-	-	
Governance Services	3,282	3,282	-	-	A contribution of £123,000 towards an overall savings target of £393,000, predominantly delivered through one off vacancies that have emerged across a range of services through the year.
Health and Safety	266	251	(15)	(5.64%)	A contribution of £50,000 towards an overall savings target of £393,000, delivered through one off vacancies. There have been difficulties in recruiting to three vacancies. Interviews for two of the health and safety adviser positions are now taking place in November. The final posts funding has received approval to be used for funding two fixed term Level 3 apprenticeships within the team. Interviews for planned for December 2022, and the other in January 2023.
Human Resources	1,764	1,764	-	-	

## Forecast Budget Position – Summary

	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Quarter 2 Variance
	£000	£000	£000	%	
Organisational Development	1,152	1,132	(20)	(1.74%)	A contribution of £47,000 towards an overall savings target of £393,00, delivered through one off vacancies and additional external income. Vacancies have arisen as graduate trainees have moved onto permanent positions prior to the end of their scheme. AYSE grant income received when the Council brings in year one social workers and incentive funds associated with apprenticeship recruitment are also offsetting expenditure, the former ringfenced to expenditure incurred in the provision of training for year one social workers.
Legal Services	1,898	1,955	57	3.00%	
Ward Funds	200	200	-	-	
Projects and Change	428	390	(38)	(8.88%)	
Equalities	170	180	10	5.88%	
Support Services	4,179	4,179	-	-	
<b>Total Governance</b>	<b>13,651</b>	<b>13,645</b>	<b>(6)</b>	<b>(0.04%)</b>	

## Forecast Budget Position – Summary

	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Quarter 2 Variance
	£000	£000	£000	%	
Director of Communications and Visitor Experience	158	158	-	-	
Communications	699	718	19	2.72%	
<b>Total Communications</b>	<b>857</b>	<b>876</b>	<b>19</b>	<b>2.22%</b>	

32

	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Quarter 2 Variance
	£000	£000	£000	%	
Business Continuity & Emergency Planning	8	8	-	-	
<b>Total Public Health</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>-</b>	



## Forecast Budget Position – Summary

	Net Controllable Revised Budget 2022-2023	Net Controllable Forecast 2022-2023	Q2 Variance		Reason for Quarter 2 Variance
	£000	£000	£000	%	
Customer Services	2,166	2,130	(36)	(1.66%)	
ICTS	6,609	6,183	(426)	(6.45%)	The forecast underspend is 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	937	889	(48)	(5.12%)	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	185	(265)	(58.89%)	The forecast underspend is as a result of part year vacancies and underspend on professional fees.
Register Officer	(38)	(64)	(26)	(68.42%)	The forecast underspend is as a result of additional income following backlog of ceremonies following ending of lockdown rules.
External Funding and Digital Projects	277	265	(12)	(4.33%)	
Strategy	156	156	-	-	
West Midlands Strategic Migration Partnership	15	15	-	-	
<b>Total Strategy</b>	<b>10,572</b>	<b>9,759</b>	<b>(813)</b>	<b>(7.69%)</b>	

## Forecast Budget Position – Summary

	Net Controllable	Net	Q2 Variance		Reason for Quarter 2 Variance
	Revised Budget	Controllable			
	2022-2023	Forecast	£000	%	
	£000	£000	£000	%	
Chief Executive and Deputy Chief Executive	397	397	-	-	
Corporate Adjustments	2,197	2,194	(3)	(0.14%)	
Corporate Budgets	(13,510)	(12,778)	732	(5.42%)	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 2022-2023 pay award creates a corporate pressure.
Apprenticeship Levy	540	560	20	3.70%	
West Midlands Transport Levy	10,523	10,523	-	-	
Environment Agency Levy	78	78	-	-	
Birmingham Airport – Rent	(69)	(69)	-	-	
Treasury Management	38,614	35,174	(3,440)	(8.91%)	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	9,000	6,119	212.39%	On 1 November, it was confirmed that the pay award for 2022-2023 was accepted. The pay award is in excess of the 2% provision built into the 2022-2023 budget. The Council has identified a number of in-year efficiencies in order to mitigate against this cost pressure. Work will continue over the coming months to further identify efficiencies and underspends to mitigation against this cost in 2022-2023. Updates will be provided in future reports.
<b>Total Corporate Accounts</b>	<b>41,651</b>	<b>45,079</b>	<b>3,428</b>	<b>8.23%</b>	

## Forecast Budget Position – key areas to note

- Underspends are forecast on:
  - City Asset - The forecast underspend is primarily due to the lower running costs for the Civic Centre, along and various staffing vacancies partly offset by reduction in income.
  - Finance - This is as a result of forecast underspends within Audit Services due to staff vacancies, a reduction in enhanced pension costs within Central Corporate Budgets and recoupment of costs associated with recovery work within Revenues and Benefits. This is offset in part by overspends within Procurement due to the appointment of agency staff covering vacancies whilst recruitment is ongoing and increased pressures within Housing Benefit Payments & Subsidy due to an increase in temporary accommodation.
  - Strategy – The forecast underspend is mainly within ICTS as a result of part year vacant positions and additional income from printing and a forecast underspend within Policy and Strategy as a result of part year vacancies and underspend on professional fees.
  - Corporate Accounts - An underspend is forecast against the Treasury Management budget as a result of rephasing of the capital programme.

## Forecast Budget Position – key areas to note

- Overspend is forecast on:
  - Corporate Accounts – An overspend was reported against corporate accounts to reflect the forecast impact of the 2022-2023 pay award which was accepted on 1 November 2022. This is forecast to be in the region of £9.0 million for 2022-2023. The approved budget for 2022-2023 includes a provision of 2% amounting to £2.8 million, resulting in a forecast cost pressure of £6.2 million. This pressure was reported corporately as the budget is held corporately until the costs are agreed.

# **2023-2024 Draft Budget and MTFS 2023-2024 to 2025-2026 Overview**

## Overview

- The 2022-2023 budget and MTFs was approved by Full Council on 2 March 2022
- Reported a forecast budget deficit of £12.6 million in 2023-2024 rising to £25.8 million over the medium term to 2025-2026
- Work has been ongoing to reduce the deficit with an update to Cabinet on 19 October 2022 reporting an updated forecast budget deficit of £7 million for 2023-2024 rising to £31.6 million by 2025-2026
- Work will continue to be undertaken to bring forward proposals to set a balanced budget for 2023-2024 and deliver a sustainable medium term financial strategy

# 2023-2024 Draft Budget and MTFs 2023-2024 to 2025-2026 Overview

Scrutiny Panel	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget* £000	Pay Award Inflation** 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	2023-2024 Draft Net Revenue Expenditure/ (Income) Budget £000
Economy and Growth Scrutiny Panel	21,129	(13,853)	7,276	85	90	(1,030)	6,421
Health Scrutiny Panel	21,886	(21,886)	-	-	-	-	-
Residents, Housing and Communities Scrutiny Panel	80,500	(46,181)	34,319	271	642	(250)	34,982
Resources and Equality Scrutiny Panel	197,087	(108,345)	88,742	14,112	2,836	(1,852)	103,838
Fulfilled Adult Lives Scrutiny Panel	119,537	(38,574)	80,963	172	4,705	(2,000)	83,840
Stronger Families, Children, and Young People Scrutiny Panel	242,021	(189,715)	52,306	442	-	-	52,748
Commissioning and Transformation***	3,815	(262)	3,553	-	-	-	3,553
<b>Net Budget Requirement</b>	<b>685,975</b>	<b>(418,816)</b>	<b>267,159</b>	<b>15,082</b>	<b>8,273</b>	<b>(5,132)</b>	<b>285,382</b>
<b>Corporate Resources</b>			<b>(267,159)</b>	-	<b>(11,081)</b>	-	<b>(278,240)</b>
<b>Budget Challenge as at October 2022</b>							<b>7,142</b>

- \*draft revised budget after reversal of one-off virements and forecast impact of 2022-2023 pay award
- \*\* forecast impact of increments, changes to NI, does not factor in any uplift for 2023-2024 pay award – this will be held corporately until agreed
- \*\*\*Commissioning and Transformation falls under both Fulfilled Adults Lives and Stronger Families, Children and Young People Scrutiny Panel

## Overview – Uncertainties

- There continues to be significant uncertainty around
  - Future funding
  - Inflationary pressures
  - Future pay awards – currently assumes 4% in 2023-2024 and 2% for future years



# **Resources and Equality Scrutiny Panel**

## **2023-2024 draft budget and MTFs**

# Draft Budget

Service	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget £000	Pay Award Inflation 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	Net Revenue Expenditure/ (Income) Budget 2023-2024 £000
Catering	2,807	(2,850)	(43)	13	-	-	(30)
Cleaning	5,531	(3,808)	1,723	15	-	-	1,738
Corporate Asset Management	9,517	(136)	9,381	12	-	-	9,393
Estates and Valuations	592	(5,532)	(4,940)	2	-	-	(4,938)
Facilities Management	2,233	(621)	1,612	8	-	-	1,620
Project and Works Team – Capital Programmes	1,114	(909)	205	5	-	-	210
Project and Works Team – Maintenance Programme	3,170	(198)	2,972	14	-	-	2,986
<b>Total City Assets</b>	<b>24,964</b>	<b>(14,054)</b>	<b>10,910</b>	<b>69</b>	<b>-</b>	<b>-</b>	<b>10,979</b>

- \*draft revised budget after reversal of one-off virements and forecast impact of 2022-2023 pay award
- \*\* forecast impact of increments, changes to NI, does not factor in any uplift for 2023-2024 pay award – this will be held corporately until agreed
- At this point in time some growth and savings are provisionally being held in Corporate Accounts and will allocated when services have identified where it needs to be reflected.

## Draft Budget

Service	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget £000	Pay Award Inflation 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	Net Revenue Expenditure/ (Income) Budget 2023-2024 £000
Communications	1,144	(392)	752	4	-	-	756
Director of Communications and Visitor Experience	159	0	159	5	-	-	164
<b>Total Communications</b>	<b>1,303</b>	<b>(392)</b>	<b>911</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>920</b>

Service	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget £000	Pay Award Inflation 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	Net Revenue Expenditure/ (Income) Budget 2023-2024 £000
Business Continuity & Emergency Planning	152	(138)	14	-	-	-	14
<b>Total Public Health</b>	<b>152</b>	<b>(138)</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>

- \*draft revised budget after reversal of one-off virements and forecast impact of 2022-2023 pay award
- \*\* forecast impact of increments, changes to NI, does not factor in any uplift for 2023-2024 pay award – this will be held corporately until agreed
- At this point in time some growth and savings are provisionally being held in Corporate Accounts and will allocated when services have identified where it needs to be reflected.

# Draft Budget

Service	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget £000	Pay Award Inflation 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	Net Revenue Expenditure/ (Income) Budget 2023-2024 £000
Audit Services	4,117	(2,269)	1,848	5	-	-	1,853
Central Corporate Budgets	5,772	(2,744)	3,028	0	-	(150)	2,878
Commercial Services	475	(71)	404	6	-	-	410
Director of Finance	173	(3)	170	0	-	-	170
Housing Benefit Payments & Subsidy	60,655	(59,906)	749	0	-	-	749
Procurement Services	1,218	(311)	907	10	-	-	917
Revenues & Benefits	5,814	(2,600)	3,214	38	-	-	3,252
Strategic Finance	3,777	(528)	3,249	32	-	-	3,281
The Hub	2,700	(746)	1,954	24	-	-	1,978
<b>Total Finance</b>	<b>84,701</b>	<b>(69,178)</b>	<b>15,523</b>	<b>115</b>	-	<b>(150)</b>	<b>15,488</b>

- \*draft revised budget after reversal of one-off virements and forecast impact of 2022-2023 pay award
- \*\* forecast impact of increments, changes to NI, does not factor in any uplift for 2023-2024 pay award – this will be held corporately until agreed
- At this point in time some growth and savings are provisionally being held in Corporate Accounts and will allocated when services have identified where it needs to be reflected.

## Changes to budget –saving / growth

- Under the remit of this panel the MTFS currently has the following saving targets built into the budget
  - £150,000 – Efficiencies within Central Corporate Budgets held in Finance
- There is no specific growth built in Finance.

# Draft Budget

Service	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget £000	Pay Award Inflation 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	Net Revenue Expenditure/ (Income) Budget 2023-2024 £000
Deputy Director of People and Change	135	0	135	3	-	-	138
Director of Governance	185	(6)	179	4	-	-	183
Equalities	357	(171)	186	5	-	-	191
Governance Services	3,597	(472)	3,125	29	-	(100)	3,054
Health and Safety	680	(339)	341	8	-	-	349
Human Resources	2,339	(173)	2,166	7	-	-	2,173
Legal Services	3,634	(1,619)	2,015	24	-	-	2,039
Organisational Development	1,380	(136)	1,244	7	-	-	1,251
Projects and Change	460	(9)	451	6	-	-	457
Support Services	5,167	(437)	4,730	44	-	-	4,774
Ward Funds	200	0	200	0	-	-	200
<b>Total Governance</b>	<b>18,134</b>	<b>(3,362)</b>	<b>14,772</b>	<b>137</b>	<b>-</b>	<b>(100)</b>	<b>14,809</b>

- \* draft revised budget after reversal of one-off virements and forecast impact of 2022-2023 pay award
- \*\* forecast impact of increments, changes to NI, does not factor in any uplift for 2023-2024 pay award – this will be held corporately until agreed
- At this point in time some growth and savings are provisionally being held in Corporate Accounts and will allocated when services have identified where it needs to be reflected.

## Changes to budget –saving / growth

- Under the remit of this panel the MTFS currently has the following saving targets built into the budget
  - Governance Services £100,000 – Governance Efficiencies
- There is no growth built in Governance

# Draft Budget

Service	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget £000	Pay Award Inflation 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	Net Revenue Expenditure/ (Income) Budget 2023-2024 £000
Customer Services	2,978	(589)	2,389	43	-	-	2,432
Data and Analytics	1,334	(330)	1,004	32	-	-	1,036
Digital and IT	9,540	(2,711)	6,829	61	-	(150)	6,740
External Funding and Digital Projects	315	(24)	291	5	-	-	296
Policy and Strategy	468	0	468	3	-	-	471
Register Office	450	(461)	(11)	7	-	-	(4)
Strategy	161	(3)	158	5	-	-	163
West Midlands Strategic Migration Partnership	657	(657)	0	0	-	-	-
<b>Total Strategy</b>	<b>15,903</b>	<b>(4,775)</b>	<b>11,128</b>	<b>156</b>	-	<b>(150)</b>	<b>11,134</b>

- \*draft revised budget after reversal of one-off virements and forecast impact of 2022-2023 pay award
- \*\* forecast impact of increments, changes to NI, does not factor in any uplift for 2023-2024 pay award – this will be held corporately until agreed
- At this point in time some growth and savings are provisionally being held in Corporate Accounts and will allocated when services have identified where it needs to be reflected.



## Changes to budget –saving / growth

- Under the remit of this panel the MTFS currently has the following saving targets built into the budget
  - Digital and IT £150,000 ICT Review
- There is no growth built in Strategy

# Draft Budget

Service	2022-2023 Gross Expenditure Budget £000	2022-2023 Gross Income Budget £000	2022-2023 Net Revenue Expenditure/ (Income) Budget £000	Pay Award Inflation 2023-2024 £000	Growth 2023-2024 £000	Savings 2023-2024 £000	Net Revenue Expenditure/ (Income) Budget 2023-2024 £000
Chief Executive	194	0	194	-	-	-	194
Deputy Chief Executive	208	0	208	-	-	-	208
Corporate Accounts	51,528	(16,446)	35,082	13,626	2,836	(1,452)	50,092
Corporate Resources	800	(267,959)	(267,159)	-	(11,081)	-	(278,240)
<b>Total Corporate Accounts</b>	<b>52,730</b>	<b>(284,405)</b>	<b>(231,675)</b>	<b>13,626</b>	<b>(8,245)</b>	<b>(1,452)</b>	<b>(227,746)</b>

- \*draft revised budget after reversal of one-off virements and forecast impact of 2022-2023 pay award
- \*\* forecast impact of increments, changes to NI, does not factor in any uplift for 2023-2024 pay award – this will be held corporately until agreed
- At this point in time some growth and savings are provisionally being held in Corporate Accounts and will allocated when services have identified where it needs to be reflected.

