

Cabinet

9 December 2015

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

Venue Committee Room 3 - Civic Centre, St Peter's Square, Wolverhampton WV1 1SH

Membership

Chair Cllr Roger Lawrence (Lab)

Vice-chair Cllr Peter Bilson (Lab)

Labour

Cllr Claire Darke

Cllr Steve Evans

Cllr Val Gibson

Cllr Andrew Johnson

Cllr Elias Mattu

Cllr John Reynolds

Cllr Sandra Samuels

Cllr Paul Sweet

Quorum for this meeting is five Councillors.

Information for the Public

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

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

Agenda

Part 1 – items open to the press and public

Item No. *Title*

MEETING BUSINESS ITEMS

- 1 **Apologies for absence**
- 2 **Declaration of interests**
- 3 **Minutes of the previous meeting (11 November 2015)** (Pages 3 - 6)
[For approval]
- 4 **Matters arising**
[To consider any matters arising from the minutes of the previous meeting]

DECISION ITEMS (RED - FOR DECISION BY THE COUNCIL)

- 5 **Capital programme 2015/16 to 2019/20 quarter two review** (Pages 7 - 30)
[To recommend that Council approves the revised medium term General Fund and Housing Revenue Account capital programme reflecting the latest projected expenditure for the medium term]
- 6 **Treasury management activity monitoring - mid year review 2015/16** (Pages 31 - 50)
[To note the forecast treasury management position for 2015/16; the position regarding the Prudential and Treasury Management Indicators, and the Council's approved Treasury Management Policy Statement]

DECISION ITEMS (AMBER - DELEGATED TO THE CABINET)

- 7 **Corporate Parenting Strategy** (Pages 51 - 62)
[To approve the Strategy and endorse its use across the Council and its partners in order to prioritise the needs of this vulnerable group of children and young people]

Meeting of the Cabinet

Minutes - 11 November 2015

Attendance

Members of the Cabinet

Cllr Roger Lawrence (Chair)
Cllr Peter Bilson (Vice-Chair)
Cllr Claire Darke
Cllr Steve Evans
Cllr Val Gibson
Cllr Andrew Johnson
Cllr Elias Mattu
Cllr John Reynolds
Cllr Paul Sweet

Employees

Dereck Francis	Democratic Support Officer
Keith Ireland	Managing Director
Tony Ivko	Service Director - Older People
Tim Johnson	Strategic Director - Place
Kevin O'Keefe	Director of Governance
Linda Sanders	Strategic Director - People
Mark Taylor	Director of Finance

Part 1 – items open to the press and public

Item No. Title

- 1 Apologies for absence**
Apologies for absence were submitted on behalf of Cllr Sandra Samuels.
- 2 Declaration of interests**
No declarations of interests were made.
- 3 Minutes of the previous meeting (21 October 2015)**
Resolved:
That the minutes of the previous meeting held on 21 October 2015 be approved as a correct record and signed by the Chair.
- 4 Matters arising**
There were no matters arising from the minutes of the previous meeting.
- 5 Better Care technology and strengthening support at home**
Cllr Elias Mattu presented the report on the outcome of the comprehensive consultations process into decommissioning existing services at Merryhill House, Nelson Mandela House and Woden Resource Centre and recommissioning services

to provide an improved and developed community based offer. The report also included proposals to progress and develop an ambitious enhanced Better Care technology offer and to work alongside Wolverhampton Homes as the Council's wholly owned housing provider; and to support the progression of discussions with other statutory agencies to explore a collaborative approach for the delivery of the Better Care technology offer.

Resolved:

1. That the responses received during a public consultation into the decommissioning of existing services be received and noted.
2. That services at Merryhill House and Nelson Mandela House be decommissioned and recommissioned with a range of independent sector providers.
3. That services at Woden Resource Centre be decommissioned and recommissioned with high dependency day care in the external market through a personalised approach.
4. That subject to final confirmation of the financial implications, the progression of the Better Care technology offer and to partner with Wolverhampton Homes to drive and deliver the significant service developments that would be required be approved in principle. Authority be delegated to the Cabinet Member for Adults and Cabinet Member for Resources, in consultation with the Strategic Director for People and the Director of Finance to agree the partnership arrangements with Wolverhampton Homes.
5. That the progression of discussions with West Midlands Fire Service to explore a collaborative approach for the delivery of the Better Care technology offer be approved.

6 **Children's Services transformation phase two**

Cllr Val Gibson presented the report on proposals for the fundamental re-design of the Council's front line services that deliver early intervention and prevention.

Resolved:

1. That the overarching aim of early intervention and prevention being to safely prevent family breakdown and thereby reduce the number of children being taken into care be supported.
2. That the outline design of the early intervention and prevention model and associated proposals for the re-design based on the objectives and principles set out in this report be approved.
3. That the commencement of formal consultation on these proposals be approved.
4. That a further report be submitted to Cabinet in February 2016, following consultation, to make proposals for implementation.

5. That any necessary Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) transfer of employees in Early Help (0-5) Services currently delivered through School Governing Bodies be approved.
6. That the re-design work being undertaken which is a key component of the transformation strategy for safely reducing the number of looked after children be noted.

7 **Outcome of options appraisal - Duke Street**

Cllr Elias Mattu presented an update report on work carried out with residents of Duke Street residential care home and their families following the initial consultation on the future of the service. The report also set out the costed options appraisal for Duke Street if it was de-registered as a residential care home and re-registered as a supported living service.

Resolved:

1. That the implementation of option 2, to de-register Duke Street bungalows as residential care and to change the registration to supported living with the potential of Wolverhampton Homes becoming the landlord be approved, subject to further work and discussions taking place and the Council commissioning an alternative provider to deliver the care element. A period of Transfer of Undertakings (Protection of Employment) Regulations 2006 would apply to this option.
2. That the indicative timescales to complete the work to move to a supported living service and maximise potential savings be noted.

8 **Rail devolution: establishment of and appointment of directors to West Midlands Rail Limited**

Cllr Peter Bilson presented the report seeking approval to proposed governance arrangements for the development and oversight of the West Midlands Rail (WMR) Franchise through WMR Ltd. Approval was also sought to the Council's membership on WMR Ltd and the appointment of directors to the board of WMR Ltd.

Resolved:

1. That the proposed governance arrangements for the development and oversight of WMR Ltd, established as a company limited by guarantee with a Board of Directors appointed from each of the constituent partner authorities for the purpose of providing local democratic strategic guidance for the specification of the new West Midlands rail franchise being let by the Department for Transport (DfT) during 2017 be approved.
2. That City of Wolverhampton Council join WMR Ltd as a member.
3. That the appointment by the Council of the Leader of the Council as a principal director on the Board of WMR Ltd and the Cabinet Member for City Assets as substitute director on that Board be approved and that the Council indemnify its appointees to the Board other than for wilful misconduct.

4. That the Council enter into or execute such documents as are necessary to give effect to these decisions including but not limited to Board Minutes, Company Resolutions or other company documents.
5. That it be noted that it is intended that WMR Ltd would in due course enter into a formal partnership agreement with the DfT that would set out the rights and obligations of WMR Ltd in relation to the award of the new West Midlands Rail Franchise and related matters and that:
 - a. that agreement would require approval by a 75% vote of WMR Ltd's members and would be the subject of a future report to Cabinet/Council; and
 - b. any WMR Ltd member may resign its membership of WMR Ltd at any time, including where the member does not approve the terms of any such agreement.

Cabinet Meeting

9 December 2015

Report title	Capital programme 2015/16 to 2019/20 quarter two review	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keith Ireland, Managing Director	
Originating service	Strategic Finance	
Accountable employee(s)	Mark Taylor	Director of Finance
	Tel	01902 55(6609)
	Email	mark.taylor@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	17 November 2015
	Council	16 December 2015
	Confident, Capable Council Scrutiny Panel	3 February 2016

Recommendation(s) for action or decision:

1. The Cabinet recommends that Council:

- a) Approves the revised medium term General Fund capital programme of £213.6 million, an increase of £5.6 million from the previously approved programme (paragraph 2.3), reflecting the latest projected expenditure for the medium term.
- b) Approves the revised medium term Housing Revenue Account (HRA) capital programme of £208.0 million, a decrease of £6.9 million from the previously approved programme (paragraph 2.7).
- c) Approves the additional resources for six new and twenty five existing General Fund projects totalling £5.6 million (paragraph 4.4).

2. The Cabinet is recommended to:

- a) Approve nine General Fund virements totalling £8.1 million detailed at appendix B (paragraph 4.11).
- b) Approve the updated schedules of works for the capital projects under the following directorates (paragraph 4.12);
 - i) Corporate: ICTS and in relation to Education; Primary Expansion programme, Capital Maintenance and Universal Infant Free School Meals (appendix C1).
 - ii) People: Sports Investment Strategy, Co-location programme and Learning Disability (appendix C2).
 - iii) Place: Corporate Asset Management, Urban Parks Refurbishment Programme, Disposals Programme, Targeted Disposals, Accessing Growth Fund, Managing Short Trips and Structural Maintenance (appendix C3).
- c) Delegate authority to the Cabinet Member for Education, in consultation with the Director of Education and Director of Finance, to accept suitable tenders for the required works (paragraph 4.13).

Recommendations for noting:

1. The Cabinet is asked to note:

- a) The expenditure position for quarter two of 2015/16 which stands at 25.3% of the approved general fund capital budget (paragraph 2.4).
- b) The expenditure position for quarter two of 2015/16 which stands at 30.1% of the approved Housing Revenue Account (HRA) capital budget (paragraph 2.8).
- c) At the time of writing this report, work is being undertaken in relation to a number of specific capital projects. As a result of this work, should any amendments to the capital programme be approved by Cabinet (Resources) Panel subsequent to this meeting and prior to Council on 16 December 2015, then the report to Council will fully reflect such changes and provide a comprehensive update to the capital programme (paragraph 4.14).

1.0 Purpose

- 1.1 To provide Cabinet with an update on the financial performance of the General Fund and HRA capital programmes for 2015/16 and the revised forecast for 2015/16 to 2019/20 as at quarter two of 2015/16.
- 1.2 To recommend revised General Fund and HRA capital programmes for the period 2015/16 to 2019/20.

2.0 Executive Summary

- 2.1 At its meeting on 15 July 2015, Council approved a General Fund capital programme totalling £205.1 million. Since then further reports submitted to Councillors have been approved to increase this amount by £2.9 million to £208.0 million.
- 2.2 Table 1 below shows the changes proposed when comparing the approved General Fund budget with that proposed, along with the resources identified to finance the proposed change.

Table 1: Summary of the General Fund projected budgets compared to approved budgets

General Fund	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Budget						
Approved	106,664	65,972	25,466	6,947	2,967	208,016
Projected	96,656	71,366	33,408	8,451	3,690	213,571
Variance	(10,008)	5,394	7,942	1,504	723	5,555
Financing						
Approved						
Internal resources	62,043	33,917	7,848	1,036	56	104,900
External resources	44,621	32,055	17,618	5,911	2,911	103,116
	106,664	65,972	25,466	6,947	2,967	208,016
Projected						
Internal resources	52,043	37,707	15,557	2,358	728	108,393
External resources	44,613	33,659	17,851	6,093	2,962	105,178
	96,656	71,366	33,408	8,451	3,690	213,571
Variance	(10,008)	5,394	7,942	1,504	723	5,555

- 2.3 This report recommends variations to the approved programme totalling an increase of £5.6 million bringing the total revised capital programme to £213.6 million. The increase is primarily as a result of additional external resources secured of £2.1 million, a substantial element due to submission of successful bids for funding, and a change in financing arrangements delivering savings to the revenue budgets over the current MTFS period.

- 2.4 The approved General Fund capital budget for 2015/16 amounts to £106.7 million. Expenditure to the end of quarter two 2015/16 totals £27.0 million. This represents 25.3% of the approved budget.
- 2.5 At its meeting on 15 July 2015, Council approved a Housing Revenue Account (HRA) capital programme totalling £214.8 million for the period 2015/16 to 2019/20.
- 2.6 Table 2 below shows changes proposed when compared to the approved Housing Revenue Account (HRA) budget, along with the resources identified to finance the proposed change.