## Changes to budget – saving

- Under the remit of this panel the MTFS currently has the following saving targets built into the budget

<b>Savings Proposal</b>	<b>£000</b>
Efficiencies from across the council following work undertaken by the Matrix Groups*	(950)
Efficiencies through contract procurement and management*	(250)
In year underspends from across the council*	(4,000)
One-off use of grants no longer required	(1,600)
Review of budgets held corporately	(500)
Use of capital receipts to fund revenue transformation	(2,000)
Use of Future Years Budget Strategy Reserve	(5,000)
Use of reserves created in 2022-2023	(800)
<b>Total Savings Proposals</b>	<b>(15,100)</b>

\*these savings targets will be delivered from across the council, they are held corporately until the full breakdown on how these will be delivered has been finalised.

The above tables excludes the reversal of prior year one-off savings

## Changes to budget – growth

- A number of growth items are held corporately and are subject to costs being finalised. Budgets will be vired out to services once costs are known
- Under the remit of this panel the MTFs currently has the following growth built into the budget:

Growth		£ 000
Demographic Growth	Emerging pressures have been identified within the Organisation Theme to support transformation	2,320
Demographic Growth	Reduction in growth held in previous years to support Council Priorities –budget remaining £133,000	(1,514)
Demographic Growth	Reduction in corporate contingency budget held in previous years to support cost pressures within corporate landlord – budget remaining corporately £550,000	(250)
Inflationary Growth	Growth held corporately to support changes to Business Rates for Council properties	145
Inflationary Growth	Growth held corporately to support general inflation across the council	2,585
Demographic Growth	Reduction to growth held corporately in previous years to offset reduction in income due post covid – budget remaining £920,000	(950)

## Draft Budget

- Budget setting process is still under way. The Draft Budget is subject to changes that are implemented to close the current deficit for 2023-2024.
- Some growth and saving targets are currently being held in Corporate Accounts and will be transferred to services.
- The Draft Budget currently does not yet reflect any virements between services in 2023-2024.
- Work is ongoing to review and challenge budget requirements

## Risks / Key areas to note

- Impact of demand on temporary accommodation on housing benefits costs (in addition to housing budgets)
- Difficulties in recruitment e.g. procurement, IT
- Increase in score of cyber security risk on strategic risk register due to global trends
- Inflationary pressures impacting on energy costs and maintenance of assets
- Growth has been identified to support transformation work and pressures across the Organisation Theme

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
<b>Corporate</b>						
Transformation Reserve	To progress transformational work across the council and ultimately deliver greater efficiencies.	(2,631)	(969)	Examples of approved utilisation of the Transformation Reserve in 2022-2023 include resources to support the scanning programme, and transformation programmes within Governance and Human Resources.	Compromise service ability to deliver efficiencies and resultant budget reductions. Also, there may be a potential impact on the delivery of budget reduction targets.	17
Budget Contingency Reserve	Available to address in-year budget pressures that cannot be addressed from within existing service budgets. Funds in this reserve have been increased in previous years to support risks associated with the budget, including but not limited to the delivery of challenging budget reduction targets.	(7,073)	(3,649)*	Examples of approved use of this reserves in 2022-2023 include the commonwealth games, and environmental works.	This reserve mainly addresses in-year budget pressures that cannot be met from within existing budgets.	-

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
Efficiency Reserve Page 56	Available to allow pump priming and investment in new developments, where the main aim is to generate efficiencies in the future as supported by a fully costed business case.	(5,411)	(5,137)	Examples of approved utilisation of the Efficiency Reserve in 2022-2023, include supporting development work in Finance, and the deliver activities in maximising the collaboration with the Voluntary and Community Sector	If the reserve is not used to support investment, significant new developments may not be able to be undertaken and efficiencies would not be realised.	-
Job Evaluation Reserve	To assist with the funding of the implementation of new pay scales arising from job evaluation, in addition to equal pay costs that cannot be charged to the provision.	(1,000)	-	On 23 February 2022, the Council approved the drawdown of £1.0 million from this reserve in 2022-2023, as part of the 2022-2023 budget strategy.	There would be an impact on the 2022-2023 budget position if the reserves were not to be used as planned.	-



## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
Development Reserve	To fund feasibility works.	(294)	(77)	This reserve is available to deliver feasibility works.	If the reserve were not to be used for this purpose, the Council may need to divert other resources to support feasibility works.	-
Business Rates Equalisation Reserve	To equalise the impact of the fluctuation in business rates on the Council's General Fund arising as a result of revaluations and appeals.	(22)	(22)	There is no planned use of this reserve in 2022-2023.	There would be an indirect impact in that the cost of appeals attributable to the Council would need to be accommodated within existing resources. Those resources would therefore not be available to support services.	-

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
Treasury Management Equalisation Reserve	To support the revenue costs associated with re-phasing in the Capital Programme, such as interest costs arising as a result of borrowing.	(1,651)	-	On 23 February 2022, the Council approved the drawdown of £1.7 million from this reserve in 2022-2023, as part of the 2022-2023 budget strategy.	There would be an impact on the 2022-2023 budget position if the reserves were not to be used as planned.	-
Budget Strategy Reserve	Funds in this reserve are available to address reorganisation costs as a result of the financial challenges faced by the Council over the medium term.	(7,569)	(7,569)	Any requirements to use this reserve will be reviewed at year end.	This reserve addresses reorganisation costs. If the reserve to support those costs were not to be available, the Council may have difficulty in achieving on-going budget reductions required over the medium term to balance the budget.	-

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
Future Years Budget Strategy Reserve	Funds have been transferred into this reserve to support the budget strategy in future years.	(13,307)	(5,000)	On 23 February 2022, Cabinet approved the budget strategy and MTFS for 2022-2023 to 2025-2026 includes the use of this reserves of the medium term	There would be an impact on the 2022-2023 budget and MTFS position if the reserves were not to be used as planned.	5,000
Our City Our Plan Reserve	This reserve is to support Our City, Our Plan priorities	(6,058)	(1,899)	Examples of approved utilisation include resources to support the Wolves at Work 18-24 - Youth Employment project.	If the reserve were not to be used for this purpose, the Council may need to divert other resources to support Our City, Our Plan priorities.	150
Community Initiatives	For a programme of positive community-based activities to engage and develop young people	(697)	(697)	There is no planned use of this reserve in 2022-2023.	There would be an impact the Council being able to fund activities for young people in future years. Plans are currently being developed to support activity in 2023-2024 and future years.	-
<b>Corporate Total</b>		<b>(45,713)</b>	<b>(25,019)</b>			<b>5,167</b>

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
<b>Finance</b>						
Our Technology Reserve	This amount has been set aside to part fund costs arising from the ongoing development of Agresso.	(116)	-*	Funds in this reserve will support the ongoing development of Agresso.	If the reserve were not to be available, the Council would have to divert other resources to support these developments / costs.	-
Revenues and Benefits Strategy Reserve	Funds available to address changes in benefit distribution.	(3,380)	(1,205)	On 23 February 2022, the Council approved the drawdown of £2.2 million from this reserve in 2022-2023, as part of the 2022-2023 budget strategy.	There would be an impact on the 2022-2023 budget position if the reserves were not to be used as planned.	-
<b>Finance Total</b>		<b>(3,496)</b>	<b>(1,205)</b>			-

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
<b>Governance</b>						
Elections Reserve	The cost of running local elections to the Council in any year is dependent on whether they are standalone or combined with Parliamentary, Police and Crime Commissioner or Combined Authority Mayoral elections. Combined elections costs are effectively shared, part funded by Government or the Combined Authority. In these circumstances significant underspends against the local elections budget are expected and provide scope for contributions to the Elections Reserve. Standalone election costs are conversely expected to exceed the local elections budget. In these years the additional costs are to be funded from the Elections Reserve.	(183)	(183)	There is currently no planned use of this reserve in 2022-2023.	There would be an indirect impact in that the cost of the election would need to be accommodated within other Council resources which could result in budget efficiencies having to be made elsewhere.	-

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
Ward Funds Reserve	The reserve is to carry forward unspent Ward Funds for future use to be determined in conjunction with Councillors.	(124)	(124)	Expenditure plans determined by Councillors in compliance with Ward Fund scheme governance.	If the reserve were not used for this purpose it would impact on the Ward Fund scheme.	-
<b>Governance Total</b>		<b>(307)</b>	<b>(307)</b>			-

## Earmarked Reserves

Earmarked Reserve	Description of Reserve	Balance at 1 April 2022 £000	Forecast Balance at 31 March 2023 £000	Areas of anticipated expenditure 2022-2023	What would be the effect on services if the reserve is not utilised in this way	Approved Commitments for future years (2023-2024 onwards) £000
Digital Inclusion	To support the rollout of future proofed digital infrastructure	(95)	(95)	There is no planned use of this reserve in 2022-2023.		-
<b>Strategy Total</b>		<b>(95)</b>	<b>(95)</b>			-

## Earmarked Reserves

- Full list of forecast balances of all reserves including Earmarked Reserves with specific Criteria were reported to Reserves Working Group on 8 November 2022 which can be access from:

<https://wolverhampton.moderngov.co.uk/ieListDocuments.aspx?CId=358&MId=19012&Ver=4>

\*updated to reflect use of reserves as approved Cabinet on 16 November 2022



## Strategic Risk Register

- Risks last reported to the Cabinet on 16 November 2022.
- The following strategic risk relevant to this panel:
  - Reputation / Loss of Public Trust
  - Employee Wellbeing
  - Information Governance
  - Medium Term Financial Strategy
  - Related Parties
  - Cyber Security
- Strategic Risk register is available at:  
<https://wolverhampton.moderngov.co.uk/documents/s224776/Appendix%203%20-%20Strategic%20Risk%20Register.pdf>

[wolverhampton.gov.uk](http://wolverhampton.gov.uk)

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Resources and Equality Scrutiny Panel 19 December 2022</b>
--	---

<b>Report title</b>	External Grant Funding	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Obaida Ahmed Resources and Digital City	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Charlotte Johns, Director of Strategy	
<b>Originating service</b>	External Funding and Digital Projects	
<b>Accountable employee</b>	Heather Clark	Head of External Funding
	Tel	01902 555614
	Email	Heather.Clark2@wolverhampton.gov.uk
	Alison Shannon	Chief Accountant
	Tel	01902 554561
	E-mail	Alison.Shannon@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>		

---

**Recommendation(s) for action or decision:**

The Scrutiny Panel is recommended to:

1. Review external grant funding opportunities currently available to the Council.
2. Feedback on the Council's approach to managing and delivering externally funded projects.

## **1.0 Purpose**

- 1.1 To provide an update on external grant funding opportunities coming into the Council and information on our approach to managing and delivering externally funded projects.

## **2.0 Background**

- 2.1 The securing of external grants is important to funding the delivery of the Council's key priorities as set out in Our City: Our Plan, the Five-Year Financial Strategy and to level up our economy.
- 2.2 The City and Council has benefited from significant external funding in the past which have contributed to the delivery of city priorities. Through EU funding, for Council led programmes alone, we have received £9.27 million European Regional Development Fund for Wolverhampton Invest in Smart Infrastructure, Black Country Blue Network 2 and Black Country AIM for GOLD and £6.4 million European Social Fund and Youth Employment Initiative for Wolverhampton's delivery of Black Country Impact over the past 3 years amounting to over £15 million. The Council secured £4.9 million Local Full Fibre Network grant to connect 170 public sector buildings to full fibre broadband.
- 2.3 LGA research has estimated that the average cost to councils in pursuing each competitive grant was in the region of £30,000. As part of the ongoing work around levelling up, the council has set out the importance of a new relationship between central and local government which was approved by Cabinet on the 27 July 2022, and includes:
- Sustainable and sufficient funding in the longer term
  - Reducing the fragmentation of funding pots
  - Bringing budgets together in place
  - A renewed focus on prevention, backed by government investment

## **3.0 External Funding Opportunities**

- 3.1 An overview of significant external funding available to the Council to support city priorities is given below:

### **Future High Street Fund**

- 3.2 The Future High Street Fund (FHSF) aims to renew and reshape town centres and high streets in a way that drives growth, improves experience and ensures future sustainability by providing co-funding to support transformative and structural changes to overcome challenges in their area.

Wolverhampton secured a provisional FHSF grant award of £15.76 million. This grant award will allow the Council to implement and fully fund the programme of large-scale transformation and improvements to the public realm that will positively impact the City Centre West area. Delivery of Victoria Street and Civic Hall Public Realm Zones

(Westside Links 1 and 3) will enhance activity, footfall, land values, and bring about significant wider economic, social and environmental benefits through improved resident, visitor and worker experience. In addition, this will enable the Council to deliver the Box Park scheme and a new public car park at Cleveland Street. This scheme will provide an anchor destination and car parking infrastructure support at the southern end of the public realm improvements, aiding Victoria Street's transition to more of a mixed-use, evening economy and an events destination.

**Table 1 – Revised FHSF Programme Reflecting Provisional FHSF Award**

<b>Projects</b>	<b>Description and Status</b>	<b>FHSF (£ million)</b>
Victoria Street Public Realm (Westside Link Phase 1)	To create a public event square at Bell Street / Victoria Street and improve pedestrian and public transport / taxi access facilities.	10.85
Civic Halls Public Realm (Westside Link Phase 3)	To provide shared surface space, enhance pedestrian experience and safety.	4.063
Bell Street Phases 1 and Phase 2 only	To enable development of the Box Park style development to consist of a mix of street food and beverage and events space. <u>Phase 1</u> – Demolition of 1-7a Cleveland Street and the provision of a new 68 space car park <u>Phase 2</u> – Development of Box Park style scheme on the Bell Street Car Park site	0.847
<b>TOTAL FHSF</b>		<b>15.76</b>

### Towns Fund

- 3.3 On 6 September 2019 the government invited 100 places to develop proposals for a Town Deal, as part of the £3.6 billion Towns Fund. In order to draw down the funding, areas were required to establish Town Deal Boards, with investment priorities and project proposals within a locally owned Town Investment Plan. Proposals should drive long term economic and productivity growth through investment in connectivity, land use, economic assets including cultural assets, skills and enterprise infrastructure.
- 3.4 On 3 March 2021 the Department for Levelling Up, Housing and Communities (DLUHC) announced the outcome of the Towns Fund (TF) bidding process which resulted in Wolverhampton being awarded an in-principle funding offer of £25 million for the Towns Funds projects submitted as part of the Wolverhampton Investment Plan.

- 3.5 The grant awarded will allow the Council to implement and fund multiple projects which together will positively impact local employment, skills, digital connectivity, carbon reduction priorities, in addition to the implementation of regeneration projects across the three principal centres (Bilston, Wednesfield and City Centre). The projects are wide ranging and together will lead to large-scale transformation and improvements across all wards. The Towns Fund programme will enhance activity, footfall, land values, and bring about significant wider economic, social, and environmental benefits through improved resident, visitor, and worker experience.
- 3.6 During 2022-23 development work has continued on the Bilston, Wednesfield and City centre Public Realm 2 schemes and they are now ready to deliver.

**Table 2: Towns Fund grant revised funding allocations**

<b>Projects</b>	<b>Revenue (£ million)</b>	<b>Capital (£ million)</b>	<b>Total (£ million)</b>
<b>Tranche 1</b>			
Brewers Yard/ Culwell Depot: relocation to enable residential development	-	5.0	5.0
WM5G Application Accelerator at Wolverhampton Science Park	-	0.5	0.5
Events Programme across City Centre and Bilston	0.5	-	0.5
<b>Tranche 2a</b>			
Wolves at Work supporting people into work and training.	1.0	-	1.0
Arts Park	-	1.5	1.5
City Learning Quarter	-	5.0	5.0
Bilston Markets improvements including enhanced public realm, new commercial floorspace, improved indoor market and new retail space.	0.2	5.0	5.2
<b>Tranche 2b</b>			
City Centre Public Realm Phase 2 improved public realm, events spaces and cycleways.	-	3.0	3.0
Wednesfield Village centre improvements including public realm, canopies, refurbishment of vacant unit for community uses, plug in, play space and pop up park	0.4	2.9	3.3
<b>TOTAL TOWNS FUND</b>	<b>2.1</b>	<b>22.9</b>	<b>25</b>

## Levelling Up Fund

- 3.7 The Levelling Up Fund (LUF) aims to tackle economic differences and drive prosperity as part of ‘levelling up’. The Fund focuses on capital investment in local infrastructure that have a visible, tangible impact on people and places, and support economic recovery, prioritising bids that invest in regeneration and growth in places in need and areas of low productivity and connectivity.
- 3.8 Bids of up to £20 million can be submitted, either an individual project or package, sponsored by an MP with the number of bids depending on the number of MPs. Under round 1, the City secured £20 million towards the City Learning Quarter for Wolverhampton South West constituency.
- 3.9 Under Round 2, the City submitted two bids for the Green Innovation Corridor (Wolverhampton North East) and Bilston Health and Regeneration Hub (Wolverhampton South East). A decision is expected late 2022.
- A. **Green Innovation Corridor:** will support growth of new green industries, turbocharging economic prosperity and closing the productivity gap. A key priority for levelling up the city, this bid will act as a catalyst delivering Phase 1, the Springfield Innovation Hub. The Hub will regenerate 1.21 hectares brownfield land producing 4,955 sqm new commercial workspace creating 330 high-quality jobs. It will be delivered in partnership with the private sector, maximising impact of LUF. It will support new business starts, scale up, products and services aligning to the City’s existing strengths in high value manufacturing, green technologies, and digital innovation.
- B. **Bilston Health and Regeneration Programme:** links key public realm together to connect Bilston’s public transport hub and Bilston Health and Wellbeing Hub which integrates NHS, Social Care, Wellbeing and Leisure services at the heart of the Bilston Community creating a campus that brings together in one place a range of health and well-being related services focusing journeys into the town centre.

**Table 3: Levelling Up Fund bids**

Projects	Capital (£ million)	
City Learning Quarter	20	Secured
Green Innovation Corridor	20	Decision expected late 2022
Bilston Health and Regeneration Hub	20	Decision expected late 2022

## UK Shared Prosperity Fund (UK SPF)

- 3.10 The UK Shared Prosperity Fund (UK SPF) is replacing EU funding, in particular European Regional Development Fund (ERDF) and European Social Fund (ESF) which

the Council and City have benefited significantly from and was an important source of revenue funding supporting key priorities.

- 3.11 UK SPF aims to increase life chances and build pride in place across the UK, by empowering places to invest in local priorities across three priority areas: communities and place, local business and people and skills. Interventions should lead to significant, visible and tangible improvements to the places where people work and live, supporting town centres, high streets, cultural assets and green spaces that have deteriorated over time. Nationally, funding available amounts to £2.6 billion by March 2025. A mixture of both revenue and capital funding will be available to invest in local priority projects.
- 3.12 The Fund will initially focus on communities and place and local business interventions in 2022-2023 and 2023-2024. Investment to support people and skills will follow from 2024-2025, however there is flexibility to fund voluntary sector organisations delivering people and skills provision, where there is a risk to their capacity due to the end of EU funds. Prior to 2024-2025, funding will be available for Multiply, aiming to increase the levels of functional numeracy in the adult population across the UK.
- 3.13 For Wolverhampton, funding will be allocated to and distributed by the West Midlands Combined Authority (WMCA). The West Midlands receive a conditional allocation via a funding formula based on 70% population and 30% needs (productivity, household income and skills). As lead, WMCA have produced an Investment Plan setting out high level measurable outcomes that reflect local needs and opportunities informing the interventions. Places are able to choose from investment across three investment priorities of communities and place, local business and people and skills.
- 3.14 WMCA have agreed circa 50% of the regional allocation be assigned to supporting business priority and circa 50% to be locally determined by individual local authorities to spend across priority areas according to local need. This allocation will need to cover locally determined investment in communities and place and people and skills (from 2024/25) including flexibility for Voluntary Community Sector (VCS) organisations at risk from the loss of EU funding.
- 3.15 Wolverhampton's allocation based on the Government's methodology of 70% population and 30% need is circa £3.759 million, although discussions are underway with WMCA to lobby for an increased focus on need in regional allocations. In addition, Wolverhampton will benefit from £1.4 million Multiply funding, a proportion of which will be allocated to the Council. Funding can be allocated by direct delivery, procurement, commissioning or grants. Wolverhampton are proposing the following:
- 3.16 **Communities and Place:** a provisional ask of £2.02 million has been identified for this investment priority. Due to the significant reduction in resources previously received through EU funding, other local priorities will be funded through existing WMCA resources including Adult Education Budget such as digital inclusion to support residents to get online and improve digital skills and Multiply financial literacy support. This priority also includes an allocation for Voluntary Community Sector (VCS) to protect VCS



capacity where at risk from the end of ESF which has been moved under this priority at the recommendation of WMCA.

- 3.17 **Local Business:** although the majority of activity will be funded through the regional allocation, a provisional ask of £681,226 has been allocated from our local allocation. WMCA will be passporting further funding from the regional allocation to fund business advisers and provide support for businesses to improve competitiveness, growth and productivity.
- 3.18 **People and Skills:** a provisional ask of £1.056 million has been identified to this investment priority which is only available from 2024-2025 except for VCS flexibility where capacity is put at risk from the end of ESF funding which has been moved under Communities and Place. Due to the significant reduction in resources previously received through EU funding, there is an ask for other local priorities to receive funding from existing WMCA resources. WMCA are also making available £316,397 from Multiply to support financial literacy for those in work with Adult Education Budget being available to support unemployed residents.

**Table 4: UK SPF local allocations**

<b>Projects</b>	<b>2022/23 (£000s)</b>	<b>2023/24 (£000s)</b>	<b>2024/25 (£000s)</b>	<b>Total (£000s)</b>
<b>Communities and Place</b>				
Community interventions aligned with key local priorities	375	462	385	<b>1,222</b>
Vibrant High Streets	60	240	300	<b>600</b>
Improvements to green spaces			200	<b>200</b>
<b>Local Business</b>				
Start Up support		150	200	<b>350</b>
iGNITE enterprise hub	21	60	250	<b>331</b>
<b>People and Skills</b>				
VCS led employment programme			406	<b>406</b>
One-to-one support for economically inactive residents			450	<b>450</b>
Support for residents not eligible for adult education budget			100	<b>100</b>
Specific vocational training for priority sectors			100	<b>100</b>
<b>Multiply</b>				
Financial literacy	101	107	108	<b>316</b>

## Family Hubs

- 3.19 Wolverhampton has been invited to apply to join a national programme that will provide more funding to help parents, children and young people in the city. The Council pioneered the use of Strengthening Families Hubs over the last few years, with a network of eight hubs providing multi agency support to young families. Now, the council and its partners have been selected to join the national Family Hub and Start for Life programme, enabling it to expand the work of the hubs and help even more people.
- 3.20 Subject to agreement of the delivery plan, Wolverhampton will receive around £3 million over the next three years from the Department of Health and Social Care and Department for Education to develop a network of Family Hubs, using the existing Strengthening Families Hubs, which will further improve access to universal and early help services, including Start for Life services. The funding will:
- provide support to parents and carers so they are able to nurture their babies and children, improving health and education outcomes for all.
  - contribute to a reduction in inequalities in health and education outcomes for babies, children and families by ensuring that support provided is communicated to all parents and carers, including those who are hardest to reach and/or most in need.
  - build the evidence base for what works when it comes to improving health and education outcomes for babies, children and families in different delivery context.

## 4.0 Approach to managing and delivering externally funded projects

- 4.1 The Council's External Funding Team regularly review external funding opportunities, including subscribing to the Grantfinder database, which are matched to city priorities, priority projects and shared to the relevant Service within the Council. For large strategic projects, bid teams will be established. For other bids, the team will act as a critical friend. All externally funded bids must be signed off by the Section 151 officer (Director of Finance) prior to submission.
- 4.2 In advance of funding opportunities, we will continue to build a strong well developed project pipeline aligned with City priorities.
- 4.3 A regular External Funding Update report goes to Cabinet Resources Panel to seek delegated approvals relating to entering Grant Funding Agreements, setting up required budget codes and other approvals required for the delivery of externally funded projects. The External funding team work closely with Strategic Finance to understand new grant opportunities and to ensure appropriate budget approvals are in place.
- 4.4 Strong programme and project management is essential to maximise benefit from external funding and reduce risk to the Council. For certain capital projects, the programme management costs for the Towns Fund and Future High Street projects are

funded directly from the grants. Wolverhampton will receive funding from UK SPF for Programme Management resource to run the local UK SPF element.

- 4.5 Where possible, Project Managers with experience of managing externally funded projects are appointed as the role also includes ensuring compliance, monitoring spend against profile and production of claims and collate evidence to draw down the grant working with Strategic Finance.
- 4.6 External funders require the Council to enter into a back-to-back Grant Funding Agreements outlining what the resource can be used for and rules and regulations relating to the funding source. There is a risk of clawback of grant if rules and regulations are not followed.
- 4.7 There is often an impact on other teams within the Council including delivery teams and Strategic Finance in respect of reviewing and signing off claims, Legal in relation to agreeing back-to-back agreements with funding bodies and Procurement relating to procuring activities. EU funding formally included funding for indirect costs but this is not always possible with all funding streams.

## **5.0 Financial implications**

- 5.1 Grant funding is a vital source of income to the Council and plays a critical part in supporting the Council's MTFs and the ability of the Council to deliver projects and services to the City's residents.
- 5.2 This report summarises external funding grants of circa. £60 million awarded (Future High Street, Towns Fund and Levelling Up Fund Round 1) and two other funding opportunities of circa. £43.7 million awaiting approval (Levelling Up Fund round 2 and UK Shared Prosperity Fund) and further to this the funding for Family Hubs.
- 5.3 All externally funded bids must be reviewed by Strategic Finance and signed off by the Section 151 officer (Director of Finance) prior to submission. The External funding team work closely with Strategic Finance to understand new grant opportunities and to ensure appropriate budget approvals are in place through the Council governance processes.
- 5.4 Grant agreements are reviewed and negotiated with funders to ensure accuracy and minimise risk to the Council. This process allows maximum flexibility to use the funding appropriately and to deliver the project within the grant terms and timelines, minimising the risk of losing the grant funding and, or clawback of grant.
- 5.5 Detailed Financial implications of all externally funded grants are contained in the relevant reports to Cabinet. These reports seek appropriate approvals including entering into Grant Funding Agreements and approval of required budgets for each project as well as detailing the grant terms and associated risks where applicable.
- 5.6 Strategic Finance also work closely with Project and Budget Managers with the responsibility of managing externally funded projects to support them and ensure ongoing compliance with grant terms; monitor spend against profile, facilitate change

requests and claims to draw down the grant. The financial monitoring and reporting of all Council projects regardless of funding sources, is an integral part of the Council's financial monitoring and report processes. The monitoring of larger projects is typically supported through appropriate professional advisors, where required.

- 5.7 A register of all Council grants is held by Strategic Finance, this is monitored and reviewed as part of the Council's financial recording and monitoring processes.

[HM/08122022/R]

## 6.0 Legal implications

- 6.1 For externally funded projects, the Council are required to enter into Grant Funding Agreements with the funder setting out rules and regulations that must be complied with. Where instructed, Legal Services review the Agreements to ensure that the Council is aware of its obligations to the funder.

- 6.2 Where delivery of the services are undertaken by external organisations, the Council will be required to comply with the Contract Procedure Rules and enter into agreements setting out the Suppliers responsibilities and ensuring compliance with the funder's rules and regulations to mitigate any risk to the Council.

[SZ/18112022/P]

## 7.0 Equalities implications

- 7.1 Externally funded projects must take into account equalities implications. As part of the detailed business cases for individual projects, equality analysis are undertaken to identify the likely impacts on certain protected groups and the actions that will be taken to address or mitigate against any negative impact identified in the assessment.

## 8.0 All other implications

- 8.1 Externally funded projects will often have positive implications on other aspects. Examples are given below:

- 8.2 **Climate Change and Environmental Implications:** the Future High Street funded City Centre Public Realm project will offer a clear and targeted response to the challenges the high street will face by creating the environment for change brought about by changes in consumer and visitor behaviour to enjoy activities around events rather than high street shopping and more particularly walking and cycling over car borne travel as we have become to appreciate the benefits for the environment, health, and climate change.

- 8.3 **Health and Wellbeing implications:** The Connected Places Strategy, which identified the City Centre Public Realm Projects as early projects for delivery, plays an important role in the delivery of the Council's Health and wellbeing agenda. If successful, Bilston Health and Regeneration Programme will provide funding for Bilston Health and

Wellbeing Hub which integrates NHS, Social Care, Wellbeing and Leisure services at the heart of the Bilston Community.

## **9.0 Schedule of background papers**

### 9.1 Levelling Up Wolverhampton – Cabinet 27 July

This page is intentionally left blank

## **Attendance**

### **Members of the Reserves Working Group**

Cllr Jonathan Crofts  
Cllr Louise Miles  
Cllr Zee Russell (Chair)  
Cllr Tersaim Singh  
Cllr Udey Singh (Vice-Chair)  
Cllr Ellis Turrell

### **Employees**

Claire Nye	Director of Finance
Earl Piggott-Smith	Scrutiny Officer
Alison Shannon	Chief Accountant

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

*Item No.*     *Title*

### 1            **Welcome and Introductions**

Cllr Zee Russell, Chair, welcomed everyone to the remote meeting of the working group and advised it was being live streamed to the press and public. A recording of the meeting would be available for viewing on the Council's website.

Earl Piggott-Smith, Scrutiny Officer, confirmed the following members were in attendance:

Cllr Zee Russell  
Cllr Udey Singh (Vice-chair)  
Cllr Louise Miles  
Cllr Ellis Turrell  
Cllr Tersaim Singh  
Cllr Jonathan Crofts

The following employees were also in attendance:

Alison Shannon (Chief Accountant)  
Claire Nye (Director of Finance)  
Martin Stevens (Scrutiny Team Leader)

### 2            **Meeting procedures to be followed**

The Chair explained the protocol to be followed during the meeting for asking questions and reminded everyone that microphones should be muted and cameras off, unless have been invited to speak by the Chair.

### 3            **Apologies**

There were no apologies submitted for the meeting.

### 4            **Declarations of Interest**

There were no declarations of interest recorded.

### 5            **Review of Earmarked Reserves 2022-2023**

The Chair invited Claire Nye, Director of Finance, to introduce the report before Alison Shannon, Chief Accountant, presented the detailed report to the working group.

The Director of Finance advised the working group that the aim of the report is get the views and comments of members as to the appropriateness and use of earmarked reserves held by the Council.

The Director of Finance advised the working group that the reserves are revenue resources set aside by the Council in previous financial years to fund specific items of expenditure in the future. The timing and certainty of this future expenditure will vary depending on the nature of the related spend. The level of reserves is reviewed for relevance and adequacy at least twice per financial year, as part of the outturn and budget preparation processes.



The Director of Finance advised the working group that reserves play an important role in financial stability of the Council and in helping to mitigate the risk of uncertainty and any potential future expenditure, and to support the delivery of the Council's priorities. The Council is required to always retain a minimum General Fund Balance of £10 million in order that there are sufficient sums available to address the significant budget risks in the future.

The Council's General Fund balance is £13.7 million, approximately 5% of the net budget for 2022-2023, and is in line with recommended best practice. The Director of Finance explained reasons for recommending holding level of a general reserves balance above the amount set as the minimum in the Council Constitution.

The Director of Finance advised the working group about benchmarking work and the information provided by CIPFA but advised that the information was outdated and difficult to compare to previous years, due the impact of Covid 19 related Government grant funding during this period. However, benchmarking work done to compare the level of Council reserves to those of neighbouring authorities who have a similar level of risk indicated that the level of reserves was at the lower end.

The Director of Finance commented on the importance of maintaining the current level of reserves and that each authority will take a different view about what to set aside for their general balance reserves.

The Director of Finance advised the working group that school balance figures are held on behalf of schools and general reserve balances are presented for information only and are not within the scope of this report.

The reserves detailed in Appendix 2 are also provided for information as there specific criteria which restricts their use.

The Director Finance invited members questions about the general reserve balances before inviting the Chief Accountant to the give a detailed presentation on the earmarked reserves by directorate as outlined in Appendix 1 for the working group to comment and to make recommendations.

The working group queried the calculation of the total General Balances figure of £20.7 million. The Chief Accountant reassured the group and advised that this amount includes £13.7 million for the General Fund and £7 million for Housing Revenue Account (HRA). The HRA general balance can only be used to fund expenditure against the HRA budget.

The working group queried the possibility of using the reserves to meeting current spending needs and whether the minimum reserve balance figure could be reduced below the £10 million minimum referred to earlier and then increased in future years.

The Director of Finance commented that the reserves are held to respond to a crisis or unexpected event and if the funding was used it would be expected to be topped back to the level of minimum balance figure as soon as possible. The Director of Finance added that the level of minimum reserves is reviewed annually and was considered to set at the appropriate level given the level of risks.

The Director of Finance invited the Chief Accountant to present the rest of report.

The Chief Accountant advised that there is a brief description of each of the earmarked reserves detailed in Appendix 1, showing the balance as of 1 April 2022, the forecast balance expected as of 31 March 2023, and details of any commitments in future years.

The Chief Accountant agreed to give the working group an overview of the background and use of earmarked reserves during the year.

The following is a summary of comments from the group about information detailed in Appendix 1.

### **Adult Services Transformation Reserve**

The working group suggested that the Cabinet Member for Adults attend a future meeting to comment on the challenges facing the service as there was concern about the growth in demand for adult services. The working group also requested details of the Cabinet Member portfolio remit.