Table 2: Summary of the HRA projected budget compared to approved budgets

Housing Revenue Account	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Budget						
Approved	68,673	42,338	33,802	35,091	34,928	214,832
Projected	62,762	46,133	33,982	33,708	31,368	207,953
Variance	(5,911)	3,795	180	(1,383)	(3,560)	(6,879)
Financing						
Approved						
Internal resources	68,673	42,338	33,802	35,091	34,928	214,832
External resources	-	-	-	-	-	-
	68,673	42,338	33,802	35,091	34,928	214,832
Projected						
Internal resources	62,762	46,133	33,982	33,708	31,368	207,953
External resources	-	-	-	-	-	-
	62,762	46,133	33,982	33,708	31,368	207,953
Variance	(5,911)	3,795	180	(1,383)	(3,560)	(6,879)

- 2.7 This report recommends variations to the approved HRA capital programme totalling a decrease of £6.9 million bringing the total revised capital programme to £208.0 million. The reduction is due to reprioritisation of work following the successful delivery of the Decent Homes programme which will result in a saving to the HRA revenue budget.
- 2.8 The approved HRA capital budget for 2015/16 amounts to £68.7 million. Expenditure to the end of quarter two 2015/16 totals £20.7 million. This represents 30.1% of the approved budget.
- 2.9 The complete General Fund and HRA capital programmes for the period 2015/16 to 2019/20 can be viewed online on the Councils website by following the link below;

<http://www.wolverhampton.gov.uk/article/7046/Medium-Term-Capital-Programme>

3.0 2015/16 capital programme

- 3.1 At its meeting on 15 July 2015, Council approved a 2015/16 General Fund capital programme totalling £105.3 million and a HRA capital programme of £68.7 million. Since this date further reports to Councillors have been approved to increase the General Fund programme by a further £1.4 million bringing the approved budget for 2015/16 to £106.7 million.
- 3.2 Table 3 provides an analysis of capital expenditure to the end of quarter two compared to the approved budget, along with the projected budget forecast.

Table 3: Capital expenditure to the end of quarter two of 2015/16 with projected budget

Directorate	Approved budget	Expenditure to the end of quarter two	Expenditure as % of approved budget	Projected budget	Variance projected v approved over / (under)
	£000	£000	%	£000	£000
Corporate	31,590	8,624	27.3%	28,678	(2,912)
People	5,767	861	14.9%	6,062	295
Place	69,307	17,486	25.2%	61,916	(7,391)
Total General Fund	106,664	26,971	25.3%	96,656	(10,008)
Housing Revenue Account	68,673	20,662	30.1%	62,762	(5,911)
Total Housing Revenue Account	68,673	20,662	30.1%	62,762	(5,911)
Total Capital Programme	175,337	47,633	27.2%	159,418	(15,919)

- 3.3 General Fund expenditure to the end of quarter two stands at £27.0 million, against the approved budget of £106.7 million, which represents 25.3% of the approved budget for 2015/16. The latest financial monitoring information indicates that capital expenditure will be lower than the approved budget by £10.0 million.
- 3.4 HRA expenditure to the end of quarter two stands at £20.7 million, against the approved budget of £68.7 million, which represents 30.1% of the approved budget for 2015/16. The latest financial monitoring information indicates that capital expenditure will be lower than the approved budget by £5.9 million.
- 3.5 Table 4 analyses these overall decreases. These changes are reflected in the revised medium term budgets proposed in section 4.

Table 4: Analysis of variations between the approved capital budget and 2015/16 projected outturn

	Approved budget	Projected outturn at quarter two	Variance over / (under)	Variance represented Increase / (decrease) Re-profiling	
	£000	£000	£000	£000	£000
Corporate	31,590	28,678	(2,912)	550	(3,462)
People	5,767	6,062	295	95	200
Place	69,307	61,916	(7,391)	846	(8,237)
Total General Fund	106,664	96,656	(10,008)	1,491	(11,499)
Housing Revenue Account	68,673	62,762	(5,911)	-	(5,911)
Total Housing Revenue Account	68,673	62,762	(5,911)	-	(5,911)
Total Capital Programme	175,337	159,418	(15,919)	1,491	(17,410)

4.0 Medium term capital programme

- 4.1 Table 5 details proposed revised medium term capital programmes, covering the period 2015/16 to 2019/20.

Table 5: Variance analysis of 2015/16 to 2019/20 projected budgets

Directorate	Approved budget	Forecast budget	Variance over / (under)
	2015/16 to 2019/20	2015/16 to 2019/20	£000
	£000	£000	£000
Corporate	57,042	57,408	366
People	5,767	6,062	295
Place	145,207	150,101	4,894
Total General Fund	208,016	213,571	5,555
Housing Revenue Account	214,832	207,953	(6,879)
Total Housing Revenue Account	214,832	207,953	(6,879)
Total Capital Programme	422,848	421,524	(1,324)

- 4.2 The complete General Fund and HRA capital programmes for the period 2015/16 to 2019/20 can be viewed online on the Council's website by following the link below

<http://www.wolverhampton.gov.uk/article/7046/Medium-Term-Capital-Programme>

- 4.3 The projected increase of £5.6 million for the General Fund reflects additional expenditure. The decrease of £6.9 million for the HRA relates to slippage of £9.4 million offset by acceleration of expenditure totalling £2.5 million.

- 4.4 Table 6 provides a summary of the forecast changes in expenditure requiring Council approval. Further details on changes to General Fund projects can be found in appendix A.
- 4.5 The changes projected in relation to the HRA capital programme are due to necessary reprioritisation of works, such as refurbishment of Voids to Decent Homes standard, External Improvement Programme and the Roofing Refurbishment Programme. This reprioritisation has led to a net overall slippage of £6.9 million beyond the existing five year capital programme.

Table 6: Summary analysis of the forecast change in capital expenditure

Directorate	Projected change in expenditure		Total increase / (decrease) in expenditure £000
	New projects £000	Existing projects £000	
Corporate	3,500	(3,134)	366
People	95	200	295
Place	1,193	3,701	4,894
Total General Fund	4,788	767	5,555
Housing Revenue Account	-	(6,879)	(6,879)
Total Housing Revenue Account	-	(6,879)	(6,879)
Total Capital Programme	4,788	(6,112)	(1,324)

- 4.6 Table 7 analyses the type of resources identified to finance the projected changes in expenditure for both the General Fund and HRA capital programmes.

Table 7: Summary of financing for projected change in expenditure

Summary	Internal resources £000	External resources £000	Projected change in resources £000
General Fund			
New projects	3,750	1,038	4,788
Existing projects	(257)	1,024	767
Total General Fund	3,493	2,062	5,555
Housing Revenue Account			
Existing projects	(6,879)	-	(6,879)
Total Housing Revenue Account	(6,879)	-	(6,879)
Total Capital Programme	(3,386)	2,062	(1,324)

- 4.7 Internal resources reflect expenditure that requires the use of Council resources and over which the Council therefore has absolute discretion. Capital receipts are only assumed where there is reasonable certainty that they will be received within the required timeframe. External resources is funding secured from external organisations e.g. central government.
- 4.8 The main reason for additional internal resources is £3.3 million relating to the capitalisation from revenue of surface dressing expenditure in order to generate a revenue saving.
- 4.9 The implications of the levels of borrowing required will be fully reflected in the revenue budget and medium term financial strategy. Details of the financing of the revised capital programmes are shown in Table 8.

Table 8: Summary of recommended changes to financing of the General Fund and HRA capital programmes

2015/16 to 2019/20				
	Approved budget	Recommended budget	Variance	Resource as % of expenditure
	£000	£000	£000	
General Fund Expenditure	208,016	213,571	5,555	
Financing				
Internal resources				
Capital receipts	26,457	15,613	(10,844)	7.3%
Prudential borrowing	77,385	91,722	14,337	43.0%
Revenue contributions	921	921	-	0.4%
Reserves	137	137	-	0.1%
Subtotal	104,900	108,393	3,493	50.8%
External resources				
Grants & contributions	103,116	105,178	2,062	49.2%
Subtotal	103,116	105,178	2,062	49.2%
Total General Fund	208,016	213,571	5,555	100.0%
Housing Revenue Account Expenditure	214,832	207,953	(6,879)	
Financing				
Internal resources				
Capital receipts	5,852	16,707	10,855	8.0%
Prudential borrowing	102,628	84,894	(17,734)	40.8%
Reserves	106,352	106,352	-	51.2%
Subtotal	214,832	207,953	(6,879)	100.0%
External resources				
Grants & contributions	-	-	-	0.0%
Subtotal	-	-	-	0.0%
Total Housing Revenue Account	214,832	207,953	(6,879)	100.0%

- 4.10 Capital receipts totalling £15.6 million have been assumed within the General Fund capital programme for quarter two and can be seen in Table 9. In order to be prudent a detailed review of the schedule of disposals is undertaken to identify only those that are highly likely to be completed. The planned utilisation of capital receipts reflects the need to balance the benefit for both the capital programme and the revenue budget.

Table 9: Receipts assumed in the revised General Fund capital programme

	Projected					Total £000
	2015/16	2016/17	2017/18	2018/19	2019/20	
	£000	£000	£000	£000	£000	
General Fund capital receipts	4,700	6,800	3,100	1,000	-	15,600

- 4.11 Requests for budget virements between General Fund projects, totalling £8.1 million are detailed in appendix B.
- 4.12 Ancillary schedules of General Fund works for approval are detailed in appendices C1 to C3.
- 4.13 Approval is also sought to delegate authority to the Cabinet Member for Education, in consultation with the Director of Education and Director of Finance, to accept suitable tenders for the required works detailed in appendix C1 within Capital Maintenance and Primary School Expansion Programme.
- 4.14 At the time of writing this report, work is being undertaken in relation to a number of specific capital projects. As a result of this work, should any amendments to the capital programme be approved by Cabinet (Resources) Panel subsequent to this meeting and prior to Council on 16 December 2015, then the report to Council will fully reflect such changes and provide a comprehensive update to the capital programme.

5.0 Key budget risks

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

<http://www.wolverhampton.gov.uk/article/7046/Medium-Term-Capital-Programme>

- 5.2 The overall risk associated with the programme continues to be quantified as amber.

6.0 Financial implications

- 6.1 The financial implications are discussed in the body of this report.
[SH/12112015/I]

7.0 Legal implications

- 7.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs.
- 7.2 The Local Government Act 2003 brought in the current regime for capital finance for local authorities. It reduced the level of central control over local authority borrowing and capital expenditure.
- 7.3 The Council is required to comply with statutory codes of practice including current Financial Procedure Rules and the Prudential Code for Capital Finance in Local Authorities and Treasury Management in Public Services.
- 7.4 The legal framework therefore places a greater responsibility on Cabinet Members to ensure properly managed borrowing and capital expenditure without the need for government consent.
- 7.5 The main principles of the framework are prudence, sustainability and affordability. These statutory requirements are taken into account when making recommendations about the revised medium term General Fund capital programme.
[RB/02112015/C]

8.0 Corporate landlord implications

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

9.0 Equalities implications

- 9.1 Under the Equality Act 2010, the Council has a statutory duty to pay due regard to the impact of how it carries out its business on different groups of people. This is designed to help the Council identify the particular needs of different groups and reduce the likelihood of discrimination; the nine equality strands covered by the legislation are:

- Age
- Disability
- Gender reassignment
- Pregnancy and Maternity
- Religion or Belief
- Race
- Sex
- Sexual Orientation
- Marriage and Civil Partnership (this strand only applies to employment and not to service delivery).

These strands include everyone.

9.2 Cabinet Members should also be aware that under the Equality Act 2010, they must have due regard to the Public Sector Equality Duty when making budget decisions. What this means in practice is that Cabinet Members must consciously think about the three aims of the Public Sector Equality Duty as part of the decision making process, the three aims are to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation.
- Advance equality of opportunity by removing or minimising disadvantages, meet differing needs and encourage participation.
- Foster good relations between people from different groups.

9.3 Consideration of equality issues must influence the decisions reached by public bodies including:

- How they act as employers.
- How they design, deliver and evaluate services.
- How they commission and procure from others.

9.4 The Brown Principles, established as a result of a legal case concerning Post Offices closures in 2008, provide an important checklist when making decisions:

- Decision makers must be made aware of their duty to have due regard to the identified goals.
- Due regard must be fulfilled before and at the time that a particular decision is being considered, not afterwards.
- The duty must be exercised in substance, with rigour and with an open mind. It is not a question of ticking boxes.
- The duty is not delegable; it must be fulfilled by the organisation in question rather than through the use of an external body to do it to the organisation.
- The duty is a continuing one.
- It is good practice to keep an adequate record showing that it has considered the identified needs.