The Chief Accountant commented that a reserve was put into place to respond to the demands on the Adult Social Care Transformation programme and to manage increasing levels of demand on the service. The Chief Accountant added that the Adults Social Care Reserve for Growth and Demand Pressures that was presented to Cabinet in October 2022 for approval and it is forecast that the funds will be fully allocated in 2023-2024 to offset an existing savings target already built into the Medium-Term Financial Strategy. The Chief Accountant advised the working group that in response to the situation across adult social care it was also not considered appropriate that a budget savings target be set for the directorate.

The working group discussed how to proceed with the matter.

The Scrutiny Officer advised the panel that the Fulfilled Adult Lives Panel considered at a previous meeting the implementation of the Adult Services Transformation programme and suggested that the planned update to the panel in January 2023 by Director of Adult Services on progress could be shared with the group.

The Director of Finance added that consideration was being given about whether to increase the level of reserves for this area, considering the risks and challenges to adult social care service and future pressures.

### **Safeguarding Partnership Board**

The working group welcomed the use of the reserve to help manage cost pressures on this important service during the year.

### **Transformation Reserve / Budget Contingency Reserve**

The working group queried the link between the Transformation Reserve and the Budget Contingency Reserve and criteria for their use in response to cost pressures.

The working group requested a breakdown of the expenditure against this reserve.

The Chief Accountant agreed to provide the information requested.

The working group queried the process for a service wanting to use the Budget Contingency Reserve.

The Director of Finance advised that Cabinet have delegated authority on the use of the reserves and a decision would be made in consultation with the Director to enable a decision to be made quickly about expenditure. The Director outlined the process when a request for funding from the reserve is received and advised the panel that the expenditure was monitored as part of the budget monitoring processes.

The working group queried the general approach of the Council to the level of reserves, particularly those reserves in the appendix where there no plans for them to be used during the financial year and suggested they could instead be released, either fully or partly, to fund the delivery of current services.

The Director explained the reasons for maintaining the level of reserves and commented on the need for the Council to be able respond to in year budget pressures and the economic impact of managing future uncertainties. The Director commented that the level of reserve is felt to be prudent in such circumstances.

The working group discussed the level of reserves.

### **Community Initiatives**

The working group expressed concern about the reserves not been used and suggested that local community groups should be supported in preparing bids to grant funding, for example and encouraged to submit bids.

### **Revenue and Benefits Strategy Reserve**

The working group discussed the cost-of-living crisis and the need to support residents. The Director of Finance commented that the reserve is used to manage fluctuations of income in revenues and benefits service. The Director commented that the Council is mindful of the impact on businesses and their residents on their ability to pay. The Director reassured the working group that there are sufficient reserves to manage the financial risks going forward.

### **Homelessness**

The working group discussed the work of Council and the pressures on the demand for temporary accommodation. The Chief Accountant commented on the medium to long term plans for using the reserve and if it could be used in the current year to help reduce pressure on the service. The working group commented on the quality of the work provided by members of the Housing Homelessness Service.

The working group discussed the share of responsibilities between the Council and Wolverhampton Council.

The Director of Finance outlined the responsibilities of the two organisations to the working group.

### **Regeneration Reserve**

The working group queried details of the projects funded by the reserve during the year. The Chief Accountant added that a report detailing a breakdown of the expenditure was presented recently to Cabinet and advised that details of the expenditure will be shared with the working group.

**Appendix 2 - PFI surplus reserve**

The working group queried the expenditure of the reserve. The Chief Accountant advised the panel that if there is any income more than expenditure the Council is required to put the funds into a reserve that does not benefit it from.

The working group thanked the presenters for the report.

**Resolved:**

1. The working group comments on the appropriateness of the earmarked reserves that are held by the Council to be noted and considered as appropriate.
2. The working group endorse the report recommendation to Cabinet that any reserves no longer required for their original purpose should be transferred to the Council's Corporate Reserves as appropriate.
3. The Director of Finance to provide the supporting information requested by the working group.
4. A draft of the working minutes 8 November 2022 be presented to the Resources and Equality Scrutiny Panel meeting on 19 December 2022 for consideration and approval.

# Land and Property Disposal Policy

Presentation to Resources and Equality Scrutiny Panel  
19 December 2022

Julia Nock – Deputy Director of Assets

Page 85  
CITY OF  
WOLVERHAMPTON  
COUNCIL

Our mission:  
Working as one to  
serve our city

Agenda Item No: 9

# What is a Land and Property Disposal?

A disposal in relation to City Of Wolverhampton Council is whereby the interest of the Authority in a land or property asset is disposed of to a third party. This can include a freehold sale, exchange or any grant of a lease for a term exceeding seven years as defined by Section 123 of the Local Government Act

Page 86



This policy is concerned with the disposal of freehold interests only, where the Council divests of the asset permanently

# What is the Land and Property Disposal Policy?

- The Council's commitment to robust asset management is demonstrated in its Strategic Asset Plan 2018 - 2023. This document is the primary driver in identifying opportunities to dispose of surplus land and property which can be when it is no longer required for current or future service delivery
- The Constitution already ensures the Council manages its land and property disposals in accordance with Regulations. This new Land and Property Disposal Policy will help to operationalise those rules and give a clear understanding and transparency to all stakeholders
- The Land and Property Disposal Policy has been prepared for the benefit of all stakeholders and details how disposals of surplus land and property where identified will be managed with the aim of providing stakeholders with a clear framework within which the Council carries out land and property disposal transactions

# Why is the Land and Disposal Policy important?

- One of the Council's priorities under Our City: Our Plan is to change how the Council uses its land and property to enable transformation within our communities. In order to achieve this change, the Council must continually review its land and property holdings and release those assets which no longer serve the public

Page 88

## OUR CITY, OUR PLAN

Working together to be a city of opportunity, a city for everyone and deliver our contribution to Vision 2030





- The policy is in place to provide transparency and demonstrate compliance with legislative and best practice requirements in order to ensure the Council achieves the best possible outcomes for the City and its residents when disposing of its surplus stock
- This policy clearly outlines the processes, considerations and governance involved when declaring land and property surplus to requirements and its subsequent disposal following approval and is intended to work in conjunction with both legislation (The Local Government Act 1972) and the Council's constitution to form a consistent and transparent structure which determines how surplus land and property is disposed of
- The key message delivered throughout this policy is the Council's duty to obtain best consideration for its surplus land and property assets. There is both an ethical and statutory duty to obtain the best value for surplus land and property and the Council holds its fiduciary duty to the public when divesting of assets in the highest regard

# What are the key benefits to the Land and Property Disposal Policy?

- This policy will primarily be followed by the Council's City Assets Team who are responsible for the process of disposing of surplus land and property alongside the overall management of the Council's land and property portfolio including schools, community buildings, offices, industrial units, retail units and open space.

Page 90

The new policy captures how the Council consistently processes asset disposals through applying a systematic approach.

- The policy aims to provide stakeholders with confidence, through a clear and robust framework and that the disposal of surplus land and property is managed fairly, transparently and effectively to achieve the best possible outcomes for the City

- The Land and Property Disposal Policy provides a robust, clear and fair approach in line with current legislation and policies to ensure that we are managing and disposing of surplus assets appropriately and ensuring that the Council's interests are sufficiently safeguarded.
- This allows the surplus land and buildings to be brought back into beneficial use, whilst generating a capital receipt and reducing the Council's revenue costs. Generating money, capital and revenue, from surplus assets then allows the Council to reduce its borrowing and re-invest savings into the services which we deliver.
- The Land and Property Disposal policy excludes the Right to Buy scheme which is governed under separate legislation and Community Asset Transfers which is included within the Council's Community Asset Transfer Strategy.

# Consultation and Approval Process

Page 92

## Step 1:

Land/property is considered suitable for disposal by City Assets through:

- Asset Challenge\*
- Service area engagement
- Approach from stakeholder



## Step 2:

Consultation with internal service areas and Councillors within the Ward is undertaken to establish whether there are any objections to a proposed sale.



All objections are considered by City Assets and any valid objections result in the asset remaining in the Council's operational portfolio.

## Step 3:

If no valid objections are raised by internal consultees, a report to declare surplus along with recommendations and disposal options is prepared for presentation at Asset Management Board.

Following internal consultation and prior to Asset Management Board, any companies wholly owned and operated by the Council are given the opportunity to express an interest which, if an interest is declared, will be considered by Asset Management Board.



## Step 4:

Recommendation selected by Asset Management Board and report to Cabinet prepared if the Board is agreeable to sale. If the Board does not agree a sale, the asset remains within the Council's operational portfolio of Assets

*If estimate of value for the asset is £250,000 or less, delegated authority under the Council's constitution permits the transaction to proceed without a Cabinet Report but subject to an IEDN*

# Open Market Process

Page 93

## Step 1:

Inspect the surplus asset and instruct Legal Services to undertake searches based on information gathered and registered title and/or title deeds



## Step 2:

Consult with City Planning to ascertain what, if any, pre-sale planning application would be beneficial in order to maximise market appeal



## Step 3:

Procure and instruct external agent to market the property on behalf of the Council



## Step 4:

Prepare and agree marketing details in conjunction with external agent (including Heads of Terms)

## Step 5:

Review valuation and discuss marketing timescales in conjunction with external agent



## Step 6:

Property is marketed until agreed closing/auction date and Ward Members notified



## Step 7:

Offers received are reviewed and agent recommends offer for acceptance, reviewed by MRICS professional within City Assets



## Step 8:

IEDN report written and presented to Cabinet Member for City Assets & Housing and Director



## Step 9:

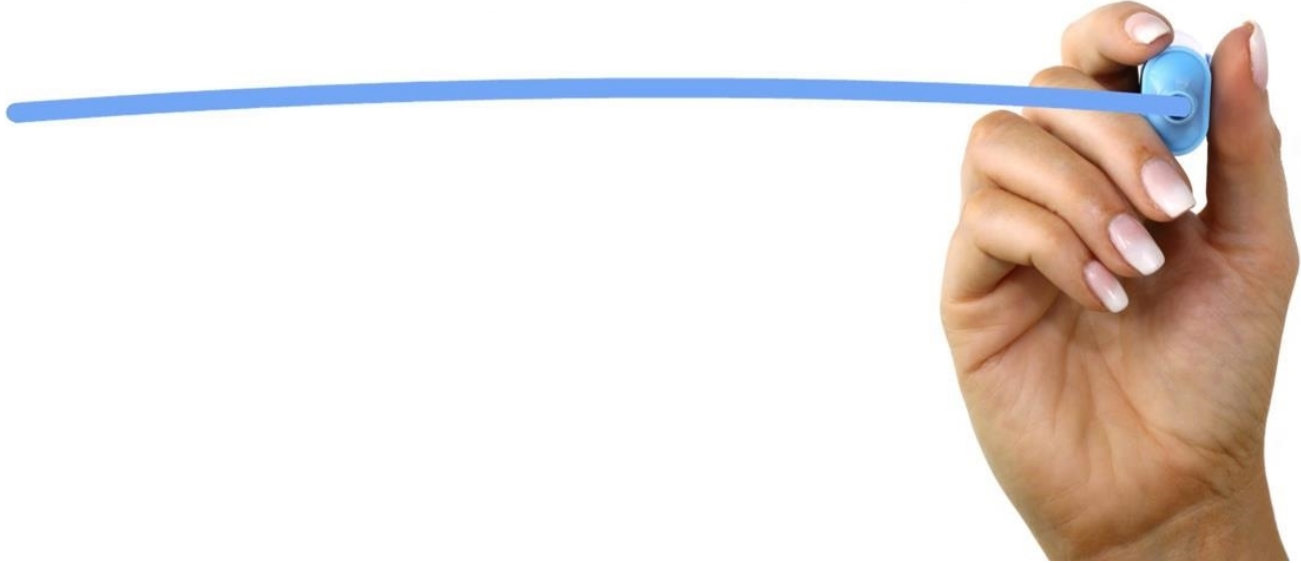
Upon receipt of IEDN approval, Legal Services instructed to progress the sale to completion

# Key Updates

To support the Land and Disposal Policy and recently updated Community Asset Transfer Strategy, City Assets have several key items in the pipeline for 2023 and beyond which include:

- The development and implementation of a new Strategic Asset Plan to align with Our City: Our Plan
- The launch of a new public facing Council Asset Mapping System to support transparency and accessibility for all and the Council's commitment to be 'Driven By Digital'
- The development of a Marketing and Letting Policy

# QUESTIONS



This page is intentionally left blank



CITY OF  
WOLVERHAMPTON  
COUNCIL

Land and Property Disposal Policy

March 2022

**City Assets**

# DRAFT

This document is available to download on the Council's website at: [Property For Sale and To Let | City Of Wolverhampton Council](#)

If you have any queries regarding this policy, please contact either:

[property.enquiries@wolverhampton.gov.uk](mailto:property.enquiries@wolverhampton.gov.uk)

Or write to us at:

City Assets – For the attention of Head of Assets  
Civic Centre  
St. Peter's Square  
Wolverhampton  
WV1 1RL

All opportunities to acquire Council owned land and property for sale are listed here:

<https://www.wolverhampton.gov.uk/business/business-property/property-sale-and-let>

This document was produced in March 2022 and will be revised when required.

# Foreword

One of the Council's priorities under Our City: Our Plan is to change how the Council uses its land and property to enable transformation within our communities. In order to achieve this change, the Council must continually review its land and property holdings and release those assets which no longer serve the public. This allows the surplus land and buildings to be brought back into beneficial use, whilst generating a capital receipt and reducing the Council's revenue costs. Generating money, capital and revenue, from surplus assets then allows the Council to reduce its borrowing and re-invest savings into the services which we deliver.

This document has been prepared for the benefit of all stakeholders and details the policy around how disposals of surplus land and property will be managed with the aim of providing stakeholders with a clear framework within which the Council carries out land and property disposal transactions.

The policy is in place to provide transparency and demonstrate compliance with legislative and best practice requirements in order to ensure the Council achieves the best possible outcomes for the City and its residents when disposing of its surplus stock.

The golden thread throughout this policy is the Council's duty to obtain best consideration for its surplus land and property assets. There is both an ethical and statutory duty to obtain the best value for surplus land and property and the Council holds its fiduciary duty to the public when divesting of assets in the highest regard.

Disposals are managed primarily by the Council's City Assets Team which has the benefit of professionally qualified members of staff who are held to the highest global standards through their profession, Royal Institution of Chartered Surveyors, along with the highest standards demanded by the Council, its constitution, and the public which it serves.

<b>1.0</b>	<b>Introduction</b>
<b>2.0</b>	<b>Aim of the Policy</b>
2.1	Overall
2.2	Definitions
<b>3.0</b>	<b>“Open door” approach</b>
3.1	Stakeholder engagement
3.2	Transparency
<b>4.0</b>	<b>Consultation &amp; approval process</b>
<b>5.0</b>	<b>Disposal process</b>
<b>6.0</b>	<b>Disposal methods</b>
6.1	Main methods
6.2	Formal tender

6.3	Informal tender
6.4	Auction
6.5	Private treaty
6.6	Advantages and disadvantages of each method
6.7	Land swap
6.8	Community Asset Transfer
6.9	Examples of disposals
6.10	Interim uses
6.11	Land held by the Council as Trustee
6.12	Allotments
<b>7.0</b>	<b>Appointment of external professional support</b>
<b>8.0</b>	<b>Valuation</b>
8.1	The Royal Institution of Chartered Surveyors
8.2	Bases of value
8.3	The Council's approach to valuation
<b>9.0</b>	<b>Post-completion</b>
<b>10.0</b>	<b>Governance</b>
10.1	Main documents
10.2	Local Government Act 1972 – Section 123
10.3	Local Government Act 1972 – Section 123 (2a)
10.4	Circular 06/03: General Disposal Consent 2003
10.5	The Council's Constitution
10.6	The Council's Disposal Policy
10.7	Bribery Act 2010 and Proceeds of Crime Act 2002
10.8	Money Laundering
10.9	Misrepresentation Act 1967
<b>11.0</b>	<b>Sustainability</b>
<b>12.0</b>	<b>Our City: Our Plan</b>

## 1.0 Introduction

- 1.1 This policy will primarily be followed by the Council's City Assets Team, as City Assets is responsible for the process of disposing of surplus land and property.
- 1.2 City Assets is responsible for the overall management of the Council's land and property portfolio. This portfolio contains a wide range of assets such as schools, community buildings, offices, industrial units, retail units and open space.
- 1.3 Land and property is a resource which is used by service areas of the Council, it's partners and community organisations to deliver their services.

- 1.4 Over time, service delivery changes in response to customer needs which can result in land and property becoming underutilised and surplus to requirements.
- 1.5 It is the identification of underutilisation of such resources and opportunities to enhance service delivery through more efficient use of the retained estate, which is key to maintaining an efficient portfolio.
- 1.6 City Assets is responsible for ensuring the Council maintains and operates a cost effective and user focussed retained estate. If an opportunity arises for an asset to be classified as surplus and disposed of through better utilisation of the retained estate, it is City Assets which will commence consultation with stakeholders to test whether the asset is surplus to requirements in accordance with this policy.
- 1.7 Surplus land and property represents an opportunity to sell such assets in order to generate a capital receipt, reduce running costs and bring the asset back into beneficial use.
- 1.8 Disposal of surplus assets is not simply a financial exercise, the Council is committed to regenerating the City and bringing assets back into beneficial use. An asset which the Council no longer requires could be brought back into use as residential accommodation, additional employment facilities, car parking, additional leisure facilities and community buildings - all of which ensures a vibrant and attractive economy for use by residents and visitors.
- 1.9 The money raised and saved from disposing of surplus assets enables the Council to re-invest into public services, reduce borrowing and benefit from a reduction in revenue expenditure.

## **2.0 Aim of Policy**

### **2.1 Overall**

- 2.1.1 Sound asset management and government policy requires local authorities to dispose of surplus land and property wherever possible.
- 2.1.2 The Council's commitment to sound asset management is demonstrated in its Strategic Asset Plan. This document is the primary driver in identifying opportunities to dispose of surplus land and property (a link to this plan is included in 2.10 below).

2.1.3 Land and property may be considered surplus when it is no longer required for current or future service delivery.

2.1.4 This policy clearly outlines the process, considerations and governance involved when declaring land and property surplus to requirements and its subsequent disposal following approval.

2.1.5 This policy is intended to work in conjunction with both legislation (*The Local Government Act 1972*) and the Council's constitution to form a consistent and transparent structure which determines how surplus land and property is disposed of.

2.1.6 This policy aims to provide the stakeholders below with confidence, through a clear and robust framework, that the disposal of surplus land and property is managed fairly, transparently and effectively to achieve the best possible outcomes for the City:

- The public
- Councillors
- Members of Parliament
- Council officers
- Investors
- All other interested parties

2.1.7 The Council may encounter circumstances where the contents of this policy are incompatible with a proposed disposal. This may be, for example, a larger and more complex sale where a report will be taken to Cabinet and/or full Council seeking authority to an alternative approach in the best interests of all stakeholders.

2.1.8 This policy excludes the Right to Buy scheme which is governed under separate legislation.

2.1.9 This policy excludes disposal of assets under a Community Asset Transfer which is dealt with in the Council's Community Asset Transfer Strategy:

<https://www.wolverhampton.gov.uk/business/business-property/community-asset-transfer>

## 2.10 Definitions

### **Asset**

Land, property or both

### **Best consideration**

Achievement of maximum value through a sale.

*Best consideration is often misunderstood as the maximum price only. Whilst achieving maximum price is a component of best consideration, there can also be wider components to consider such as social, economic and environmental values which a disposal can deliver in lieu of monetary consideration.*

## **Disposal**

Any disposal of the freehold interest in land/property by sale or exchange

*Section 123 of the Local Government Act 1972 also defines a disposal as grant of a lease term exceeding seven years. This policy is concerned with the disposal of freehold interests only, where the Council divests of the asset permanently*

## **Individual Executive Decision Notice (IEDN)**

A report which is presented to the Cabinet Member for City Assets and Housing along with the Director for City Assets and Housing and outlines the background, progress, recommendation and alternative options for a proposed disposal

This report is reviewed and signed off by both Strategic Finance and Legal Services before it is presented for approval

## **Overage**

Overage is the obligation (under Deed) for the purchaser of surplus Council land/property to pay to the Council a future sum of money, in addition to the transacted purchase price, if a future condition is satisfied rendering the asset of higher value than originally sold for

## **Restrictive covenant**

A restriction placed upon the title of land/property by the Council at point of sale to restrict the use of said land/property for the benefit of adjoining retained Council owned land

## **Retained estate**

The Council's operational portfolio which is made up of the assets required to ensure the Council's service delivery remains uninterrupted

## **Special purchaser**

An individual, individuals or a company owning a land/property interest directly adjoining surplus Council owned land property. The value of the Council's land/property interest to the market would be less than its value to the adjoining special purchaser.

## Strategic Asset Plan

This plan outlines the Council's approach to strategic asset management, to ensure it holds a dynamic asset portfolio able to meet the evolving needs of service users:

<https://www.wolverhampton.gov.uk/business/policies-and-procedures-business>

## Surplus

Land/property will be deemed a surplus when it is any or all of the following:

- No longer required by the Council for delivery of services
- Underutilised
- Has no strategic or regeneration purpose
- Makes no active contribution to sustaining the natural and/or historic environment (built or otherwise).

## Underutilised

An asset that is partially or inefficiently occupied, resulting in part of the asset being vacant with no future identified use or the asset being fully occupied but the service operating can be accommodated through more efficient use of another operational asset.

## 3.0 “Open door” approach

### 3.1 Stakeholder engagement

3.1.1 The Council holds a vast land and property portfolio which is continually under review to understand whether or not it can be rationalised to create a more efficient estate and release underutilised assets for better use.

3.1.2 In addition to the City Assets led review of the Council's estate, all stakeholders are enabled to bring assets forward to the Council for review.

3.1.3 The Council recognises the invaluable input which local communities and wider stakeholders can provide when it comes to identifying assets which, potentially, could be brought forward for disposal and re-use.



- 3.1.4 There is an established land enquiry process enabling stakeholders to bring forward any Council owned asset for review in advance of the City Assets led cyclical review. This process ensures that the asset's status can be quickly determined and considered for disposal if deemed surplus. If you wish to submit a land enquiry, the details of how to do so are here:

<https://www.wolverhampton.gov.uk/business/business-property/property-and-land-ownership>

- 3.1.5 Where assets are identified by stakeholders and considered surplus through following the process detailed in 4.0, City Assets will then proceed to offer the asset to for sale in accordance with the process detailed in 5.0.

## **3.2 Transparency**

### **3.2.1 Approaches to the Council from Council employees (including Councillors) and Members of Parliament**

- 3.2.2 City Assets can be approached via internal channels including via employees of the Council (in person, by phone or electronically) and Members of Parliament. Enquiries can be for a range of reasons such as the possibility of acquiring surplus assets generally or a specific asset for themselves or on behalf of a party to whom they are linked.

- 3.2.3 Such approaches are welcomed, as employees and Members of Parliament are valued stakeholders. Notwithstanding this, there could be negative public perception that access to information in advance of assets being marketed could confer an advantage to an employee, Member of Parliament or their linked party.

- 3.2.4 To tackle this, City Assets will not provide any additional information to parties approaching the Council via these or any channels and will be advised that if the particular asset is declared surplus to requirements and offered for sale, details will be published upon the Council's website.

- 3.2.5 In the event that an employee, Member of Parliament or any other party connected to the Council approaches City Assets with a view to obtaining information on an asset in advance of it being released to market, this will be reported to the Council's Chief Operating Officer and formally declared through Asset Management Board.

- 3.2.6 Where conflicts of interest exist, such as an enquiring party is related to an employee or Member of Parliament, that particular officer will be required to declare the conflict of interest to the Head of Assets and will be excluded from discussions on that particular asset and conduct of that disposal will be re-allocated to a non-conflicted member of the team.

### **3.2.7 Annual reporting**

3.2.8 City Assets is required to report, on an annual basis, to the Council's Chief Operating Officer detailing all disposals completed within each financial year.

3.2.9 Within this report, City Assets is required to demonstrate how each disposal has complied with the statutory duty to obtain best consideration.

3.2.10 For those sales where best consideration has not been obtained, City Assets will provide full details as to why along with the approval(s) received to complete that particular disposal.

3.2.11 This tier of scrutiny ensures that the Council's disposal activity is periodically monitored to ensure compliance to the satisfaction of the Council's Chief Operating Officer.

### **3.2.12 Local Government Transparency Code 2015**

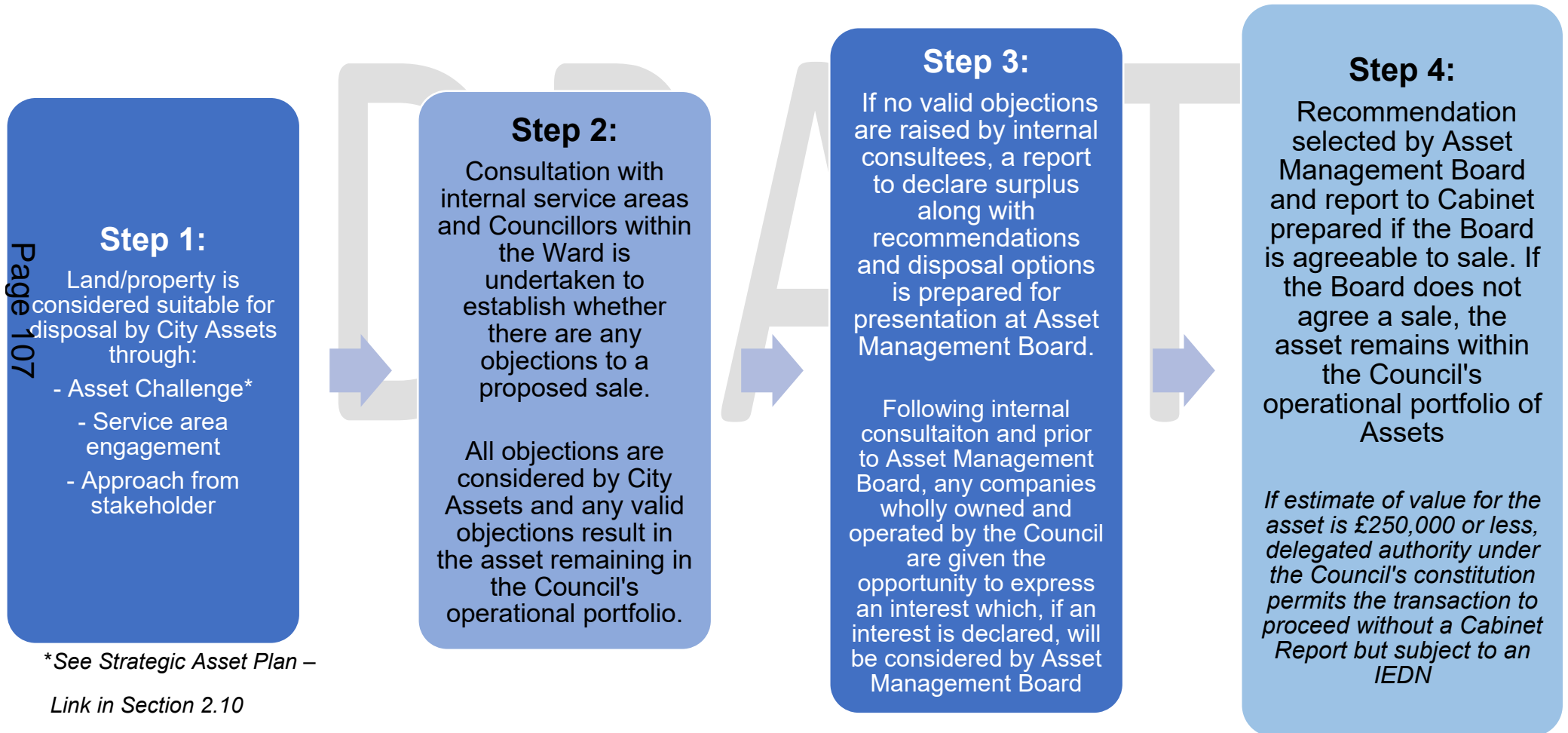
3.2.13 The Council will publish details of all land and property which it has declared surplus to requirements as required by the above Code. Details will be published at the link below:

<https://wolverhamptonintranet.moderngov.co.uk/mgDelegatedDecisions>

## 4.0 Consultation & approval process

4.1 This section of the policy will detail the process of identifying an asset which is potentially surplus to requirements.

4.2 Each step, represented graphically below, is detailed further overleaf:



**Step 1:** The Council adopts an effective pro-active and reactive response to identifying assets which may be surplus to Council requirements.

The pro-active approach, in line with the Council's Strategic Asset Plan, involves a continual review of evolving service delivery needs and how land and/or property plays a part. Engagement with both Heads of Service and staff operating from potentially surplus assets allows opportunities for disposal to be explored.

The reactive approach is maintaining an "open door" approach for anyone to highlight an asset which they consider may be surplus to the Council's requirements subject to further investigation. The Council recognises the valuable resource which stakeholders can offer through their local knowledge.

The Council publishes its Asset Register, which lists all of the Council's land and property, regularly via its website for all stakeholders to review:

<https://www.wolverhampton.gov.uk/business/business-property/property-and-land-ownership>

**Step 2:** Internal consultation is essential to ensure a holistic view of any land or property asset is obtained. Each service area offers a valuable input which informs decision making. The list of internal stakeholders consulted in addition to City Assets is listed below:

- City Planning
- Open Space Strategy and Action Plan Team
- Environmental Services (Landscape and Ecology)
- Environmental Protection (Public Protection Service, Air Quality Team and Contaminated Land Team)
- Legal Services
- Transportation
- Housing
- Regeneration
- Community Safety
- Education
- Ward Councillors

The list above is not intended to be exhaustive but represents the minimum internal engagement for each asset which is identified as potentially being surplus to requirements.

Step 2 is the point in the process where the option of an asset being surplus is tested, as at the start of consultation a disposal is only a possibility and is subject to the specialist knowledge each consultee provides.

The benefit of consultation is that key service areas and Ward Councillors provide a holistic view of the asset and its future before progressing to Step 3.

In the event that, through consultation, an asset is not deemed surplus to requirements through a valid objection then the process ceases here and the particular asset is retained.

Examples of reasons to retain an asset could be:

- It forms part of a wider regeneration scheme
- It is planned to be used for a future highway scheme
- It represents valuable recreation space used by the local community
- It can be re-purposed for housing/community/operational needs

**Step 3:** Following internal consultation, if there are no valid objections raised to the proposed disposal, a report is taken to the Council's Asset Management Board. Between internal consultation completing and a report being taken to Asset Management Board, any companies or subsidiaries wholly owned by the Council (e.g. WV Living) will be given an opportunity to express an interest in acquiring the site. If an interest is expressed, this will be detailed as part of the options available for disposal in the report.

Asset Management Board is held at least quarterly, providing a forum with officers and Members to review potential disposal options for assets considered surplus to requirements. The core attendance at Asset Management Board is:

- Deputy Leader
- Cabinet Member for City Assets and Housing (Chair)
- Chief Operating Officer
- Deputy Chief Executive
- Deputy Director – Assets
- Head of Assets
- Estates Manager

The report to Asset Management Board contains an estimate of value, undertaken by a qualified internal RICS Registered Valuer, along with a series of options for disposal and a recommendation. The options are discussed and the Chair provides instruction either based on the recommendation or the outcome of Board discussion.

If the estimated value of the land/property is £250,000 or less, City Assets will prepare an IEDN report seeking to declare the asset surplus to requirements and seek authority to proceed to market. If an offer is received of £250,000 or less, formal approval will then be sought through an additional IEDN report which will detail the offer and seek approval to proceed with a sale in accordance with the Council's Constitution.

If the estimated value of the land/property exceeds £250,000 or following marketing an offer is received exceeding £250,000, the process moves on to Step 4.

**Step 4:** A report to Cabinet is prepared, outlining the options discussed at Asset Management Board and the recommended route to disposal. The report is considered and should Cabinet agree the recommendation outlined, approval to proceed will be granted. All Cabinet approvals to dispose of land/property with an estimated value of more than £250,000 are subject to a supplementary IEDN report being presented which provides the detail of the outcome of marketing along with the recommended offer for acceptance.

Naturally, some land/property interests will be close to the threshold of £250,000. In most circumstances, a pragmatic approach of taking a report to Cabinet will be taken to make efficient use of time and account for the chance of the sale price exceeding the Cabinet Report threshold.