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

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

10.0 Environmental implications

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

11.0 Schedule of background papers

- 11.1 Capital Resources for City Centre and Bilston regeneration priorities, Report to Cabinet (Resources) Panel, 11 September 2013
- 11.2 Capital Programme 2014/15 to 2018/19 quarter three and 2015/16 to 2019/20 budget strategy, Report to Cabinet on 25 February 2015, Council on 4 March 2015
- 11.3 Improvements Programme – Bereavement Services, Report to Cabinet (Resources) Panel, 24 March 2015
- 11.4 External Funding Update, Report to Cabinet (Resources) Panel, 14 April 2015
- 11.5 Capital budget outturn 2014/15 including quarter one capital budget monitoring 2015/16 and financial strategy, Report to Cabinet on 23 June 2015, Council on 15 July 2015
- 11.6 Future Space, Report to Cabinet (Resources) Panel on 30 June 2015, Council 15 July 2015
- 11.7 Revenue Budget Outturn 2014/15, Report to Cabinet, 22 July 2015
- 11.8 Westside Delivery Strategy Update, Report to Cabinet, 22 July 2015
- 11.9 Black Country Growth Deal – Cultural Capital Programme: Civic Halls improvement update and Grand Theatre Grant, Report to Cabinet (Resources) Panel, 28 July 2015
- 11.10 Bilbrook Junior Football Club Capital Scheme, Report to Cabinet (Resources) Panel, 15 September 2015
- 11.11 Black Country Growth Deal – Cultural Capital Programme: Grand Theatre Grant, Report to Cabinet, 16 September 2015
- 11.12 Black Country Growth Hub – Grants to Third Parties, Report to Cabinet on 16 September 2015, Council on 23 September 2015
- 11.13 Digital Transformation Programme, Report to Cabinet (Resources) Panel, 20 October 2015
- 11.14 Revenue Budget Monitoring 2015/16, Report to Cabinet (Resources) Panel, 17 November 2015
- 11.15 Bilston Urban Village Advance Works Programme, Report to Cabinet (Resources) Panel, 17 November 2015

12.0 Schedule of appendices

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Analysis of projected change in expenditure

Corporate	New / Existing project	Approved budget	Proposed budget	Forecast change in expenditure	Virements	Financing	
		£000	£000	£000		£000	Internal resources
Digital Transformation Programme Reflecting the approval by Cabinet (Resources) Panel on the 20 October 2015 as detailed in Appendix B.	New	-	3,500	3,500	3,500	-	-
ICTS - General Programme Reflecting the approval by Cabinet (Resources) Panel on the 20 October 2015 as detailed in Appendix B.	Existing	6,483	2,983	(3,500)	(3,500)	-	-
Business Improvement District Change reflects an additional capital budget allocation to accommodate a loan of £50,000 that has been extended to the Business Improvement District company to support the initial set up.	Existing	-	50	50	-	50	-
Corporate Contingency Changes reflect the re-provision of corporate contingency budget so that priority projects can be progress in a timely manner, and the virements - £300,000 to note and £184,000 to approve as detailed within Appendix B.	Existing	500	516	16	(484)	500	-
Temporary Staffing Agency Change reflects a virement to note as detailed within Appendix B.	Existing	-	300	300	300	-	-
Capital Maintenance & Basic Need Change reflects a virement to approve as detailed within Appendix B.	Existing	7,761	7,736	(25)	(25)	-	-
Universal Infant Free School Meals Change reflects a virement to approve as detailed within Appendix B.	Existing	318	343	25	25	-	-
Expansion of Primary School Places A switch in financing due to Basic Need 2015-16 grant allocation.	Existing	33,856	33,856	-	-	(372)	372
Subtotal		48,918	49,284	366	(184)	178	372

People	New / Existing project	Approved budget	Proposed budget	Forecast change in expenditure	Virements	Financing	
		£000	£000	£000		£000	Internal resources
Upgrade disability access/usage - Neil Dougherty Centre A new project developed within Learning Disability scheme that will be funded from Community Capacity Grant	New	-	55	55	-	-	55
Upgrade disability access/usage - Brickkiln Centre A new project developed within Learning Disability scheme that will be funded from Community Capacity Grant	New	-	40	40	-	-	40
Welfare Assistance Change reflects a virement to approve as detailed within Appendix B.	Existing	-	200	200	200	-	-
Subtotal		-	295	295	200	-	95

Appendix A

Place - Non Housing	New / Existing project	Approved budget £000	Proposed budget £000	Forecast change in expenditure £000	Virements £000	Financing Internal resources £000	External resources £000
Ashmore Park A new project developed within Parks Refurbishment programme for the enhancements to the play area and fencing at Ashmore Park that will be fully funded by Section 106 contributions.	New	-	62	62	-	-	62
Castlecroft Avenue A new project developed within Parks Refurbishment programme to completely refurbish the play area/provision at Castlecroft Avenue that will be fully funded by Section 106 contributions.	New	-	82	82	-	-	82
Queen Street Townscape Heritage Enhancement A new scheme funded from the Heritage Lottery Fund and the virement of £250,000 to note as detailed within Appendix B.	New	-	1,049	1,049	250	-	799
Passenger Transport Vehicles - Relocation to Wholesale Market This project is complete and there is no further requirement for the budget therefore a virement to approve is proposed as detailed within Appendix B.	Existing	16	-	(16)	(16)	-	-
Archive Services Relocation Molineux Hotel Change reflects a virement to approve as detailed within Appendix B.	Existing	190	-	(190)	(190)	-	-
Newhampton Centre improvements Change reflects a virement to approve as detailed within Appendix B.	Existing	154	-	(154)	(154)	-	-
Black Country Growth Deal - Cultural Programme Changes reflect an external budget increase of £400,000 towards Grand Theatre approved by Cabinet on the 16 September 2015, a virement of £483,000 towards Civic Halls to note, and the virement of £294,000 to approve as detailed within Appendix B.	Existing	11,101	12,278	1,177	777	-	400
Bilston Urban Village Change reflects a virement to note as detailed within Appendix B.	Existing	7,479	9,979	2,500	2,500	-	-
Targeted Strategic Disposals Programme Change reflects a virement to note as detailed within Appendix B.	Existing	1,480	630	(850)	(850)	-	-
Reallocation of Resources for Regeneration Priorities Change reflects a virement to note as detailed within Appendix B.	Existing	3,736	53	(3,683)	(3,683)	-	-
South Side Change reflects a virement to approve as detailed within Appendix B.	Existing	3,334	3,294	(40)	(40)	-	-

Appendix A

Place - Non Housing (continued)	New / Existing project	Approved budget £000	Proposed budget £000	Forecast change in expenditure £000	Virements £000	Financing Internal resources £000	External resources £000
Youth Zone Change reflects a virement to approve as detailed within Appendix B.	Existing	936	976	40	40	-	-
Westside Change reflects a virement to note as detailed within Appendix B.	Existing	2,651	3,951	1,300	1,300	-	-
Corporate Asset Management Change reflects a virement to approve as detailed within Appendix B.	Existing	1,929	1,979	50	50	-	-
West Midlands Classified Renewal Project Change reflects a virement to approve as detailed within Appendix B.	Existing	6,594	-	(6,594)	(6,594)	-	-
Structural Maintenance Change reflects an increased budget requirement of £3.300 million and a net virement of £6.294 million to approve as detailed within Appendix B.	Existing	10,199	19,793	9,594	6,294	3,300	-
Managing Short Trips Change reflects an additional grant allocation from Local Growth Fund for the towpath improvement works from Aldersley Junction to Lower Walsall Street which will now extend to Dixon Street.	Existing	1,811	2,063	252	-	-	252
Local Safety Schemes Change reflects a virement to approve as detailed within Appendix B.	Existing	1,200	1,080	(120)	(120)	-	-
City Centre Transport & Movement Enhancements Change reflects a virement to approve as detailed within Appendix B.	Existing	535	835	300	300	-	-
Integrated Transport Change reflects a net budget increase requirement of £15,000 and a virement of £120,000 to approve as detailed in Appendix B.	Existing	2,926	3,061	135	120	15	-
Subtotal		56,271	61,165	4,894	(16)	3,315	1,595
TOTAL				5,555	-	3,493	2,062

Virements for approval

Appendix B

Directorate	Capital project	Virement required £000	Comments
Corporate People	Corporate Contingency Welfare Assistance	(200) 200	A virement from Corporate Contingency budget is proposed to fund grant to Credit Union to administer Welfare Assistance loans.
Corporate Corporate Corporate	Fire Prevention Roof/Window Replacement Universal Infant Free School Meals	(44) 19 25	A virement is proposed to fund a budget increase within Roof/Window Replacement and Universal Infant Free School Meals schemes.
Corporate Corporate	Contingency for emergency works Uncommitted Balance of Capital Maintenance (Provision for future programmes)	(271) (192)	Virements from Contingency for emergency works and Provision for future programmes are proposed to fund new projects developed within the Capital Maintenance Programme.
Corporate Corporate Corporate Corporate	Structural/demolition/external works/security Fire Prevention Boiler/Pipework Replacements Rewiring and electrical upgrades (Planned Maintenance)	135 70 180 78	
Places Corporate	Passenger Transport Vehicles - Relocation to Wholesale Market Corporate Contingency	(16) 16	This project is complete and there is no further requirement for the £16,000. A virement is proposed to Corporate Contingency budget for future allocations as per Capital finance strategy approved on the 23 June 2015.
Places Places Places Places	Archive Services Relocation Molineux Hotel Newhampton Centre improvements Corporate Asset Management Black Country Growth Deal - Cultural Programme	(190) (154) 50 294	It has been concluded that Archive Services Relocation budget of £190,000 and Newhampton Centre improvements budget of £154,000 are no longer required and therefore the virements are proposed to Black Country Growth Deal - Cultural and Corporate Asset Management programmes.
Places Places	South Side Youth Zone	(40) 40	A virement is proposed to accommodate the cost of CCTV cameras within Youth Zone.
Places Places	West Midlands Classified Renewal Project Structural Maintenance	(6,594) 6,594	West Midlands Classified Renewal Project reported as stand alone scheme in Outturn 2014/15 & Quarter 1 2015/16 capital report. As it is a funding stream for the projects within Structural Maintenance therefore a virement is proposed to correct presentation.
Places Places	Structural Maintenance City Centre Transport & Movement Enhancements	(300) 300	A virement is proposed to accommodate the rolling further phases of City Centre improvements.
Places Places	Local Safety Schemes Integrated Transport	(120) 120	Alignment to budget to reflect that reported to Councillors at Cabinet (Resources) Panel on the 30 June 2015.
Total		-	

Virements to note

Directorate	Capital project	Virement required £000	Comments
Corporate Corporate	Corporate Contingency Temporary Staffing Agency	(300) 300	Virement approved by Cabinet "Revenue Budget Outturn 2014/15" on the 22 July 2015
Corporate Corporate	ICTS General Programme Digital Transformation	(3,500) 3,500	Virement approved by Cabinet (Resources) Panel "Digital Transformation Programme" on the 20 October 2015.
Places Places	Reallocation of Resources for Regeneration Black Country Growth Deal - Cultural Programme	(483) 483	Virement approved by Cabinet (Resources) Panel "Black Country Growth Deal – Cultural Capital Programme: Civic Halls improvement update and Grand Theatre Grant" on the 28 July 2015.
Places Places Places	Reallocation of Resources for Regeneration Targeted Strategic Disposals Programme Westside	(450) (850) 1,300	Virement approved by Cabinet "Westside Delivery Strategy Update" on the 22 July 2015.
Places Places	Reallocation of Resources for Regeneration Bilston Urban Village	(2,500) 2,500	Virement approved by Cabinet (Resources) Panel "Bilston Urban Village Advance Works Programme" on the 17 November 2015.
Places Places	Reallocation of Resources for Regeneration Priorities Queen Street Townscape Heritage Enhancement	(250) 250	Virement approved by Cabinet (Resources) Panel as part of "Capital Resources for City Centre and Bilston regeneration priorities" report on the 11 September 2013.
Total		-	

Schedule of works – Corporate

Appendix C1

ICT capital programme	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Main programme:						
Future Developments	214	-	-	-	-	214
Emergency Projects	100	-	-	-	-	100
Security Enhancement						
Network Access Control	30	-	-	-	-	30
Network Intruder Detection	10	-	-	-	-	10
Penetration Testing and ITHC	26	-	-	-	-	26
	66	-	-	-	-	66
Refresh						
Microsoft Enterprise Agreement	395	377	-	-	-	772
Storage Refresh						
Replace NEO4000 tape library	-	142	-	-	-	142
Upgrades						
Replace / Upgrade Firewalls	60	40	-	-	-	100
Email labelling for GCSx	-	18	-	-	-	18
Web Filtering and Email Filtering replacement / upgrade	26	100	-	-	-	126
SQL Upgrade	10	40	-	-	-	50
Enterprise SFTP Solution	-	100	-	-	-	100
Corporate Data Network - contract renewal	300	-	-	-	-	300
Website Development	4	-	-	-	-	4
Revs & Bens E-Billing Solution	25	-	-	-	-	25
	425	298	-	-	-	723
Infrastructure Upgrades						
IP Telephony	-	114	-	-	-	114
Windows 7 Migration	48	-	-	-	-	48
Replace smaller mainframe applications	80	-	-	-	-	80
Network Hardware Refresh	21	60	-	-	-	81
SSL / VPN Remote Access replacement / upgrade	-	129	-	-	-	129
Replace public network infrastructure	-	91	-	-	-	91
Expand production VM environment and production DMZ environment	22	100	-	-	-	122
DASS to SIP trunking	-	3	-	-	-	3
SCCM / SCOM	20	-	-	-	-	20
Thin client solution	-	205	-	-	-	205
	191	702	-	-	-	893
Data Centres						
Cold aisle containment	-	20	-	-	-	20
Uninterruptable Power Supply (UPS) capacity upgrade	-	1	-	-	-	1
Environmental monitoring	-	15	-	-	-	15
Additional Data Cabinets	-	17	-	-	-	17
Mainframe decommission and deep clean	-	20	-	-	-	20
	-	73	-	-	-	73
Main programme total	1,391	1,592	-	-	-	2,983
Desktop Refresh	233	1,500	-	-	-	1,733
Disaster Recovery	137	550	-	-	-	687
Total ICT capital programme	1,761	3,642	-	-	-	5,403