DRAFT

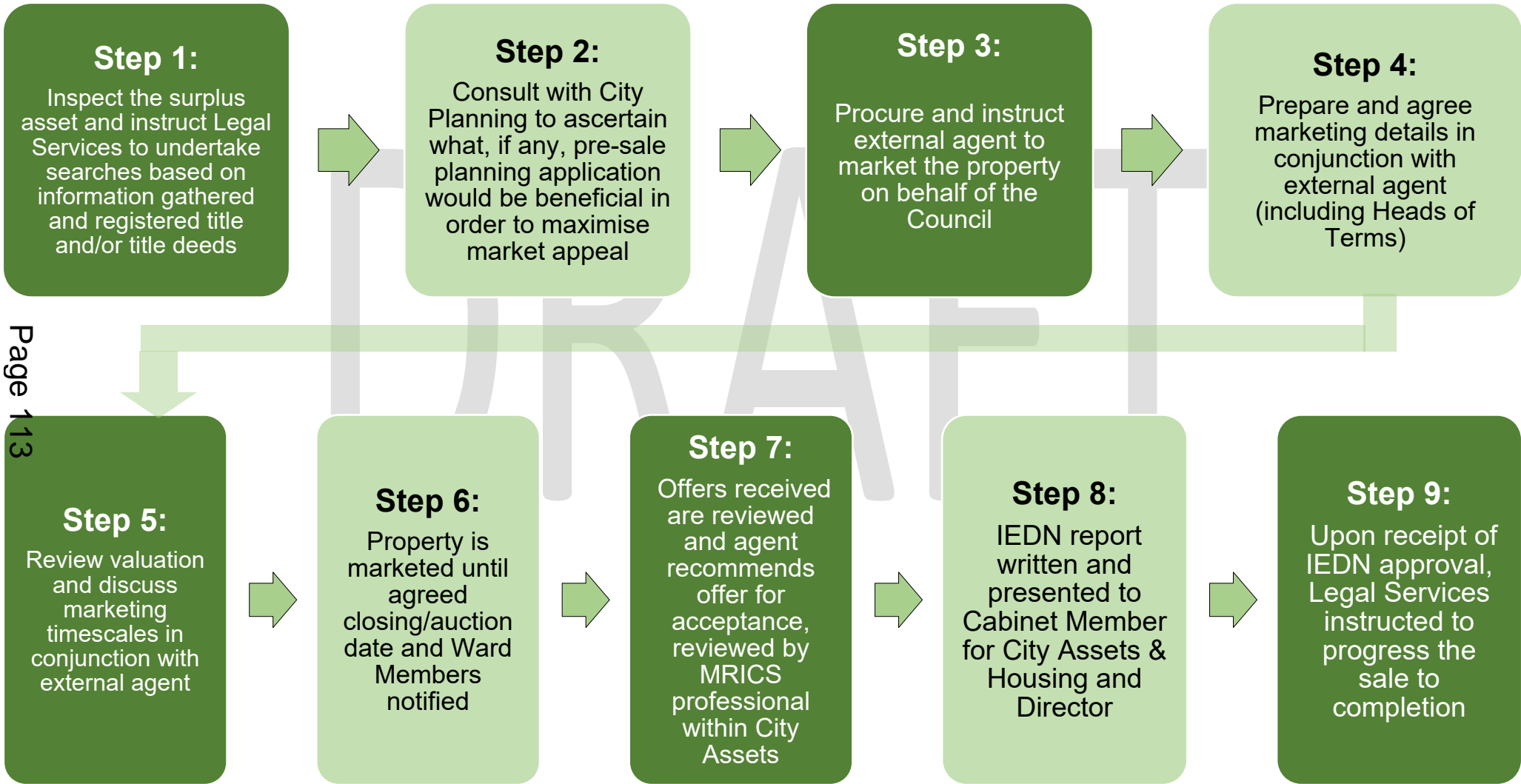
## 5.0 The disposal process

- 5.1 This section details how surplus assets are prepared for sale following receipt of authority to dispose.
- 5.2 The main interests in land and property which can be disposed of are:
- Freehold
  - Leasehold
- 5.3 This policy is concerned with the disposal of freehold interests in land and property only.
- 5.4 In the majority of circumstances, the recommendation and preferred route for disposal of surplus assets will be via the open market.
- 5.5 Offering surplus assets to the open market ensures that the opportunity to acquire is available to the widest market possible, ensuring that the Council achieves best consideration and receives a range of options for the refurbishment/re-development of the asset offered for sale.
- 5.6 There are some circumstances, however, where a sale via the open market may not yield the best consideration for the asset. This could include circumstances where there is a special purchaser.
- 5.7 In the event of a direct allocation of an asset to a special purchaser, it must be demonstrably more beneficial than a market sale and this detail will be included in both the report to Asset Management Board and subsequent approval authority (IEDN or Cabinet Report)
- 5.8 The Council will always instruct an external independent surveyor to provide a valuation for an asset which has potential to be marketed in isolation to ensure transparency and objectivity, with the proposed sale price and terms reported to the appropriate approval authority (IEDN or Cabinet Report).
- 5.9 The only exception to the rule of instructing an external independent valuation is where the Council is disposing of a relatively small area of land adjoining a residential or commercial site which can only realistically be utilised by the adjoining owner. These disposals will be managed by the Council's in-house qualified surveyors, overseen by the Estates Manager.

5.10 The process of offering an asset to the open market is represented graphically overleaf, with further explanatory notes on the following pages:

DRAFT





**Step 1:** This step involves the collection of information relating to the asset, so that it can be successfully sold with any outstanding actions completed such as confirming and repairing boundaries, registration of title, obtaining indemnity insurance for restrictions where the beneficiary cannot be identified and installation of services.

The purpose of preparing the surplus asset to be free of as many encumbrances as possible is to maximise market appeal and, in turn, achieve higher value in return. Considerations at this stage include, but are not limited to:

- Boundary inspection
- Review of services available to the site (gas, electricity, water, communications)
- Access arrangements including details of any shared access
- Review of asset's planning status (Green Belt, listed etc.)
- Restriction/overage provisions present or required
- A review of the asset's value subject to further advice from the external agent
- Consideration of most appropriate route to market (auction or informal tender)
- Title searches (including utilities, coal mining and land charges)
- asset's VAT status
- Collection of any compliance documentation available for buildings on site (fire safety, asbestos, electrical safety, gas safety etc.)
- Procurement of an Energy Performance Certificate
- Provision of any additional information held by the Council which could benefit future owners such as ground investigation information or ecology reports as examples

**Step 2:** Consultation with Wolverhampton's City Planning Team is essential, as planning officers can provide pre-application guidance on suitable uses for the subject asset. This advice can lead to the Council obtaining outline planning permission or even full planning permission prior to marketing. This approach has the benefit of de-risking the purchase of the asset with a view to enhancing its value.

**Step 3:** At this step in the process, the Council procures and engages with an external agent to market the surplus asset on its behalf. An external agent is appointed given the superior market access it holds and reaching the widest market as possible is critical to ensuring that best consideration is obtained and the broadest inward investment chances are secured.

The two main routes to market are informal tender and auction. An overview of all routes to market is provided in section **6.0**.

Assets offered for sale via auction are currently via the Council's appointed auctioneer Bonde Wolfe. The cost to the Council to send a property to auction is nil, as costs are recovered directly from the buyer. Auction is selected as a method of sale mainly for surplus residential properties, such as former caretaker's houses, where one of the only options is to refurbish for residential purposes.

Land/property offered to market via informal tender will be via an external property agent. The Council seeks at least four quotes to undertake disposal work in accordance with the Council's Procurement Policy.

The Estates Manager recommends the most appropriate disposal method based on the asset's characteristics, potential market and any conditions of authority.

**Step 4:** Marketing details for a disposal can include, but is not limited to:

- Draft transfer documents
- Title searches
- Supporting information such as reports
- Marketing brochure
- Heads of Terms
- Planning Statement

These documents will provide prospective purchasers with the information they need to decide on whether to make an offer for the asset and if they do make an offer, the terms upon which a sale would be completed.

Details of any terms such as restrictions on use, overage provisions and timescales for development post completion will be detailed in both the Heads of Terms and draft transfer documents.

**Step 5:** Given the transient nature of the property market, the initial estimate of value provided in the approval stages of the process may need to be reviewed. This estimate is reviewed because when marketing land/property, usually, it is beneficial to provide a guide price. The Council has the benefit of qualified RICS Registered Valuers, who can review and discuss a suitable guide price in conjunction with the external agent.

There are some instances where offering a guide price is not beneficial, given the wide range of uses suitable for a particular asset, the price will be market led.

**Step 6:** If the property is offered to auction, it will usually be marketed for at least four weeks prior to the auction date via both Bonde Wolfe's and the Council's website:

Bonde Wolfe auctions: <https://www.bondwolfe.com/property-auctions-west-midlands/>

Council's website:

<https://www.wolverhampton.gov.uk/business/business-property/property-sale-and-let>

If the asset is offered for sale via informal tender, the marketing period will be a minimum of eight weeks and will be advertised for sale via the appointed agent's website and the Council's website.

Marketing information is released and provides all necessary detail on the property including guide price (if appropriate), images, plan, EPC rating and measurements where available. Ward Members are also notified that marketing has commenced.

**Step 7:** With an auction, a reserve price is set by the Council in consultation with the auctioneer. Provided the reserve price is met, the winning bidder will proceed to acquire the asset within 28 days from fall of the hammer subject to IEDN approval.

If the asset is offered for sale by way of informal tender, once the closing date has passed, the appointed agent prepares a summary of the offers received. City Assets and the appointed agent then meet to review all offers and supporting information in detail. A consensus is reached and a preferred offer identified.

It is to be noted that the Council is not obliged to accept the highest or any offer received. Offers are assessed on the basis of the information received and which proposal offers the best holistic outcome for the subject asset and local community – not simply the highest price offered.

It must also be clearly stated under this policy that where the Council operates a formal tender, informal tender or any other marketing exercise where a closing date is set the Council is not obliged to consider any offer submitted late. It is the interested party's responsibility to ensure an offer is submitted on time and in accordance with the instructions of the exercise which will be made known to all as part of the marketing details.

**Step 8:** An IEDN report is prepared summarising all offers received, the considerations for each offer and a recommendation. This report is presented to the Cabinet Member for City Assets and Housing and the Director for City Assets and Housing. The outcome of this report is either authority to proceed with the recommendation is granted or additional information is requested prior to a decision being made.

In the event additional information is requested, the Council's agent will collate and a revised IEDN report will be submitted for consideration.

**Step 9:** Once IEDN approval is granted, City Assets will prepare and issue an instruction to Legal Services to progress the sale to completion.

## **6.0 Disposal Methods**

### **6.1 Main methods**

6.1.1 There are four main methods of disposal, each has its own advantages and disadvantages. The Estates Manager will determine which method is recommended for each particular disposal based on its individual merits and external advice where required.

6.1.2 The four main methods of disposal are:

- Formal tender (open market)
- Informal tender (open market)
- Auction (open market)
- Private treaty (no market testing)

6.1.3 The Council's preferred and default method is open market.

6.1.4 In order for an open market disposal to be effective, the opportunity must be advertised as widely as possible (electronically and physically) for a suitable period of time. Wide and extensive marketing captures as much interest as possible to ensure best consideration is obtained.

6.1.5 Assets must be released to the open market strategically, in the context of the property market at the time, to ensure that best consideration is achieved. City Assets continually reviews developments in the property market to ensure surplus assets are offered for sale in appropriate circumstances.

### **6.2 Formal tender**

6.2.1 An asset is offered for sale via the open market and bids are submitted by a pre-set closing date in confidence and not opened until after the closing date.

6.2.2 Once the closing date has passed and offers submitted, there is no option to negotiate and once the Council accepts a formal tender it becomes a binding contract.

6.2.3 This approach requires detailed preparation as the asset is marketed with a finalised contract, which becomes binding upon offer acceptance, removing any flexibility to negotiate.

### **6.3 Informal tender**

6.3.1 Similar to formal tender but offers are subject to contract and do not constitute a binding contract upon acceptance. This method enables flexibility post-closing date if required and enables the ability for the

Council to seek best and final offers where bids are considered too close to decide a clear preferred purchaser.

6.3.2 In the event that changes are made post-closing date which do not constitute minor, non-material amendments, either all interested parties will be invited to submit revised offers and/or the property will be re-marketed.

6.3.3 The Council can invite unconditional and/or conditional offers, under the informal tender process. The main differences being:

- *Unconditional offers invited*

The price which the party is willing to pay for the land/property as it stands without any further investigation.

- *Conditional offers invited*

The price which the party is willing to pay subject to conditions. Such conditions may include obtaining full planning permission or undertaking intrusive ground investigations prior to completing the purchase.

## **6.4 Auction**

6.4.1 This approach is the swiftest way to realise a disposal. Surplus assets are advertised through an open, public auction. Upon fall of the hammer, the highest bidder creates a binding contract to purchase the asset and this is usually completed within 28 days of the auction. This method offers a transparent and competitive environment but does depend upon interested bidders being present (physically or online) in order to achieve at least the reserve price of the asset.

## **6.5 Private treaty**

6.5.1 Private treaty is where a sale is negotiated directly with a third party. It can be with or without marketing and is usually only suitable where a special purchaser is identified. This method should not be used unless there is either a special purchaser or there is a wider economic, social or environmental benefit to do so, as all surplus assets should be offered for sale via the open market to ensure transparency and obtain best consideration.

## 6.6 Advantages and disadvantages of each method

### Formal Tender

#### Pros

- Contracts exchanged on offer acceptance
- Market exposure from agent

#### Cons

- No flexibility
- Cost of appointing an agent
- Time to prepare and hold asset

### Informal Tender

#### Pros

- Greater post sale control
- Structured disposal process
- Market exposure from agent

#### Cons

- Time to prepare and hold asset
- Cost of appointing Agent

### Auction

#### Pros

- Speed of sale
- Market exposure from agent
- Competitive
- No cost to the Council

#### Cons

- Buyer proposals are unknown

### Private Treaty

#### Pros

- Maximise receipt where special purchaser exists
- Independent valuation for transparency

#### Cons

- No market exposure

## 6.7 Land swap

6.7.1 In addition to the four main methods of disposal, the Council may also consider that a “land swap” is appropriate whereby acquiring a third-party asset in exchange for a Council owned asset secures a benefit to the Council, for example as part of a regeneration scheme.

6.7.2 In these circumstances, it must be determined through an independent valuation that the interests being swapped are of equal value with any shortfall being compensated through monetary payment or other compensatory measure to be agreed by the appropriate authority (IEDN or Cabinet Report).

## 6.8 Community Asset Transfer

6.8.1 Finally, the Council may dispose of assets in accordance with its Community Asset Transfer Strategy, details of which can be found via the link below:

<https://www.wolverhampton.gov.uk/business/business-property/community-asset-transfer>

## **6.9 Examples of disposals**

### **6.9.1 Sale of areas of land adjoining residential property**

6.9.2 The Council holds small areas of land which adjoin residential properties throughout the City.

6.9.3 Through the Council's land enquiry process (see 3.1.4), residents can enquire as to whether or not Council owned land adjoining their property is surplus to requirements and available for them to purchase.

6.9.4 There may be a range of reasons as to why the Council wishes to retain land within this portfolio, for example it provides a valuable amenity space to the local area, but there is also land which is considered surplus to Council requirements and a better use of the land would be for the adjoining resident to take ownership of the land and improve its use by combining it with the existing property.

6.9.5 In cases where land is considered surplus to Council requirements, City Assets will engage with the property owner with a view to offering terms. The land's full potential will always be considered, regardless of the current owner/occupiers proposed use, as the land transfer will be with the property indefinitely so its future potential must be considered.

6.9.6 Should the land have development potential in isolation, for example it is capable of accommodating a self-build housing plot, unless there is a higher value to be achieved through merging the land with the resident's interest the land will be offered to the open market.

6.9.7 There may be instances where the land offers significant potential to the adjoining property, for example a sizeable extension, but the current owner/occupier only wishes to use it for additional garden space. Where this occurs, the Council may consider selling the land subject to a restriction, but the preference is always to sell the land at its unrestricted value.

6.9.8 Where sales subject to restrictions are made, the Council will include an overage provision which entitles it to 50% of any uplift in value created by a more valuable use being implemented. 50% is selected as a share because it is recognised that the value can only be realised if both parties contribute the land and the means to deliver the uplift in value i.e. undertaking and paying for an extension.

6.9.9 All residents are advised to seek their own professional valuation advice when conducting negotiations with the Council to ensure their interests are protected.



#### **6.9.10 Sale of areas of land adjoining commercial property**

6.9.11 The Council also owns land which adjoins commercial property. Similar to the position on residential land, if there is surplus land adjoining commercial property and there is a desire to acquire from the adjoining business, the Council will engage with the property owner with a view to offering terms.

6.9.12 It must be re-iterated that if the land in question holds potential in isolation, unless there is higher value to be achieved from merging the interests, the land would be offered for sale via the open market with the adjoining business invited to offer.

#### **6.9.13 Income generating assets**

6.9.14 The Council holds a vast stock of revenue generating assets including offices, retail shops, ground leases and industrial units. This group of assets is referred to as the commercial portfolio and is retained to provide a valuable revenue income stream to the Council.