Schedule of works – Corporate

Appendix C1

Primary School Expansion Programme	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Phase 1 & 2						
Bilston Primary	105	-	-	-	-	105
Northwood Park	15	-	-	-	-	15
St Andrew's Church of England Primary	5	-	-	-	-	5
Dunstall Hill Primary	2,000	2,378	-	-	-	4,378
Fallings Park Primary	2,393	100	-	-	-	2,493
Trinity Church of England Primary	3,407	1,400	-	-	-	4,807
	7,925	3,878	-	-	-	11,803
Phase 3						
Bilston Primary	828	1,201	94	-	-	2,123
Bushbury Hill	544	76	44	-	-	664
Eastfield Primary	548	54	17	-	-	619
Loxdale Primary	1,096	52	-	-	-	1,148
Manor Primary	2,019	1,545	162	-	-	3,726
St Martin's Primary	250	1,497	83	-	-	1,830
Stowlawn Primary	411	28	-	-	-	439
Westacre Infant	100	217	-	-	-	317
West Park Primary	475	98	-	-	-	573
St Mary's RC Primary	800	2,000	300	-	-	3,100
Holy Trinity (RC)	300	-	-	-	-	300
Lanesfield Primary	350	-	-	-	-	350
St Bart's Primary	450	-	-	-	-	450
Villiers Primary	15	435	-	-	-	450
Future expansion programmes	-	1,338	4,227	-	-	5,565
	8,186	8,541	4,927	-	-	21,654
Contingency	228	171	-	-	-	399
Total Primary School Expansion Programme	16,339	12,590	4,927	-	-	33,856

Capital Maintenance	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Boiler upgrades/replacement pipework/heaters:						
Springdale Infant and Junior - replacement pipework	207	-	-	-	-	207
Bantock Primary - re-pipe heating	20	130	-	-	-	150
Broadmeadow Special - upgrade fan convectors	34	-	-	-	-	34
Castlecroft Primary - bns panel and heating pump	27	-	-	-	-	27
Christ Church Infants - upgrade hall heating to reduce electrical load	42	-	-	-	-	42
Goldthorne Park - upgrade infant boiler plant and fan convectors	65	-	-	-	-	65
Graiselye Primary - upgrade boiler plant	77	-	-	-	-	77
Loxdale Primary - upgrade flue	5	-	-	-	-	5
Oxley Primary - re-pip heating	20	130	-	-	-	150
St Stephens Primary - upgrade heating	28	-	-	-	-	28
Stow Health - hot and cold pipework	85	-	-	-	-	85
Coppice - New Boiler	180	-	-	-	-	180
Wodenfield Primary - replacement boiler plant	42	-	-	-	-	42
	832	260	-	-	-	1,092
Development Plans:						
Provision for future programmes	40	-	-	-	-	40

Schedule of works – Corporate

Appendix C1

Capital Maintenance (continued)	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Roof replacements and ceilings:						
Bilston Nursery - replacement tiles to roof	95	-	-	-	-	95
Christ Church CE Jr - replacement roof covering	46	-	-	-	-	46
D'Eyncourt Primary - replacement roof covering	35	-	-	-	-	35
Dovecotes Primary - replacement roof covering	32	-	-	-	-	32
Long Knowle - replacement roof covering	30	-	-	-	-	30
Springvale Primary - replacement roof covering	15	-	-	-	-	15
St Bartholomew's CE Primary - replacement roof covering/re-build chimney	35	-	-	-	-	35
Uplands Junior - replacement roof covering	46	-	-	-	-	46
Whitgreave Junior - replacement roof covering	44	-	-	-	-	44
Woodthorne Primary - replacement roof covering	49	-	-	-	-	49
Provision for future programmes	101	-	-	-	-	101
	528	-	-	-	-	528
Window upgrade:						
Broadmeadow Nursery - replacement classroom windows	31	-	-	-	-	31
Claregate Primary - replacement classroom windows	45	-	-	-	-	45
Hill Avenue Primary - replacement classroom windows	54	-	-	-	-	54
Merridale Primary - replacement classroom windows	24	-	-	-	-	24
Oxley Primary - replacement classroom windows	39	-	-	-	-	39
St Alban's CE Primary - replacement classroom windows	15	-	-	-	-	15
Woodfield Junior - replacement classroom windows	21	-	-	-	-	21
	229	-	-	-	-	229
Structural/demolition/external works/security						
Bantock Primary - reform playground	35	-	-	-	-	35
Goldthorn Park Primary - replacement floor screeds	150	-	-	-	-	150
Lanesfield Primary - demolition of chimney	20	-	-	-	-	20
Woden Primary - Canopy	20	-	-	-	-	20
Merridale Primary - replacement timber floor	9	-	-	-	-	9
Oxley Primary - replacement wood block floor and DPM	18	-	-	-	-	18
Springvale Primary - resurfacing main entrance drive	30	-	-	-	-	30
Whitgreave Infant - rebuild retaining wall	25	-	-	-	-	25
Hill Avenue - Demolition of demountable	40	-	-	-	-	40
Castlecroft Primary - Playground resurfacing	70	-	-	-	-	70
Grove Primary - Replacement Fencing	15	-	-	-	-	15
Edward the Elder - Replacement Fencing	10	-	-	-	-	10
Provision for future programmes	37	-	-	-	-	37
	479	-	-	-	-	479
Contribution to New Build schemes:						
Edward the Elder Primary	25	-	-	-	-	25
Wood End Primary	25	-	-	-	-	25
New Park - design technology refurbishment	35	-	-	-	-	35
Springdale Infants - security gates to playground	10	-	-	-	-	10
	95	-	-	-	-	95
Asbestos removal:						
Merridale Primary	16	-	-	-	-	16
Castlecroft Primary	1	-	-	-	-	1
Parkfield Primary	18	-	-	-	-	18
Moreton School	15	-	-	-	-	15
Villiers Primary	14	-	-	-	-	14
Woodthorne Primary	24	-	-	-	-	24
New Park/Kingston PRU	9	-	-	-	-	9
Provision for future programmes	19	-	-	-	-	19
	116	-	-	-	-	116

Schedule of works – Corporate

Appendix C1

Capital Maintenance (continued)	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Rewiring and electrical upgrades (Planned Maintenance):						
Palmers Cross Primary	27	-	-	-	-	27
St Andrew's Church of England Primary	21	-	-	-	-	21
Stow Heath Primary	24	-	-	-	-	24
Woodthorne Primary	27	-	-	-	-	27
Castlecroft Primary - main earthing and bonding improvement	3	-	-	-	-	3
D'Eyncourt Primary - main switchgear, sub-mains	39	-	-	-	-	39
Graiseley Primary - mains upgrade	39	-	-	-	-	39
Graiseley Primary - emergency lighting	20	-	-	-	-	20
Hill Avenue Primary - mains switchgear, sub-mains	29	-	-	-	-	29
Spring Vale Primary - fire alarm improvements	17	-	-	-	-	17
Uplands Junior - mains switchgear, fixed wiring works	32	-	-	-	-	32
Villiers Primary - mains and sub-mains	25	-	-	-	-	25
New Park - Electrical remedial works	68	-	-	-	-	68
Woodthorne - Electrical remedial works	10	-	-	-	-	10
Wodensfield Primary - Juniors targeted power, lighting and emergency lights	35	-	-	-	-	35
	416	-	-	-	-	416
Fire Prevention						
Dovecotes Primary - Replacement fire doors	10	-	-	-	-	10
Bantock Primary - Replacement fire escape staircase	60	-	-	-	-	60
	70	-	-	-	-	70
Toilet/cloakroom upgrade:						
Elston Hall Primary - toilet refurbishment	31	-	-	-	-	31
Contingency for emergency works						
New Park Fire Alarm	140	-	-	-	-	140
Provision for future programmes	27	-	-	-	-	27
	167	-	-	-	-	167
Uncommitted Balance of Capital Maintenance (Provision for future programmes)	23	2,225	2,225	-	-	4,473
Total Capital Maintenance capital programme	3,026	2,485	2,225	-	-	7,736

Universal Infant Free School Meals Programme	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Bantock Primary School	343	-	-	-	-	343
Total Universal Infant Free School Meals programme	343	-	-	-	-	343

Schedule of works – People

Appendix C2

Sports Investment Strategy	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Barnhurst Land Pitches	1,202	-	-	-	-	1,202
Synthetic Pitch at Our Lady and St Chads School	984	-	-	-	-	984
Aldersley Synthetic Pitch	12	-	-	-	-	12
Payment of grant to Bilbrook FC	846	-	-	-	-	846
Payment of grant to Bilston Town FC	28	-	-	-	-	28
Cricket Provision	104	-	-	-	-	104
Bowling provision	102	-	-	-	-	102
Provision for future programmes	637	-	-	-	-	637
Total Sports Investment Strategy	3,915	-	-	-	-	3,915

Co-location Programme	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
NOM - Middleway Green	1	-	-	-	-	1
NOM - Graiseley Centre	10	-	-	-	-	10
NOM - Warstones	3	-	-	-	-	3
NOM - Avenues Family Resource Centre	6	-	-	-	-	6
NOM - Windsor Childrens Centre	61	-	-	-	-	61
NOM - Bingley Enterprise Centre	7	-	-	-	-	7
NOM - Whitmore Reans Childrens Centre	12	-	-	-	-	12
NOM - The Berries	18	-	-	-	-	18
NOM - Childrens Village	51	-	-	-	-	51
NOM - Blakenhall Family Resource Centre	3	-	-	-	-	3
Valley Park MAST	3	-	-	-	-	3
Provision for future programmes	88	-	-	-	-	88
Total Co-location Programme	263	-	-	-	-	263

Learning Disability	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Action for Independence - Albert Road	70	-	-	-	-	70
Modernisation of Learning Disability Day Services	55	-	-	-	-	55
Upgrade disability access / usage - Neil Dougherty	55	-	-	-	-	55
Upgrade disability access / usage - Brickkiln Centre	40	-	-	-	-	40
Total Learning Disability	220	-	-	-	-	220

Schedule of works – Place

Appendix C3

Corporate Asset Management Programme	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Planned Programme of Enhancements						
Grand Theatre balustrade strengthening	27	-	-	-	-	27
Wolverhampton Art Gallery - protection to main lantern light	52	-	-	-	-	52
Fowlers Park Changing rooms - refurbishment	25	-	-	-	-	25
Central Baths - changing rooms refurbishment	60	-	-	-	-	60
Bilston Community Centre - windows replacement	6	-	-	-	-	6
Wolverhampton Art Gallery - improve stone sills	48	-	-	-	-	48
Blakenhall Community and Healthy Living Centre - air handling replacement	12	-	-	-	-	12
City Archives – external protective system	32	-	-	-	-	32
West Park Lakeside Shelter - restoration	32	-	-	-	-	32
Magistrates Court - external coating	41	-	-	-	-	41
Wolverhampton Art Gallery – Makers Dozen - resurface piazza	65	-	-	-	-	65
Racecourse Road - relocation of independent living service	170	-	-	-	-	170
Central Library - external redecoration	10	-	-	-	-	10
Albert Road Day Centre - drainage in car park	12	-	-	-	-	12
Northcote Farm - refurbishment of toilets	10	-	-	-	-	10
Low Hill Offices - roof recovered and insulated	5	-	-	-	-	5
	607	-	-	-	-	607
Statutory compliance testing						
Civic & Wulfrun Halls - door replacements	27	-	-	-	-	27
Graiseley Music School -rewiring	4	-	-	-	-	4
Finchfield Library - rewiring	2	-	-	-	-	2
Northwood Park Office- rewiring	6	-	-	-	-	6
Central Library - entrance repaving	5	-	-	-	-	5
Beacon Hill Cemetery -rewiring	1	-	-	-	-	1
Brickkiln Centre - rewiring	3	-	-	-	-	3
Adult Education; (Foyer Building) - rewiring	6	-	-	-	-	6
Danescourt Cemetery - rewiring	5	-	-	-	-	5
Penn Cemetery - rewiring	9	-	-	-	-	9
Bantock House -external improvements	2	-	-	-	-	2
Aldersley Leisure Village - external resurfacing	49	-	-	-	-	49
Bond House - rewiring	57	-	-	-	-	57
Alan Garner Centre - rewiring	2	-	-	-	-	2
Towers ; The Outdoor Education Centre - rewiring	5	-	-	-	-	5
Bilston Community Centre - rewiring	14	-	-	-	-	14
Dunstall Community Centre - rewiring	10	-	-	-	-	10
Bradmore Community Centre rewiring	16	-	-	-	-	16
Bilston Library & Museum - car park resurfacing	4	-	-	-	-	4
Albert Road Day Centre - rewiring	5	-	-	-	-	5
Bradley Lodge Resource Centre - rewiring	10	-	-	-	-	10
Portobello Community Centre - rewiring	8	-	-	-	-	8
Unit 28/29 Fordhouse Road - rewiring	2	-	-	-	-	2
All Saints Youth & Community Centre - rewiring	12	-	-	-	-	12
Wolverhampton Art Gallery - automation of doors	10	-	-	-	-	10
Warstones Resource Centre - rewiring	13	-	-	-	-	13
Lower Bradley Comm. Centre - asbestos removal works	24	-	-	-	-	24
West Park Conservatory - replacement of window frames (Phase 2)	75	-	-	-	-	75
	386	-	-	-	-	386

Schedule of works – Place

Appendix C3

Corporate Asset Management Programme (continued)	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Minor Works Programme for Adult's Social Care Fund						
Merry Hill House - boiler and doors replacement	19	-	-	-	-	19
Duke Street Bungalows - rewiring	3	-	-	-	-	3
Merry Hill House doors improvements	3	-	-	-	-	3
Neville Garratt Centre - new boiler	15	-	-	-	-	15
Neville Garratt Centre - air conditioning upgrade	20	-	-	-	-	20
	60	-	-	-	-	60
Minor Works Programme for Children's Social Care Fund						
Beldray Building - rewiring	3	-	-	-	-	3
Avenues Family Centre - rewiring	5	-	-	-	-	5
Priory Green Offices - boiler replacements	105	-	-	-	-	105
Bingley Enterprise - rewiring	4	-	-	-	-	4
Bingley Enterprise - flooring	44	-	-	-	-	44
Towers Outdoor Education Centre - windows replacement	25	-	-	-	-	25
Barnhurst Day Centre - rewiring	-	-	-	-	-	-
	186	-	-	-	-	186
Asbestos Removal Programme						
Civic Halls - asbestos removal	35	-	-	-	-	35
Learning Technology Centre, Graiseley - asbestos removal	1	-	-	-	-	1
Unit 6, Landport Road - asbestos removal	1	-	-	-	-	1
Retail Market - asbestos removal	1	-	-	-	-	1
	38	-	-	-	-	38
Provision for future programmes	62	640	-	-	-	702
Total Corporate Asset Management Programme	1,339	640	-	-	-	1,979

Urban Parks Refurbishment Programme	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
East Park	38	-	-	-	-	38
Spring Road Estate	56	-	-	-	-	56
Greenway Playing Fields (Bradley Facilities)	20	-	-	-	-	20
Heath Town Park	108	-	-	-	-	108
West Park Play	60	-	-	-	-	60
All Saints Park	56	14	-	-	-	70
Rakegate Wood Project	2	-	-	-	-	2
Ashmore Park	62	-	-	-	-	62
Castlecroft Avenue	82	-	-	-	-	82
Total Urban Parks Refurbishment	484	14	-	-	-	498

Disposals Programme	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Outline Planning Consents	76	23	-	-	-	99
Pennfields School Demolition	165	-	-	-	-	165
Graisleley Caretakers House	100	-	-	-	-	100
Danesmore - Relocation of licensees	30	-	-	-	-	30
Wednesfield High - Demolition	522	-	-	-	-	522
Colman Avenue	484	-	-	-	-	484
Phoenix Rise	151	-	-	-	-	151
Reprovision of playing field provision	192	-	-	-	-	192
Future years demolitions	-	360	-	-	-	360
Total Disposals Programme	1,720	383	-	-	-	2,103

Schedule of works – Place

Appendix C3

Targeted Disposals Programme	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Heath Town Baths	100	100	-	-	-	200
Relocation of MUGA from Fifth Avenue	50	-	-	-	-	50
Canalside Demolitions & Preparatory Works	-	-	200	-	-	200
Provision for future programmes	-	180	-	-	-	180
Total Targeted Disposals Programme	150	280	200	-	-	630

Accessing Growth Fund	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Wolverhampton Coach facilities	500	-	-	-	-	500
Bilston Urban Village Access	1,570	900	600	500	-	3,570
North Smethwick Canalside Access (Sandwell MBC)	630	-	-	-	-	630
M6 J10 resilience package	300	-	-	-	-	300
Provision for future programmes	-	2,100	2,400	2,500	-	7,000
Total Capital Programme	3,000	3,000	3,000	3,000	-	12,000

Managing Short Trips	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Network 81 Route Enhancements - grant to Canal & River Trust	50	603	-	-	-	653
Cycle links to Moseley park/ Willenhall Road	-	210	-	-	-	210
City Centre Cycling and Public Realm improvements	50	650	-	-	-	700
Cycle Route i54 Link from Bushbury/Heath Town	-	50	450	-	-	500
Total Capital Programme	100	1,513	450	-	-	2,063

Structural Maintenance	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000
Oxley Moor Road - Bridge demolition	80	-	-	-	-	80
Footpath N of Fowlers Field - Deck removal/ replacement	20	-	-	-	-	20
Demolition of 60-60A Willenhall Road on a highway improvement line	-	80	-	-	-	80
Provision for future programmes	-	220	-	-	-	220
Total Capital Programme	100	300	-	-	-	400

Cabinet Meeting

9 December 2015

Report title	Treasury Management Activity Monitoring – Mid Year Review 2015/16	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Mark Taylor, Director of Finance	
Originating service	Strategic Finance	
Accountable employee(s)	Claire Nye Tel Email	Chief Accountant 01902 550478 Claire.Nye@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board Council Confident, Capable Council Scrutiny Panel	17 November 2015 16 December 2015 3 February 2016

Recommendation(s) for action or decision:

1. The Cabinet recommends that Council notes:
 - (a) A mid-year review of the Treasury Management Strategy Statement has been undertaken and the Council has operated within the limits and requirements approved in March 2015.
 - (b) Savings of £1.9 million for the General Fund and £2.9 million for the Housing Revenue Account (HRA) are forecast from treasury management activities in 2015/16.
 - (c) In the event of updated capital programme figures being reported to Cabinet (Resources) Panel on 15 December 2015, a revised version of this report will be presented to Council on 16 December 2015.

1.0 Purpose

- 1.1 This report provides a monitoring and progress report on treasury management activity for the second quarter of 2015/16 as part of the mid-year review, in line with the Prudential Indicators approved by Council in March 2015.

2.0 Background

- 2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management. For further information on the requirements of the Code please refer to the Treasury Management Strategy 2015/16 report which can be accessed online on the Council's website by following the link:

<http://wolverhampton.moderngov.co.uk/documents/s8386/Treasury%20Management%20Strategy%20201516.pdf>

- 2.2 Treasury management is defined as:

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

- 2.3 The system of controls on local authority capital investment is based largely on self-regulation by local authorities themselves. At its heart is CIPFA's Prudential Code for Capital Finance.
- 2.4 Cabinet / Cabinet (Resources) Panel receives quarterly reports throughout the year to monitor performance against the strategy and Prudential Indicators that have previously been approved by Council.
- 2.5 The Council continues to use Capita Asset Services as its treasury management advisors throughout 2015/16. Capita provides market data and intelligence on which the Council can make decisions regarding all aspects of treasury management activities and in particular, managing the risks associated with investing surplus cash.

3.0 2015/16 forecast

- 3.1 The forecast outturn for treasury management activities in 2015/16 compared to budget is shown in Table 1.

Table 1 – Treasury management budget and forecast outturn 2015/16

	Approved Budget £000	Forecast Outturn £000	Variance £000
General Fund	13,428	11,567	(1,861)
Housing Revenue Account	14,157	11,282	(2,875)
Total	27,585	22,849	(4,736)

- 3.2 A saving of £2.3 million for the General Fund is projected for the year 2015/16. As a result of this, £450,000 has been vired from the General Fund treasury management budget to fund an undeliverable saving in the People directorate linked to the implementation of the National Living Wage. This virement was approved by Cabinet (Resources) Panel at its meeting of 17 November 2015 and has been reflected in Table 1.
- 3.3 Therefore, the projected saving has reduced to £1.9 million for the General Fund and £2.9 million for the HRA for the year 2015/16. This is mainly due to a reduced borrowing need in year because of slippage in the capital programme. The Council's strategy is to continue to use cash balances to finance capital expenditure rather than external borrowing. Borrowings are actively managed to achieve savings wherever possible.
- 3.4 Appendix A shows a comparison of the latest estimates of Prudential and Treasury Management Indicators over the medium term period with the equivalent figures which were approved by Council in March 2015.
- 3.5 The forecasts in this report are based on the capital programme requirements included in the report 'Capital programme 2015/16 to 2019/20 quarter two review' also being presented at this meeting. In the event of updated capital programme figures being reported to Cabinet (Resources) Panel on 15 December 2015, a revised version of this treasury report will be presented to Council on 16 December 2015 which will include the impact of any such changes.

4.0 Borrowing forecast for 2015/16

- 4.1 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.
- 4.2 Table 2 shows the average rate of interest payable in 2014/15 and forecast for 2015/16.

Table 2 – Average interest rate payable in 2014/15 and 2015/16

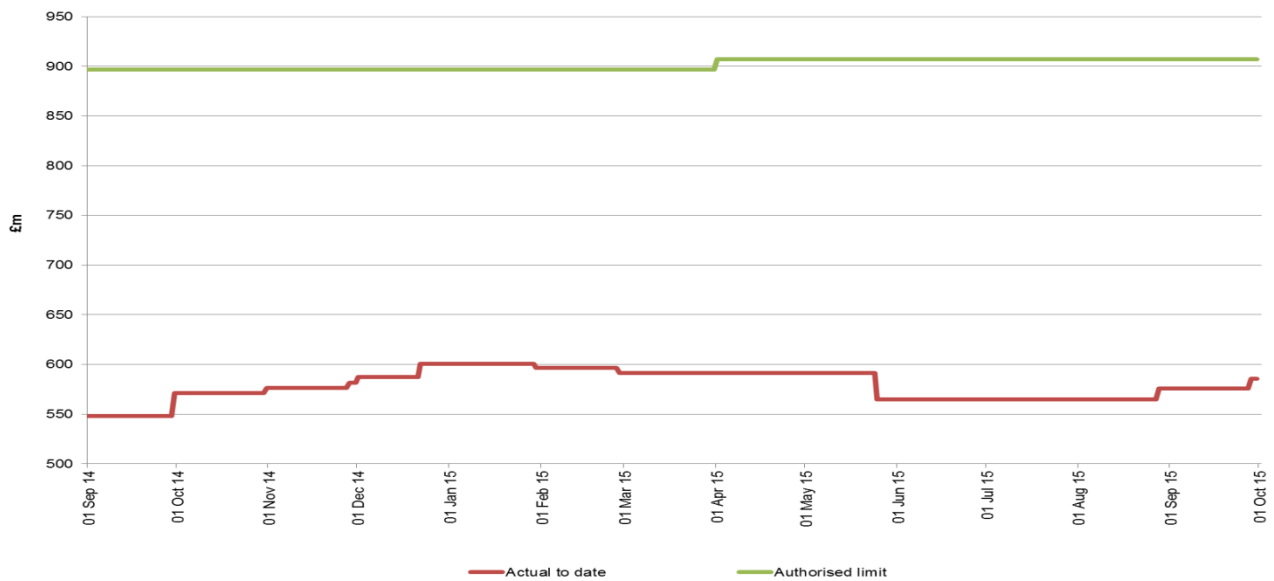
	2014/15 Actual	2015/16 Forecast
Average Interest Rate Payable	3.67%	3.95%

- 4.3 Each year it is necessary to raise new loans to finance capital expenditure and to replace existing maturing borrowing. The Council's policy is to prioritise the use of capital receipts to finance capital expenditure. Balances which are set aside to meet credit liabilities (i.e. to repay borrowing) are used to reduce the external borrowing requirement. Decisions to take borrowing will be made by the Director of Finance when it is judged that rates are likely to be at their lowest levels, and probably about to rise according to market indications, and only when an inflow of funds is required to meet imminent cash flow

commitments. This will keep overall surplus cash balances to a minimum, in line with the current strategy. Appendix B shows the maturity profile of external borrowing.