6.9.15 In addition to the revenue they produce, these assets are held to allow the Council to play a vital role in providing small and medium enterprises with premises to operate from. As such, the commercial estate is vital to enterprise economy within the City.

6.9.16 In the event that sale of one or a group of the commercial estate assets is proposed, the process in Section 4 would be followed, subject to the following prior actions:

- Detailed consultation with the Chief Executive, Director of Finance, Chief Operating Officer, Head of Legal Services and Leader of the Council
- Professional advice being obtained to assess the outcomes of revenue reduction v capital receipt
- Consultation with tenants occupying the asset(s) subject of the proposed sale
- Any external advice as necessary

6.9.17 Following the outcome of consultation and approval, if granted, a disposal would be progressed in accordance with the recommendations of the report which may differ from that process detailed in Section 5. This is due to the unique nature of the proposal which potentially involves operating entities.

## **6.10 Interim uses**

6.10.1 There may be occasions where a vacant, surplus property due to be disposed of remains empty whilst approvals are sought and marketing is taking place. In these circumstances, a short-term interim use can be appropriate. Such use may be a temporary tenancy for an individual or group to utilise the property, ensuring that it does not attract anti-social behaviour and the asset remains in use until disposal.

6.10.2 Such arrangements would be considered on a case-by-case basis and would be granted by way of licence, excluding any statutory rights under the Landlord and Tenant Act 1954, which would be terminable upon short notice once a disposal is nearing completion.

## **6.11 Land held by the Council as Trustee – Charities Act 2011**

6.11.1 Through the course of disposing of assets, there may be land which is held by the Council as Trustee. In order to consider disposal of land held under a Trust Deed, the Council must comply with the requirements as set out in the Charities Act 2011 which would include engagement with the Charity Commission and any other professional advice to ensure that any disposal and subsequent use is in the best interests of the beneficiaries of the Trust Deed.

## **6.12 Allotments (current or former) – Allotments Acts 1908 to 1950**

6.12.1 In the event that an allotment site is considered surplus to requirements, there would be extensive user, resident and Councillor consultation. The Council would also be required by statute to obtain the consent of the Secretary of State if the proposed use was no longer allotments.

## 7.0 Appointment of external professional support

- 7.1 In order to ensure that an open market disposal receives wide exposure, external support from property agents is sought. The Council does not benefit from marketing presence on a regional, national or even international basis in the same way that a regional, national or international agent does.
- 7.2 Property agents have the benefit of a wider exposure to the market and often retain a database of potentially interested parties whom they can introduce to an asset in addition to general marketing. Local, national and international agents all bring individual benefits to marketing an asset and these merits will be considered in the context of the asset being offered for sale, with City Assets ensuring the agent appointed is most appropriate in terms of market presence and knowledge for the asset being sold – not simply the cheapest quote presented.
- 7.3 The Council will always seek four quotes from property agents and City Assets will decide on which company to appoint based on the merits of each submission.
- 7.4 The Council will always endeavour to ensure that its internal legal and surveyor's costs are recovered as part of a disposal. In addition, part of the cost to appoint an external agent will be recovered from the purchaser to ensure that the cost of the external agent is mitigated, but it is recognised that the Council bearing a cost for employment of the agent's services delivers wider rewards in terms of access to the market.
- 7.5 Where a private treaty transaction is authorised due to clearly demonstrable benefits beyond a sale on the open market in isolation, the Council will appoint the valuation expertise of the District Valuer.
- 7.6 The District Valuer is an external valuer, operating as a specialist property arm of the Valuation Office Agency. It provides independent, impartial valuation and professional property advice across the entire public sector.
- 7.7 The expertise available from the District Valuer ensures that valuation advice provided is accurate and reliable, ensuring that private treaty transactions are at a value which the Council can be confident achieves

best consideration in accordance with the General Disposal Consent (see 10.4).

- 7.8 The Council's Procurement Rules and all associated national and international law must be complied with when procuring external support, with advice being taken from the Council's Head of Procurement where there is uncertainty.

## 8.0 Valuation

### 8.1 The Royal Institution of Chartered Surveyors (RICS)

8.1.1 Valuation is a critical process in the disposal of land and property as it informs decision making, constitutional approval routes and is a marker of what price represents best consideration.

8.1.2 The City Assets Team has three posts which are required to be Members of the RICS (MRICS) and RICS Registered Valuers:

- Estates Manager
- Senior Valuation Officer
- Valuation Officer

8.1.3 The RICS is a globally recognised professional body which enforces the highest professional qualification in the development and management of land and property.

8.1.4 Valuer Registration is a risk monitoring and quality assurance programme which checks compliance with RICS Valuation – Global Standards, known as the Red Book. This ensures that RICS Registered Valuers always meet the highest valuation standards, providing confidence and protection to the public and the Council that valuations are of the highest quality and carried out to globally recognised standards.

8.1.5 All valuations of land and property undertaken by City Assets are in accordance with the Red Book. Not every valuation must be Red Book compliant, as there are exemptions depending on the purpose of the valuation, but its principles are embedded in all valuation activity within City Assets.

8.1.6 A copy of the Red Book is available publicly from the RICS website:

<https://www.rics.org/uk/upholding-professional-standards/sector-standards/valuation/red-book/red-book-global/>

### 8.2 Bases of value

8.2.1 There are two main bases of value from the Red Book which the Council adopts when disposing of land and property:

- Market value
- Investment value (worth)

8.2.2 Market value is defined in the Red Book as:

*“the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion”*

8.2.3 Market value is the main basis of valuation when estimating the value of an asset which will be subjected to market testing. The initial valuation determines whether an IEDN or Cabinet approval is required to declare the asset surplus and proceed to market.

8.2.4 Investment value or “worth” is defined in the Red Book as:

*“the value of an asset to the owner or a prospective owner for individual investment or operational objectives”*

8.2.5 This is the basis of value which is adopted when an independent valuation is sought as investment value estimates the value of an asset to a special purchaser. Investment value is always considered alongside market value to ensure that any proposed private treaty sale is justified.

8.2.6 A sale via private treaty, resulting from say a private owner of land adjoining a surplus Council owned parcel land, will realise the synergistic value (also referred to as “marriage value”).

8.2.7 Marriage value is defined in the Red Book as:

*“An additional element of value created by the combination of two or more assets or interest where the combined value is more than the sum of the separate values”*

### **8.3 The Council’s approach to valuation**

8.3.1 The Council has the option to obtain an opinion of value from its internally qualified RICS Registered Valuers to inform decision making.

8.3.2 For open market disposals, in conjunction with the external party which markets the property, the Council’s internally qualified RICS Registered valuers will engage with the external valuer to reach a consensus on guide/reserve price.

- 8.3.3 For private treaty transactions, the Council's internally qualified valuers may be required to provide an opinion of value for decision making purposes but this will not be communicated to the District Valuer.
- 8.3.4 The Council's internally qualified valuers will engage with the District Valuer upon completion of the valuation, ensuring robust challenge is offered if required along with supporting evidence to justify such challenge to ensure that the opinion of value is reflective of best consideration.

## 9.0 Post-completion

- 9.1 The Council will apply post completion timescales for re-development/refurbishment in every sale where the asset being sold is not suitable for continued use in its current condition.
- 9.2 This ensures that the asset is not purchased and then unused, as this will have detrimental effects on the local community.
- 9.3 The rationale for disposing of surplus land and property is not only to comply with sound asset management practices, government policy and to generate a capital receipt and revenue savings but also to bring land/property back into beneficial use.
- 9.4 City Assets will keep in contact with purchasers to monitor implementation of timescales set, with a view to working with the purchaser to ensure the land/property is brought back into use at the earliest opportunity.
- 9.5 In some circumstances, the Council may withhold transfer of the freehold interest until completion of the re-development/refurbishment works. This approach ensures that more challenging projects are delivered before the Council relinquishes control (conditional transfer).
- 9.6 The Council can also include post-sale conditions on the sale, such as restrictive covenants or overage provisions. These tools will only be utilised where their application is beneficial to retained Council owned land or there is a chance that the value of the asset may increase at a future date subject to the completion of the proposed development.
- 9.7 Such controls are implemented to protect the Council both in terms of ensuring its adjoining retained estate is not detrimentally impacted by the sale and that the Council receives the best consideration for the sale of the asset.

## 10.0 Governance

### 10.1 Main documents

10.1.1 The Council's land and property disposals are principally governed by:

- The Local Government Act 1972 (Section 123 and Section 123 (2a))
- Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003
- The Council's constitution
- This policy

### 10.2 The Local Government Act 1972 – Section 123

10.2.1 Section 123 of The Local Government Act 1972 gives the Council authority to dispose of land held by it in any manner it wishes. This is subject to all disposals obtaining the best consideration reasonably obtainable.

10.2.2 As this policy focusses on freehold disposals, all disposals must obtain the best consideration reasonably obtainable.

10.2.3 In order to obtain the best consideration reasonably obtainable, market testing ensures that the best possible consideration is achieved. This is through ensuring that all market participants are given an opportunity to acquire the asset for a price they are willing to pay.

10.2.4 The full extract from the Local Government Act 1972 can be viewed via the link below:

<https://www.legislation.gov.uk/ukpga/1972/70/section/123>

### 10.3 The Local Government Act 1972 – Section 123 (2a)

10.3.1 This section of the Act states that a Council cannot dispose of any land consisting or forming part of open space unless prior to disposal the Council advertises its intention to sell the land.

10.3.2 The advertisement must appear for two consecutive weeks in a newspaper circulating the area in which the land is situated and consider and objections to the disposal which may be made.

10.3.3 The selected newspaper for publishing of notices under S123 (2a) is:

**The Express and Star**

10.3.4 This newspaper is widely circulated in Wolverhampton and is the rationale for its selection. It is important to note that the Council has a legal duty to consider objections raised and is not prevented from proceeding with a disposal of land forming open space if the benefits of a sale outweigh the basis of objection(s). Where objections are raised, they will be presented to the Cabinet Member for City Assets and Housing and the Director for City Assets and Housing via an IEDN for consideration.

10.3.5 The definition of open space can be wide, so City Assets will take a pragmatic view on whether land either is or forms part of public open space. The main criterion will be if it is open, is capable of being crossed without hindrance and is maintained by the Council's Grounds Maintenance Team. Advice will also be taken from the Council's Open Space and Strategy Action Plan Team.

10.3.6 Areas classified as open space or general amenity space will be considered in the context of value to the local community including visual and not just practical usage.

**10.4 Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003**

10.4.1 There are occasions where best consideration may not simply mean the highest price.

10.4.2 This consent means that the Council may dispose of assets at less than best consideration provided it is satisfied that such a disposal secures a wider social, environmental or economic benefit.

10.4.3 This consent is subject to obtaining Secretary of State consent where the undervalue exceeds £2,000,000 (Two Million Pounds).

10.4.4 When deciding to dispose of an asset at less than best consideration, the Council is required to comply with the requirements set out in this Consent which includes adhering to prudent and commercial practices, such as obtaining the advice of a professionally qualified valuer.

10.4.5 Any proposal to dispose of a site at less than best consideration must be reported, either via IEDN or Cabinet Report, stating clearly the level of undervalue.



10.4.6 The full consent document can be viewed via this link:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/7690/462483.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7690/462483.pdf)

## **10.5 The Council's constitution**

10.5.1 The Council's constitution sets out how the Council operates, how it makes decisions and the procedures which are followed to ensure these decisions are efficient, transparent and accountable to stakeholders including the public.

10.5.2 Currently, Part 4 of the constitution (Contract Procedure Rules) deals with Land and Property Transactions. The general procedure for Land and Property transactions is detailed and outlines the Scheme of Delegation for property transactions.

10.5.3 For disposals, the constitution requires:

- Minor disposals by freehold sale or long lease at a premium up to a value of £250,000 to be reported via IEDN
- Disposals with a value of £250,001 and higher must be reported to Cabinet

10.5.4 The constitution is updated at least annually and can be viewed in full via the link below:

<https://wolverhampton.moderngov.co.uk/ieListMeetings.aspx?CId=792&Year=0&info=1&bcr=1>

## **10.6 The Council's Disposal Policy**

10.6.1 This policy is written to augment the statutory and constitutional parameters when dealing with land and property disposals.

10.6.2 It is provided to clearly showcase how the Council manages disposal of land and property to consistently secure the best possible outcome for the City.

10.6.3 This policy will be regularly reviewed with input and challenge from all stakeholders continually welcomed.

## **10.7 Bribery Act 2010 and Proceeds of Crime Act 2002**

10.7.1 Disposal of land and property can involve significant sums of money and this has the potential to introduce bribery towards officers involved in the process, usually to secure an outcome favourable to the party offering the bribe.

10.7.2 Disposals will be dealt with in accordance with the Council's prevailing policy on bribery, with this policy specifically requiring any bribes either offered directly or knowledge of a bribe being offered needing to be

reported to the Head of Assets and Chief Operating Officer within 24 hours.

## **10.8 Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017**

10.8.1 The Council undertakes to ensure that appropriate anti-money laundering checks are undertaken on purchasers of its surplus land and property in accordance with its Anti-Money Laundering Policy which can be accessed via the following link:

<https://www.wolverhampton.gov.uk/your-council/fraud-and-corruption/types-fraud>

10.8.2 When the services of an external property agent are appointed, the transaction will also be subject to the agent's checks in accordance with its policies and procedures.

10.8.2 In addition to the statutory and Council policy on money laundering, the Council's RICS professionals are bound by the requirements of the RICS Professional Statement – Countering bribery, corruption, money laundering and terrorist financing 2019. A copy can be obtained via the link below:

<https://www.rics.org/uk/upholding-professional-standards/standards-of-conduct/aml-bribery-corruption-terrorist-financing/>

## **10.9 Misrepresentation Act 1967**

10.9.1 This statute relates to the misrepresentation or a false statement of fact made by a party during pre-contractual enquiries, which has the effect of inducing a party to purchase.

10.9.2 Whilst compliance will principally be the duty of the appointed agent, the Council must ensure that all information it provides is accurate and not misleading. The Council will ensure all reasonable steps are taken to review the quality and accuracy of information before it is provided to the agent for inclusion in marketing information.

## 11.0 Sustainability

- 11.1 On 17 July 2019, the Council declared a climate emergency.
- 11.2 A climate emergency can be defined as a situation in which urgent action is required to reduce or halt climate change to avoid potentially irreversible environmental damage resulting from it.
- 11.3 The Council has made a Climate Commitment to tackle the climate emergency both within its own activities and within the City as a whole, and a copy of this can be obtained via the link below:

<https://www.wolverhampton.gov.uk/sites/default/files/2020-01/Future%20Generations%20-%20Our%20Climate%20Commitment.pdf>

- 11.4 The UK Green Building Council states that the UK Built Environment is currently responsible and has direct control over 25% of the UK's greenhouse gas emissions.  
*Source:* <https://www.ukgbc.org/climate-change-2/>
- 11.5 The Council recognises that it has a key part to play and disposal of surplus stock is not seen as simply generating a capital receipt, bringing the building back into use and that's all that needs to be done.
- 11.6 There can be opportunities for buildings to incorporate sustainable elements such as renewable energy generation, modern methods of construction and adopting Passivhaus standards.
- 11.7 The Council, through this policy, will seek to include requirements for sustainable practices, in both development and use, within disposal conditions to ensure that its target of making the City carbon neutral by 2041 is achieved.

## 12.0 Our City: Our Plan

12.1 Our City: Our Plan sets out how the Council will work alongside local, regional and national partners to improve outcomes for local people. It sets out a clear vision for the City, Our Vision, which states:

**“The City of Wolverhampton is a place which is proud of its history, celebrates its diversity and is ambitious for the future. Our Vision for 2030 is that Wolverhampton will be a place where people come from far and wide to work, shop, study and enjoy our vibrant city. It will be transformed while still retaining all of those attributes that give our city its unique identity. A healthy, thriving and sustainable international ‘smart city’ - renowned for its booming economy and skilled workforce, rich diversity and a commitment to fairness and equality that ensures everyone has the chance to benefit from success.”**

12.2 As part of Our City: Our Plan, the Council has a programme which focusses on six priorities, achievement of which will help the Council to realise its Vision. The priorities are:

- Strong families where children grow up well and achieve their full potential
- Fulfilled lives for all with quality care for those that need it
- Healthy, inclusive communities
- Good homes in well-connected neighbourhoods
- More local people into good jobs and training
- Thriving economy in all parts of the city

12.3 Places to work, shop, study and enjoy the City will always require either land, buildings or both. It is critical to achieving the Council’s vision that land and property disposals is used as a tool to help realise the ambition of the City.