- 4.4 Any short term savings made by avoiding new long term external borrowing in 2015/16 and thereafter, will also need to be weighed against the potential for incurring additional long term extra costs by delaying unavoidable new external borrowing until later years, when Public Works Loan Board (PWLB) long term rates are forecast to be significantly higher. Appendix C includes the Capita commentary for quarter two 2015/16 and forecasts that interest rates for both short and long term borrowing will increase up to June 2018. The Director of Finance will continue to keep actual and forecast rates under close review.
- 4.5 The Council's borrowing profile continues to operate within the overall limits previously approved by Council, as shown in Chart 1.

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



- 4.6 The level of borrowing at 30 September 2015 is £585.8 million. Appendix D shows a summary of this position along with a detailed breakdown of new loans and repayments made throughout the year. £50.2 million of existing borrowing is due to be repaid between quarter's three and four.
- 4.7 In March 2015, Council approved a net borrowing requirement for 2015/16 of £189.9 million. The forecast net borrowing requirement for 2015/16 is £180.5 million, as shown in appendix E. This appendix also shows the details for the disclosure for certainty rate, which enables the Council to access discounted borrowing at 0.20% below normal PWLB rates.

5.0 Investment forecast for 2015/16

- 5.1 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.
- 5.2 Table 3 shows the total amount of surplus funds invested as at 30 June 2015 and 30 September 2015.

Table 3 – Total amounts invested 2015/16

	30 June 2015 £000	30 September 2015 £000
Business Reserve Accounts	7	-
Money Market Funds	4,970	6,630
	4,977	6,630
Average cash balance for the year to date	24,501	17,286

- 5.3 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access. This is based on the Council's low appetite for risk.
- 5.4 The Council's cash flow balance for the second quarter of the current financial year has moved between a low of £0.4 million and a maximum of £21.3 million. The average cash balance for the quarter being £10.1 million.
- 5.5 Table 4 shows the budgeted average rate of interest receivable in 2015/16 and the forecast for the year.

Table 4 – Average interest rate receivable in 2015/16

	2015/16 Budget	2015/16 Forecast
Average Interest Rate Receivable	0.60%	0.46%

- 5.6 The low interest rates will have minimal impact on the budget due to savings generated by avoiding the cost of borrowing.
- 5.7 The Council will avoid locking into longer term deals while investment rates are at historically low levels. Investment rates are expected to continue to be below long term borrowing rates, in which case, the Council can minimise its overall net treasury costs in the short term by continuing to avoid new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external borrowing (this is referred to as internal borrowing).

- 5.8 The Council manages its investments in-house and invests only in the institutions listed in the Council's approved lending list, which is reviewed each time a counterparty is subject to a credit rating amendment. The Council's strategy allows for investments for a range of periods from overnight to five years, depending on the Council's cash flows, its interest rate view and the interest rates on offer. However, in order to maintain sufficient liquidity whilst total investment levels are relatively low, most investments have been placed for shorter durations.
- 5.9 The approved Treasury Management Code of Practice sets out the criteria to be used for creating and managing approved counterparty lists and limits. As a result of any changes to credit criteria, the Director of Finance is authorised to make changes to the list of approved counterparties. In the event that any of these counterparties fall below the Council's minimum lending criteria, activity in that account will temporarily cease and any balance withdrawn immediately. Appendix F shows the Council's current specified investments lending list.
- 5.10 In quarter two 2015/16 the Director of Finance has not been required to use his discretion to temporarily exceed any upper limits with approved counter-parties.

6.0 Financial implications

- 6.1 The financial implications are discussed in the body of this report.
[SH/11112015/W]

7.0 Legal implications

- 7.1 Treasury Management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.
- 7.2 The area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in the Public Services', contains Treasury Management indicators and advice on Treasury Management Strategy. Investment strategy is regulated by 'DCLG Guidance on Local Government Investments' issued initially in 2004 and re-issued in 2010. Part 2 of this Guidance is statutory guidance.

[Legal Code: TS/06112015/F]

8.0 Equalities implications

- 8.1 This report has no equality implications.

9.0 Environmental implications

- 9.1 This report has no environmental implications.

10.0 Human resources implications

10.1 This report has no human resources implications.

11.0 Corporate landlord implications

11.1 This report has no corporate landlord implications.

12.0 Schedule of background papers

Treasury Management Strategy 2015/16, Report to Cabinet, 25 February 2015

Treasury Management – Annual Report 2014/15 and Activity Monitoring Quarter One 2015/16, Report to Cabinet, 22 July 2015

Revenue Budget Monitoring 2015/16, Report to Cabinet (Resources) Panel, 17 November 2015

Capital programme 2015/16 to 2019/20 quarter two review, Report to Cabinet, 9 December 2015

13.0 Schedule of appendices

App	Title	Page
A	Prudential and Treasury Management Indicators	8
B	Maturity rate profile	12
C	Capita commentary quarter two 2015/16	13
D	Borrowing type, borrowing and repayments	17
E	Certainty rate disclosure	19
F	Lending list	20

Debt and Treasury Management - Prudential and Treasury Management Indicators

Prudential Indicators (PI)

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

PI 1 - Estimates and Actual ratio of financing costs to net revenue stream.

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

	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
General Fund	6.1%	8.2%	8.9%	5.1%	7.3%	8.4%
HRA	11.3%	13.2%	13.0%	33.0%	33.9%	34.7%

PI 2 - Estimates of the incremental impact of capital investment decisions on the council tax and housing rents.

The council could consider different options for its capital investment programme in relation to their different impact on the council tax and housing rents. Negatives reflect a reduction in total capital expenditure.

	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£	£
Financial year impact						
Implications of the capital programme for year:						
For Band D council tax	202.52	235.55	239.70	100.75	147.55	166.16
For average weekly housing rents	6.21	6.69	7.38	2.41	4.14	5.07
Marginal impact to previous quarter						
Implications of the capital programme for year:						
For Band D council tax	-	-	-	(7.60)	10.54	20.73
For average weekly housing rents	-	-	-	(1.18)	(0.97)	(1.01)

PI 3 - Estimates and actual capital expenditure.

Full details of capital expenditure plans and funding can be found in the quarter two capital budget monitoring 2015/16 report.

	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000
General Fund	78,032	39,093	9,305	115,890	71,366	33,408
HRA	62,501	29,057	30,326	62,762	46,133	33,982
	140,533	68,150	39,631	178,652	117,499	67,390

APPENDIX A

Debt and Treasury Management - Prudential and Treasury Management Indicators

PI 4 - Estimates and actual capital financing requirement General Fund and HRA.

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

	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
General Fund	598,167	617,974	618,602	578,888	607,732	617,862
HRA	344,687	333,959	323,772	314,519	318,463	311,513
	942,854	951,933	942,374	893,407	926,195	929,375

PI 5 - Authorised limit for external debt.

These limits apply to the total external debt gross of investments and separately identify borrowing from other long term liabilities such as finance leases including Private Finance Initiatives (PFI).

	Approved by Council 4 March 2015		
	2015/16	2016/17	2017/18
	Limit £000	Limit £000	Limit £000
Borrowing	906,895	915,620	923,031
Other Long Term Liabilities	96,557	94,671	92,574
Total Authorised Limit	1,003,452	1,010,291	1,015,605
Actual and Forecast External Debt as at 30 September 2015	784,390	835,143	857,035
Variance (Under) / Over Authorised limit	(219,062)	(175,148)	(158,570)

PI 6 - Operational boundary for external debt.

This is based on the same estimates as the authorised limit but directly reflects the Director of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included.

	Approved by Council 4 March 2015		
	2015/16	2016/17	2017/18
	Limit £000	Limit £000	Limit £000
Borrowing	880,937	908,683	920,161
Other Long Term Liabilities	96,557	94,671	92,574
Total Operational Boundary Limit	977,494	1,003,354	1,012,735
Actual and Forecast External Debt as at 30 September 2015	784,390	835,143	857,035
Variance (Under) / Over Operational Boundary Limit	(193,104)	(168,211)	(155,700)

Debt and Treasury Management - Prudential and Treasury Management Indicators

PI 7 - HRA limit on indebtedness.

This maximum debt limit has been set by Government as part of the self-financing regime and is compared to the HRA capital financing requirement.

	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
HRA Debt Limit	356,770	356,770	356,770	356,770	356,770	356,770
HRA Capital Financing Requirement	344,687	333,959	323,772	314,519	318,463	311,513
Headroom	12,083	22,811	32,998	42,251	38,307	45,257

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

PI 8a - Gross debt and the capital financing requirement.

"In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years". This replaced PI 8 net debt and the capital financing requirement from 2013/14 onwards.

	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
Forecast Capital Financing Requirement at end of Second Year	951,933	951,933	951,933	929,374	929,374	929,374
Gross Debt	835,260	861,120	870,501	784,390	835,143	857,035
Capital Financing Requirement Greater than Gross Debt	Yes	Yes	Yes	Yes	Yes	Yes

PI 9 - Has the local authority adopted the CIPFA Treasury Management in the Public Services: Code of Practice. Yes

Debt and Treasury Management - Prudential and Treasury Management Indicators

Treasury Management Indicators (TMI)

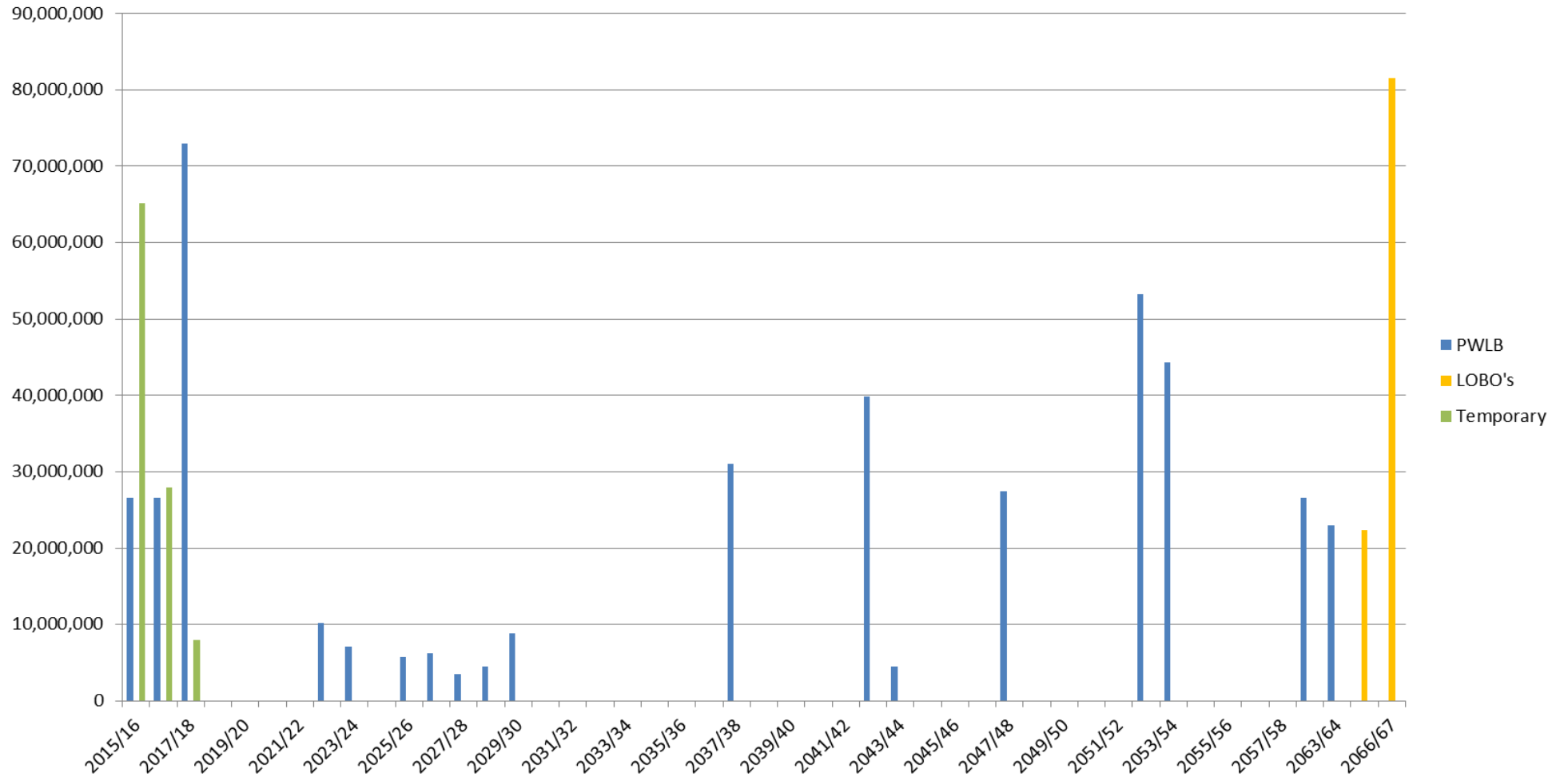
TMI 1 - Upper limits on fixed interest and variable interest exposures.						
These relate to the levels of net outstanding principal sums exposed to fixed and variable interest rates.						
	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16 Limit	2016/17 Limit	2017/18 Limit	2015/16 Forecast	2016/17 Forecast	2017/18 Forecast
Upper limit for fixed rate	100%	100%	100%	85%	86%	86%
Upper limit for variable rate	20%	20%	20%	15%	14%	14%

TMI 2 - Upper and lower limits to the maturity structure of its borrowing.			
These limits relate to the % of fixed rate debt maturing.			
	Approved by Council 4 March 2015		As at 30 September 2015
	Upper Limit	Lower Limit	2015/16 Forecast Borrowing
Under 12 months	25%	0%	12.68%
12 months and within 24 months	25%	0%	11.23%
24 months and within 5 years	40%	0%	7.98%
5 years and within 10 years	50%	0%	3.68%
10 years and above	90%	50%	64.43%

TMI 3 - Upper limits to the total of principal sums invested longer than 364 days.						
This details the maximum amount which can be invested for up to 5 years (as per paragraph 1.6 of the Annual Investment Strategy).						
	Approved by Council 4 March 2015			As at 30 September 2015		
	2015/16 Limit £000	2016/17 Limit £000	2017/18 Limit £000	2015/16 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000
Upper limit for more than 364 days	35,000	35,000	35,000	35,000	35,000	35,000

Borrowing Maturity at 30 September 2015

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Economic Background

The following economic background has been provided by the Council's Treasury Advisors, Capita.

UK

UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were the strongest growth rates of any G7 country; the 2014 growth rate was also the strongest UK rate since 2006 and the 2015 growth rate is likely to be a leading rate in the G7 again, possibly being equal to that of the US. However, quarter 1 of 2015 was weak at +0.4% (+2.9% y/y) though there was a rebound in quarter 2 to +0.7% (+2.4% y/y). Growth is expected to weaken to about +0.5% in quarter 3 as the economy faces headwinds for exporters from the appreciation of Sterling against the Euro and weak growth in the EU, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme, although the pace of reductions was eased in the May Budget. Despite these headwinds, the Bank of England August Inflation Report had included a forecast for growth to remain around 2.4 – 2.8% over the next three years, driven mainly by strong consumer demand as the squeeze on the disposable incomes of consumers has been reversed by a recovery in wage inflation at the same time that CPI inflation has fallen to, or near to, zero over the last quarter. Investment expenditure is also expected to support growth. However, since the report was issued, the Purchasing Manager's Index, (PMI), for services on 5 October would indicate a further decline in the growth rate to only +0.3% in Q4, which would be the lowest rate since the end of 2012. In addition, worldwide economic statistics and UK consumer and business confidence have distinctly weakened so it would therefore not be a surprise if the next Inflation Report in November were to cut those forecasts in August.

The August Bank of England Inflation Report forecast was notably subdued in respect of inflation which was forecast to barely get back up to the 2% target within the 2-3 year time horizon. However, with the price of oil taking a fresh downward direction and Iran expected to soon rejoin the world oil market after the impending lifting of sanctions, there could be several more months of low inflation still to come, especially as world commodity prices have generally been depressed by the Chinese economic downturn.

There are therefore considerable risks around whether inflation will rise in the near future as strongly as had previously been expected; this will make it more difficult for the central banks of both the US and the UK to raise rates as soon as was being forecast until recently, especially given the recent major concerns around the slowdown in Chinese growth, the knock on impact on the earnings of emerging countries from falling oil and commodity prices, and the volatility we have seen in equity and bond markets in 2015 so far, which could potentially spill over to impact the real economies rather than just financial markets.

USA

The American economy made a strong comeback after a weak first quarter's growth at +0.6% (annualised), to grow by no less than 3.9% in quarter 2 of 2015. While there had been confident expectations during the summer that the Fed. could start increasing rates at its meeting on 17

APPENDIX C

September, or if not by the end of 2015, the recent downbeat news about Chinese and Japanese growth and the knock on impact on emerging countries that are major suppliers of commodities, was cited as the main reason for the Fed's decision to pull back from making that start. The nonfarm payrolls figures for September and revised August, issued on 2 October, were disappointingly weak and confirmed concerns that US growth is likely to weaken. This has pushed back expectations of a first rate increase from 2015 into 2016.

Eurozone

In the Eurozone, the ECB fired its big bazooka in January 2015 in unleashing a massive €1.1 trillion programme of quantitative easing to buy up high credit quality government and other debt of selected EZ countries. This programme of €60bn of monthly purchases started in March 2015 and it is intended to run initially to September 2016. This already appears to have had a positive effect in helping a recovery in consumer and business confidence and a start to a significant improvement in economic growth. GDP growth rose to 0.5% in quarter 1 2015 (1.0% y/y) but came in at +0.4% (+1.5% y/y) in quarter 2 and looks as if it may maintain this pace in quarter 3. However, the recent downbeat Chinese and Japanese news has raised questions as to whether the ECB will need to boost its QE programme if it is to succeed in significantly improving growth in the EZ and getting inflation up from the current level of around zero to its target of 2%.

Interest rate forecasts

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.50%	1.50%	1.75%	1.75%
5yr PWLB rate	2.40%	2.50%	2.60%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%
10yr PWLB rate	3.00%	3.20%	3.30%	3.40%	3.50%	3.70%	3.80%	3.90%	4.00%	4.10%	4.20%
25yr PWLB rate	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%
50yr PWLB rate	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%

Capita Asset Services undertook its last review of interest rate forecasts on 11 August shortly after the quarterly Bank of England Inflation Report. Later in August, fears around the slowdown in China and Japan caused major volatility in equities and bonds and sparked a flight from equities into safe havens like gilts and so caused PWLB rates to fall below the above forecasts for quarter 4 2015. However, there is much volatility in rates as news ebbs and flows in negative or positive ways and news in September in respect of Volkswagen, and other corporates, has compounded downward pressure on equity prices. This latest forecast includes a first increase in Bank Rate in quarter 2 of 2016.

APPENDIX C

Despite market turbulence since late August causing a sharp downturn in PWLB rates, the overall trend in the longer term will be for gilt yields and PWLB rates to rise when economic recovery is firmly established accompanied by rising inflation and consequent increases in Bank Rate, and the eventual unwinding of QE. Increasing investor confidence in eventual world economic recovery is also likely to compound this effect as recovery will encourage investors to switch from bonds to equities.

The overall balance of risks to economic recovery in the UK is currently evenly balanced. Only time will tell just how long this current period of strong economic growth will last; it also remains exposed to vulnerabilities in a number of key areas.

The disappointing US nonfarm payrolls figures and UK PMI services figures at the beginning of October have served to reinforce a trend of increasing concerns that growth is likely to be significantly weaker than had previously been expected. This, therefore, has markedly increased concerns, both in the US and UK, that growth is only being achieved by monetary policy being highly aggressive with central rates at near zero and huge QE in place. In turn, this is also causing an increasing debate as to how realistic it will be for central banks to start on reversing such aggressive monetary policy until such time as strong growth rates are more firmly established and confidence increases that inflation is going to get back to around 2% within a 2-3 year time horizon. Market expectations in October for the first Bank Rate increase have therefore shifted back sharply into the second half of 2016.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:-

- Geopolitical risks in Eastern Europe, the Middle East and Asia, increasing safe haven flows.
- UK economic growth turns significantly weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU, US and China.
- A resurgence of the Eurozone sovereign debt crisis.
- Recapitalisation of European banks requiring more government financial support.
- Emerging country economies, currencies and corporates destabilised by falling commodity prices and / or the start of Fed. rate increases, causing a flight to safe havens

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- Uncertainty around the risk of a UK exit from the EU.
- The ECB severely disappointing financial markets with a programme of asset purchases which proves insufficient to significantly stimulate growth in the EZ.

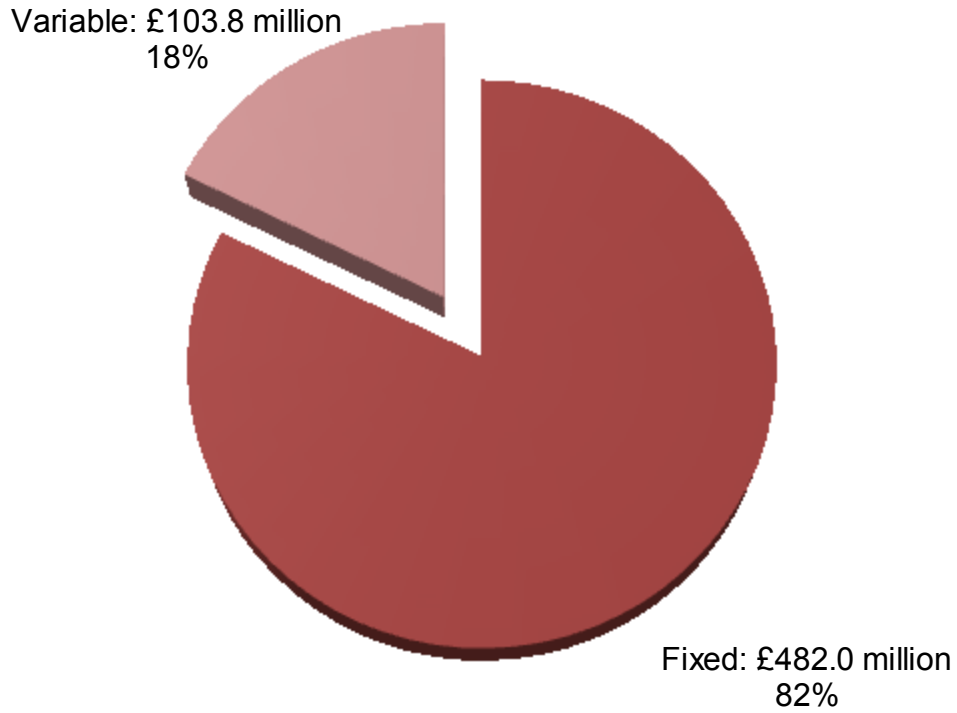
APPENDIX C

- The commencement by the US Federal Reserve of increases in the Fed. funds rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

Borrowing: Graphical Summary

As at 30 September 2015

Borrowing by Type



APPENDIX D

Borrowing and Repayments in 2015/16

	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £
2015/16 Borrowing					
Temporary Loans			days		
Bristol City Council	26/08/2016	14,000	364	0.60%	84,000
Bristol City Council	26/08/2016	3,000	364	0.60%	18,000
Wokingham Borough Council	26/08/2016	2,000	364	0.58%	11,600
LB of Hillingdon	26/09/2016	7,000	364	0.60%	42,000
Solihull DC	26/09/2016	2,000	364	0.60%	12,000
LB of Barking & Dagenham	28/09/2017	8,000	731	0.94%	75,200
		36,000		0.65%	242,800
2015/16 Repayments					
PWLB Fixed Maturity			years		
497365	25/05/2015	26,605	5	2.37%	630,539
		26,605		2.37%	630,539
Temporary Loans			days		
London Borough of Brent	28/08/2015	5,000	546	1.00%	50,000
Cambridge City Council	28/08/2015	3,000	546	1.00%	30,000
London Borough of Hillingdon	28/09/2015	7,000	550	0.95%	66,500
		15,000		0.98%	146,500

APPENDIX E

Disclosure for Certainty Rate

Certainty Rate						
This table details the information that is required to enable the Council to submit a return for 2015/16.						
	As at 25 February 2015			As at 30 June 2015		
	2015/16 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000	2015/16 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000
Net Borrowing Requirement:						
Borrowing to Finance approved Capital Expenditure	103,832	27,746	11,478	96,562	52,639	23,989
Existing Maturity Loans to be Replaced During the Year	101,805	76,605	123,000	103,055	82,355	146,000
Less:						
Minimum Revenue Provision for Debt Repayment	0	0	0	0	0	0
Voluntary Debt Repayment	(15,729)	(16,781)	(18,940)	(19,103)	(17,965)	(18,712)
	(15,729)	(16,781)	(18,940)	(19,103)	(17,965)	(18,712)
Loans Replaced Less Debt Repayment	86,076	59,824	104,060	83,952	64,390	127,288
Net Advance Requirement	189,908	87,570	115,538	180,514	117,029	151,277

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City of Wolverhampton Council
2015/16 Specified Investments Lending List as at 30 September 2015