12.4 Through operation of this policy, there will be a clear contribution to Our City: Our Plan, ensuring that the Council’s operational estate is lean and agile whilst also ensuring that those assets which are surplus are sold and brought back into beneficial use to create:

- More housing
- More employment
- Inward investment
- Employment opportunities
- Community facilities

12.5 Our City: Our Plan can be viewed via the link below:

[Our Council Plan 2019-2024 \(2022 Feb update\).qxp Layout 1 \(wolverhampton.gov.uk\)](#)

DRAFT

End

This page is intentionally left blank

**Resources and Equality Scrutiny  
Panel**

19 December 2022

<b>Report title</b>	Equality Diversity and Inclusion (EDI) Strategy Update	
<b>Cabinet member with lead responsibility</b>	Councillor Paula Brookfield Governance and Equalities	
<b>Wards affected</b>	All	
<b>Accountable director</b>	David Pattison, Chief Operating Officer	
<b>Originating service</b>	Equality Diversity and Inclusion (EDI)	
<b>Accountable employee(s)</b>	Jin Takhar	Head of Equality Diversity and Inclusion
	Tel	01902 554650
	Email	<a href="mailto:Jin.Takhar@wolverhampton.gov.uk">Jin.Takhar@wolverhampton.gov.uk</a>
	Sukhvinder Mattu	Service Lead – HR Policy and Strategy
	Tel	01902 553571
	Email	<a href="mailto:Sukhvinder.Mattu@wolverhampton.gov.uk">Sukhvinder.Mattu@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Cabinet Member Briefing	23/11/2022
	Equalities Advisory Group	06/12/2022

**Recommendation(s) for action or decision:**

The Resources and Equality Scrutiny Panel is requested to:

1. To provide comments and feedback on the progress being made in delivering the EDI Strategy 2022 - 2024

## 1.0 Purpose

- 1.1 To provide Resources and Equalities Scrutiny Panel with an update on progress made in relation to delivering against the Councils Equality Diversity and Inclusion Strategy and supporting action plans.

## 2.0 Background

- 2.1 Equality Diversity and Inclusion (EDI) continues to be a key priority and consideration throughout all council activities and organisational culture. Fair and Equal is one of the cross-cutting themes that underpins the Our City: Our Plan.
- 2.2 The EDI Strategy (2022 – 2024) was agreed by Cabinet on 19 January 2022 and associated Directorate Equality Plans subsequently launched with overarching priorities and actions agreed.
- 2.3 In the delivery of the Council's EDI Strategy and supporting directorate equality plans, the Council continues to ensure compliance against the Equality Act 2020 (Public Sector Equality Duty) as well as aligning with best practice and National Standards.
- 2.4 Outlined within the EDI Strategy we have four key priorities:
  - 2.4.1 To demonstrate Visible Leadership and Strong Organisational Culture
  - 2.4.2 To be an Inclusive Employer, building a workforce that is reflective of the communities we serve
  - 2.4.3 Develop an inclusive workplace culture, where targeted professional training, development and support is provided
  - 2.4.4 Provide Responsive, Accessible, and Inclusive services which actively seek to address inequality, disparities, and exclusions.
- 2.5 This update will focus on objective two: To be an Inclusive Employer, building a workforce that is reflective of the communities we serve
- 2.6 Human Resources (HR) have developed and implemented policies, guides and projects and reviewed existing policies to ensure they are innovative, promote best practice, are reflective of our diverse workforce and legally compliant.
- 2.7 New policies/guides and revisions have been made following feedback and engagement with key stakeholders, including Trade Unions, Staff Equality Forums, the Equality, Diversity and Inclusion team, employees (frontline and back-office), managers, Strategic Executive Board and specialist services/organisations both internal and external to the council. In addition, extensive benchmarking exercises have been conducted to ensure policies/guides and processes are comparative as a minimum to other local authorities to support our aim to be an employer of choice.
- 2.8 Actions that have taken place to support initiative two are summarised in presentation attached in appendix 1.



### **3.0 Next Steps**

- 3.1 Scrutiny Panel to receive further reports on progress made against the EDI Strategy, in relation to the strategy key objectives as indicated in section 2.4.

### **4.0 Finance implications**

- 4.1 There are no direct financial implications associated with the report. The EDI Strategy continues to be funded from the Council's Corporate service approved revenue budget.  
[HM/18112022/U]

### **5.0 Legal implications**

- 5.1 There are no direct legal implications associated with the report.  
[SZ/21112022/P]

### **6.0 Equalities implications**

- 6.1 The Council under the Equality Act 2010 has a legal duty to ensure that the authority eliminates unlawful discrimination, advance equality of opportunity & foster good relations. This is known as the Public Sector Equality Duty.
- 6.2 The EDI Strategy is a key example of how the authority is meeting its legal obligations.

### **7.0 Background Papers**

- 7.1 EDI Strategy <https://www.wolverhampton.gov.uk/sites/default/files/2022-05/WCC%201975%20EDI%20Strategy.pdf>

This page is intentionally left blank

# Resources and Equalities Scrutiny Panel

08 December 2022

Page 139

Presenter:

**Sukhvinder Mattu**

Service Lead – HR Policy  
and Strategy

[wolverhampton.gov.uk](http://wolverhampton.gov.uk)

## **Objective two:**

**Page 140**  
to be an inclusive employer, building a  
workforce that is reflective of the communities we serve

## **Actions taken to support objective two:**

**To be an inclusive employer, building a workforce that is reflective of the communities we serve'**

# Recruitment and Selection

## Deputy Director of Housing

- April 2022 – advertised widely and shared with community contacts for promotion
- Technical panel conducted shortlisting - panel members all had unconscious bias training
- Common reason for not being shortlisted – qualification criterion not met. i.e. educated to degree level or equivalent or technical knowledge wasn't demonstrated

Four part recruitment process (presentation, interview with 10 person diverse stakeholder panel, 1:1 with Chief Executive and 1:1 with Cabinet Member for City Assets and Housing)

- Received 16 applications, 6 were shortlisted for interview, 1 withdrew. 5 candidates were interviewed
- Internal female candidate was appointed
- Majority became aware of the advert via WMJobs, Wolverhampton.gov.uk or Job.LocalGov
- Statistical data on impact of Community Resources is not available to us so we cannot assess the impact this had

# Recruitment and Selection

## Deputy Director of Housing

- Underrepresented groups did apply, majority didn't get shortlisted as they didn't meet the qualification requirements (4 LGBTQ+ community and 3 applicants from an ethnic minority background which included 1 from a white ethnic background).

## Next steps

- Continue to utilise and develop local contacts to promote jobs – e.g. working with Wolves@Work to refer CWC vacancies where there is a consideration for 18-24 year olds to be utilised
- System amendments to allow candidates to confirm how they found out about the role – improved monitoring
- Review Person Specifications to remove barriers, explore alternatives to qualification requirements – completed for Deputy Director of Assets and Director of Residential Services posts
- Review wording on WVJobs and WMJobs to ensure we clearly communicate that we welcome applications from diverse backgrounds and underrepresented groups – promote inclusive employer via WV Jobs
- Continue to co-produce interview questions with stakeholder panel members at Senior level

# Recruitment and Selection

## Recruitment and Selection Policy and Managers Guide

- Introduction of agreement for care leavers to apply for apprenticeship roles at the 2 week internal stage
- Requirement for panels to be diverse (gender and race as a minimum)
- Introduction of 'candidate information pack'

## Recruitment and Selection Training

- Review of HR specific training for managers to support the above 

## Launch of WVJobs Microsite (HR led)

- New starter survey conducted – candidates want more information about what working for the council requires, culture and benefits
- WVJobs seeks to attract high quality, diverse candidates
- Provides information on culture, council plan and vision, information on careers, links to vacancies, staff equality forum information, trade union information, HR Policies, testimonials from employees, and much more



# Policy Reviews

## February 2022:

- Dignity at work policy statement

## Diverse Panel Requirement & Introduction of SeeHearSpeakUp (Safe Space)

- Discipline Policy and Managers Guide, Standard Operating Procedures, template letters
- Management of Attendance Policy and Managers Guide, Standard Operating Procedures, template letters

Page 145  
Capability Policy and Managers Guide

Grievance Policy and Managers Guide, Standard Operating Procedures, template letters

## Trans Equality Policy

- Complete overhaul – worked with Stonewall
- Transitioning at Work Guidance

# HR Engagement on new ways of working

- 5 month engagement with employees, managers, trade unions, staff equality forums. **266** attendees and **103** survey responses.
- Themes of feedback:
  - Flexi leave/TOIL (Time off in Lieu)
  - Working Hours
  - Travel and Mileage
  - Productivity and Sickness
  - Employee Support
  - Workstyles
- Creation of a 'fair, inclusive and attractive offer which ensures employees across flexible, field and fixed workstyles are treated equitably and fairly and are empowered, supported and developed to deliver the best possible service for the diverse community we serve'.
- Ensure the council is an employer of choice

# HR Engagement on new ways of working

Work is ongoing, will require amendments to the following policies/guide:

- Working Hours Policy
- Sustainable Staff Travel Policy
- Agile working policy and toolkit
- Leave Policy and Table
- Collective Agreement – Managers guide
- Dress Code Policy – with principles

Page 147

## **Policies (new or in review)**

**Policy development now co-production with key stakeholders (employees, managers, trade unions, internal and external SMEs and staff equality forums. Thorough benchmarking is conducted before drafting a policy for review).**

**Bereavement Support Guide** – launched October 2022

- Raises awareness amongst managers and employees about the individual and personal nature of grief and bereavement, cultural differences in practices and traditions and signpost available support.
- Introduction of 5 days bereavement support leave, separate to Time off for Dependents

**Autism Awareness Guide** – to be launched pending approval December 2022

- To provide managers and employees with information and guidance on support available to help autistic employees and potential candidates through the recruitment and selection process

## **Retirement policies**

- Three policies (retirement, flexible retirement and statement of pensions) in review
- Support work/life balance when employees reach retirement age

# Workplace Menopause Pledge – October 2022

According to information obtained online from the NHS (2022) those experiencing symptoms of the menopause are usually aged between 45 – 55 years of age.

## Workforce Demographic:

71.1 % of the total number of employees aged between 45 and 55 are female

This is a total of 906 female employees which accounts for 22% of the entire workforce

## Commitment to:

- Recognising that menopause can be an issue in the workplace and women need our support
- Talking openly, positively and respectfully about the menopause
- Actively supporting and informing our employees affected by the menopause

# Workplace Menopause Pledge – October 2022

## Actions:

- HR, Organisational Development, Public Health and Equality, Diversity and Inclusion are working together to support the pledge
- Reviewing Menopause in the Workplace guidance originally introduced in 2019 with manager awareness training
- Chatty Cafes on the menopause to encourage sharing of experiences, support redevelopment of a guide and request volunteers to support panel event (described below)
- Panel event of employees who have gone through the menopause to share their experiences and discuss what helped them through the process
- Womens health survey to be launched 2023 – includes support requirements on menopause

# Mental Health Survey – December 2022

## Purpose:

The council has a range of support mechanisms for health and wellbeing, however, the Human Resources and Organisational Development teams want to obtain feedback on the range of services we provide at work to support employee wellbeing and improve the lives of colleagues, ensuring we offer services that are fit for purpose in relation to mental health and wellbeing.

- Mental Health Issues is the most common reason for sickness absence at the council
- ‘Mental Health Issues’ sickness absence made up 21.57% of all sickness-related absence in 2022/2023 Q1, compared to 17.41% in the previous quarter (2021-22 Q4).

Page 151

Other initiatives include support and signposting to tailored assistance via Management of Attendance meetings, trained support from mental health first aiders, pilot of the Head for Health Scheme, dedicated information on wellbeing Our People pages, well-being pledges, chatty cafes, lunchtime yoga sessions and many more...

## Employee Assistance Programme

- Currently provided by Carefirst via Sodexo. Contract ending in 12 months. Reviewing market and obtaining requirements for new contract. The mental health survey will feed into the requirement design also.

[wolverhampton.gov.uk](http://wolverhampton.gov.uk)



**Resources and Equality Scrutiny Panel**

**Chair:** Councillor Russell

**Vice Chair:** Councillor U Singh

**Remit, Function and Measures**

- Measuring Success
- Our City Our Plan – Our Council Programme
- Our Assets – Workplace Strategy and Strategic Asset Plan
- Our Data
- Our Digital
- Our Money
- Our People
- Our City: Our Plan – fairness and inclusion including equalities
- Gender pay gap of council employees
- Ethnicity pay gap of council employee
- Customer Service call wait times
- Sickness absence rates
- Employee turnover rate
- Spend with local businesses
- LGA Resident Satisfaction Polling

Item	Description	SEB Lead	Office Lead	Scrutiny Lead	Date of Meeting	Publication Date	Status
Linked Bodies	N/A	David Pattison	N/A	Earl Piggott-Smith	29 June 2022	21 June 2022	Complete
Ethnicity Pay Gap	N/A	David Pattison / Laura Phillips	Sukhvinder Mattu	Earl Piggott-Smith	29 June 2022	21 June 2022	Complete

Agenda Item No: 11

EDI strategy	<p>Standing item</p> <p>Progress to date against the Race at Work Charter standards</p> <p>Progress to date against the Gender Equality Plan</p> <p>Progress to date against Rainbow City Plan</p>	David Pattison	Jin Takhar	Earl Piggott-Smith	13 October 2022	5 October 2022	<b>Complete</b>
Treasury Management	Information Item - this is an annual report presented to the panel for comment	Claire Nye	Alison Shannon	Earl Piggott-Smith	13 October 2022	5 October 2022	<b>Complete</b>
Reserves Working Group	membership and terms of reference – this a standard group of the panel who review the Council's specific reserves proposals	Claire Nye	Alison Shannon	Earl Piggott-Smith	13 October 2022	5 October 2022	<b>Complete</b>
Customer Services performance and future strategy	Request from Director to add this item to the agenda	Charlotte Johns	Lamour Gayle	Earl Piggott-Smith	13 October 2022	5 October 2022	<b>Complete</b>

Contract Management and Procurement Update	Request from Director to add this item to the agenda – this reports updates previous report that was presented to the panel in Jan 2021	Claire Nye	John Thompson and Parvinder Uppal	Earl Piggott-Smith	13 October 2022	5 October 2022	Complete
City Assets – inc. use of the Civic Centre and Council owned buildings (inc. agile working strategy)	Request from Director to add this item to the agenda. This is an annual report that is presented to the panel for comment	Mark Taylor	Julia Nock	Earl Piggott-Smith	19 December 2022	9 December 2022	Programmed
Reserves Working Group report	This is a summary of the findings and any recommendations from the working group	Claire Nye	Alison Shannon	Earl Piggott-Smith	19 December 2022	9 December 2022	Programmed
EDI Strategy	Update report	David Pattison	Jin Takhar	Earl Piggott-Smith	19 December 2022	9 December 2022	
External Grant Funding	To include update on Wolverhampton Pound action plan. The panel requested details of different funding programmes	Claire Nye	Alison Shannon/Heather Clarke	Earl Piggott-Smith	19 December 2022	9 December 2022	Programmed

Performance, Budget Monitoring and MTFs	Request from Director to add this item to the agenda – the report to include Our Council and Performance/Budget information	David Pattison	Laura Phillips/ James Amphlett/ Alison Shannon	Earl Piggott-Smith	19 December 2022	9 December 2022	Programmed
Yoo Recruit Review	The panel requested a more detailed report on the monitoring of this linked body	David Pattison	Jin Takhar	Earl Piggott-Smith	2 February 2022	25 January 2023	Programmed
Draft Customer Service Strategy (pre-decision scrutiny)	To update the panel on performance and share the proposals for the strategy detailed in report presented on 13.10.22	Charlotte Johns	Lamour Gayle	Earl Piggott-Smith	2 February 2022	25 January 2023	Programmed
Digital Wolves Strategy Update	This is an update to the report presented in January 2022 aimed at maximising the benefit of digital to residents and businesses in the city.	Charlotte Johns	Heather Clark	Earl Piggott-Smith	2 February 2022	25 January 2023	Programmed
Treasury Management Strategy	pre-decision scrutiny – this is a annual report	Claire Nye	Alison Shannon	Earl Piggott-Smith	2 February 2022	25 January 2023	Programmed

Ethnicity Pay Gap report 2021 update report	This is an update on progress to a previous report presented to the panel in June 2022 on actions to further reduce the ethnicity pay gap at the City of Wolverhampton Council.	David Pattison	Sukhvinder Mattu	Earl Piggott-Smith	2 February	25 January 2023	Programmed
EDI strategy	Update on peer assessment undertaken against the Race Equality Code  Progress on Diversity in the Workplace	David Pattison	Jin Takhar	Earl Piggott-Smith	2 February 2023	25 January 2023	

This page is intentionally left blank