Institution	Country (Sovereign Rating)	Limit £000	Term Limit
Australia & New Zealand Banking Group Ltd	Australia (AAA)	10,000	6 mths
Bank Netherlandse Gemeenten	Netherlands (AAA)	20,000	12 mths
Bank of Montreal	Canada (AAA)	10,000	6 mths
Bank of New York Mellon, The	USA (AAA)	20,000	12 mths
Bank of Nova Scotia	Canada (AAA)	10,000	6 mths
Canadian Imperial Bank of Commerce	Canada (AAA)	10,000	6 mths
Commonwealth Bank of Australia	Australia (AAA)	10,000	6 mths
Cooperatieve Centrale Raiffeisen - Boerenleenbank BA	Netherlands (AAA)	10,000	6 mths
DBS Bank Ltd	Singapore (AAA)	10,000	6 mths
HSBC Bank plc	UK (AA+)	10,000	6 mths
JP Morgan Chase Bank NA	USA (AAA)	10,000	6 mths
National Australia Bank Ltd	Australia (AAA)	10,000	6 mths
Nordea Bank AB	Sweden (AAA)	10,000	6 mths
Nordea Bank Finland plc	Finland (AAA)	10,000	6 mths
Oversea Chinese Banking Corporation Ltd	Singapore (AAA)	10,000	6 mths
Royal Bank of Canada	Canada (AAA)	10,000	6 mths
Standard Chartered Bank	UK (AA+)	10,000	6 mths
Svenska Handelsbanken AB	Sweden (AAA)	10,000	6 mths
Toronto Dominion Bank	Canada (AAA)	10,000	6 mths
United Overseas Bank Ltd	Singapore (AAA)	10,000	6 mths
Wells Fargo Bank NA	USA (AAA)	10,000	6 mths
Westpac Banking Corporation	Australia (AAA)	10,000	6 mths
Nationalised Banks			
Royal Bank of Scotland Group plc			
National Westminster Bank plc	UK (AA+)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA+)	10,000	3 mths
Money Market Funds	Fund Rating		
Invesco STIC Account	Fitch AAmmf	20,000	Instant Access
Standard Life Investments Sterling Liquidity Fund	Fitch AAmmf	20,000	Instant Access
Federated Short-Term Sterling Prime Fund	Fitch AAmmf	20,000	Instant Access
Black Rock Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access
Scottish Widows Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access

Non-rated Institutions

County Councils, London Boroughs, Metropolitan Districts and Unitary Authorities - limits £6m and 12 months.
Shire District Councils, Fire and Civil Defence Authorities, Passenger Transport Authorities and Police Authorities - limits £3m and 12 months.

Cabinet Meeting

9 December 2015

Report title	Corporate Parenting Strategy	
Decision designation	Amber	
Cabinet member with lead responsibility	Councillor Val Gibson Children and Young People	
Key decision	Yes	
In forward plan	No	
Wards affected	All	
Accountable director	Linda Sanders, People	
Originating service	Looked After Children	
Accountable employee(s)	Emma Bennett	Service Director, Children and Young People
	Alice Vickers	Corporate Parenting Officer
	Tel	01902 551449/6703
	Email	Emma.bennett@wolverhampton.gov.uk Alice.Vickers@wolverhampton.gov.uk
Report to be/has been considered by	Corporate Parenting Board	1 July 2015
	People Leadership Team	23 November 2015
	Strategic Executive Board	24 November 2015

Recommendation(s) for action or decision:

The Cabinet is recommended to:

Refer the report to Full Council with a recommendation that it:

- i. Approves the Corporate Parenting Strategy 2015 -2017.
- ii. Endorse the Council's corporate commitment to the needs of Looked After Children and Care Leavers.
- iii. Pledges personal commitment to raising the profile and support offered to Wolverhampton's Looked After Children and Care Leavers.

1.0 Purpose

- 1.1 That Cabinet considers and approves the Corporate Parenting Strategy 2015-2017 for Looked after Children (LAC) and Care Leavers (CL) and endorses its use across the Council and its partners in order to prioritise the needs of this vulnerable group of children and young people.

2.0 Background

- 2.1 Care Matters 2007 established an expectation that every local authority would have a strategy to support its children in care. Previous strategies have highlighted key priorities and these priorities have been continually monitored and measured against progress made. Some developments to note is that corporate parenting responsibilities are included in all new job descriptions for the City of Wolverhampton Council employees. There are now strengthened links with Youth Council and other participation forums for the Children in Care Council (CiCC). These areas of focus continue to be important and need to be continued to develop in order to meet the needs of children and young people in care and the council's commitment to Corporate Parenting. Further key requirements have been developed as a result of consultation and feedback from Wolverhampton's LAC and CiCC in June 2014 and May 2015. This consultation highlighted the strategy on four areas of focus which incorporates all of the key requirements laid down by the CiCC.

3.0 Progress

- 3.1 Previous strategies have highlighted key priorities and these priorities have been continually monitored, measured and progress made. These priorities continue to be important developments for meeting the needs of Children and Young People in Care and the council's commitment to Corporate Parenting. Further key requirements have been developed as a result of consultation and feedback from LAC and the CiCC in June 2014 and May 2015. This consultation highlighted four areas of focus which incorporate all of the key requirements identified by the CiCC.

Areas of Focus	Key requirements
Education, Employment and Training	<ul style="list-style-type: none">• Help young people to make achievements• Encourage young people to be involved in making choices about school• Maximise access to work experience and apprenticeship opportunities for LAC and Care Leavers including a specific dedicated programme within the City of Wolverhampton Council
Health and Wellbeing	<ul style="list-style-type: none">• Share more information and support about sexual health• Develop partnerships between health and education to offer cohesive and knowledgeable support for LAC especially in relation to health appointments and recorded absence

<p>Social Skills and Development</p>	<ul style="list-style-type: none"> • Ensure LAC are able to access universal services enabling them to spend time with children who aren't in care • Keep siblings together & encourage more contact with siblings • Strengthen care leavers' preparation for independence, teaching independence skills from an earlier age and increasing access to life story work • Make placements changes more positive, by preparing young people about what the family and the community might be able to offer
<p>Corporate Responsibilities</p>	<ul style="list-style-type: none"> • Ensure services understand LAC and Care Leavers better and support offered reflects their needs • Strengthen the social work workforce to ensure that they are skilled, knowledgeable and stable in order to meet the needs of our LAC population • Focus on the positive things we do

4.0 Financial implications

4.1 There are no financial implications as a result of this report.
 [NM/19112015/V]

5.0 Legal implications

5.1 The relevant legislation is referred to in the body of this report and in the background papers. There are no immediate legal implications arising from this report.
 [RB/22112015/R]

6.0 Equalities implications

6.1 An initial equalities screening has been completed on this strategy and action plan, this has highlighted that equality implications have been addressed within both documents.

7.0 Environmental implications

7.1 There are no specific environmental implications.

8.0 Human resources implications

8.1 There are no specific implications on Human Resources.

9.0 Corporate landlord implications

9.1 There are no specific implications as a Corporate Landlord

10.0 Schedule of background papers

10.1 There are no background papers.

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City of Wolverhampton Council
Corporate Parenting Strategy for Looked After Children 2015-2017

Foreword

There are very few responsibilities and duties undertaken by the Council and its partners which are more important or pose a greater challenge than that of Corporate Parenting. The City of Wolverhampton Council takes these duties very seriously and has high aspirations for all of our children who are looked after. We recognise that a whole Council response is required to respond to their need with a coordinated and concerted approach towards developing policies, initiatives, services and budget priorities. In pursuance of this we are encouraged as Councillors, Officers and Partner Agencies to consider the following three questions:

Is this good enough for my child?

Would this have been good enough for me as a child?

Is this the best that we can achieve?

The City of Wolverhampton Council must work positively with its partner agencies, providing the platforms and levels of excellence to ask all our partners to share our ambitions for Looked After Children. This Corporate Parenting Strategy forms both our statement of intent and vision for the next two years and includes our Pledge to all Looked After Children.

Signed
Lead Member for CYP

Signed
Strategic Director People

Corporate Parenting Strategy Aims

The City of Wolverhampton Council's Corporate Parenting Strategy for Looked After Children demonstrates the Council's commitment to furthering the life chances of every child and young person in its care. It aims to improve their outcomes, narrowing the gap between them and their peers, by providing effective support which enables them to reach their full potential. The overall aim of the Strategy is to reinforce the corporate responsibility of the whole Council and its partner agencies through commitment to the development of policies, initiatives, services and budget prioritising. This Strategy requires the active engagement of all service departments of the City of Wolverhampton Council, Councillors and Partners.

What is Corporate Parenting?

“As the Corporate Parent of children in care we have a special responsibility for their well-being. Like any good parent, it should put its own children first. That means being a powerful advocate for them to receive the best of everything and helping

them to make a success of their lives¹” Department for Education & Skills (DFES) 2006).

The concept of Corporate Parenting was introduced by the Government in 1998 as part of a drive to improve the lives of children who are looked after by the local authority. The Corporate Parenting responsibility was reiterated and reinforced in 2007 with the release of the White Paper Care Matters-Time for Change and the underpinning legislation, Children and Young People Act 2008.

The City of Wolverhampton Council and its Partners have a legal and moral duty towards all of its Looked After Children and Care-leavers to offer them the kind of support a good parent would provide. Importantly, the City of Wolverhampton Council's Corporate Parenting responsibility cannot be implemented by services targeted at children alone. It emphasises the collective responsibility of the Local Authority to achieve good parenting including services such as housing, regeneration and leisure. It is also important to note that every elected member of the Council has the specific responsibility of acting as a corporate parent.

Corporate Parenting is different from ‘ordinary’ parenting, in that the focus is not necessarily on forming personal relationships with individual children. Corporate Parenting is about prioritising and championing Looked After Children and this will look very different in different areas of the authority. Below are examples of what Corporate Parenting could look like across the City of Wolverhampton Council.

- Communications & PR: Prioritising news stories about Looked After Children which help to breakdown stigma of what a Looked after Child is both in the authority and also with the wider public.
- Library services: Provide all Looked After Children with their own library card when they come into care which can follow them around their placements.
- Planning: Consideration of Corporate Parenting responsibilities when any new children’s homes are being proposed.
- Procurement: Building into all contracts that any companies working for City of Wolverhampton Council or Partners that they will offer Work Experience to Looked After Children or prioritise Care Leavers in apprenticeship roles.
- Culture & Leisure Services: To offer specific initiatives to Looked After Children and carers, including free or discounted entrance to venues such as theatres, art galleries, swimming pools etc.
- Housing: A designated link in housing for fostering services.
- ICT Services: Offer ICT support sessions to Looked After Children and their carers.

What is the role of our Partners?

Whilst this is a City of Wolverhampton Council Strategy, it is vital that we recognise the importance of our partners in the statutory, private and third sector. The City of Wolverhampton Council alone cannot meet the needs of Looked After Children and Care Leavers and needs to work effectively with partners to demonstrate our

¹ Putting Corporate Parenting into Practice, NCB 2008

Corporate Parenting responsibilities. Whilst this strategy is a City of Wolverhampton Council document, our partners are positively engaged and it is envisaged the strategy will be adopted and the resultant action plan is held across all the sectors.

Who are our Looked After Children?

As Corporate Parents it is important for everyone to have a clear and accurate picture of who our Looked After Children are in order to be able to plan and commission services to best meet their needs. At 31st October 2015:

- 703 children are Looked After at 31/10/2015
- 39 (5.5%) live in residential children's homes, of whom approximately 71% (28) live out of the authority area
- 1 lives in residential special schools out of the authority area
- 518 (73%) live with foster families, of whom 56% (290) live out of the authority area
- 17% of LAC live 20+ miles from Wolverhampton
- 62 children live with parents or persons with parental responsibility
- 4 children are unaccompanied asylum-seeking children
- 91 (13%) of Looked After Children have a decision that they should be adopted; with 52 of those children currently being placed with their adoptive parents
- 49% of LAC are in placements that are outside of Wolverhampton

The term 'Looked After' is applied to any child whom the Authority is providing accommodation for where they are subject to care orders (Section 31) or where children are accommodated through a voluntary agreement and parents' consent (Section 20). This strategy refers to all children and young people Looked After by the City of Wolverhampton Council regardless of the route taken in to care and their legal status. It also includes all Care Leavers whom were previously looked after by the authority.

Looked After Children are recognised as one of the most vulnerable group of children in our society. Children become looked after for a wide range of reasons, many will have been affected by distressing and traumatic life experiences including physical, emotional, sexual abuse or neglect. Some may come into care because of the illness or death of a parent, others may have a disability or complex needs

As a result of their experiences and coming into the care system, children may experience disrupted education and multiple care placements; they may have difficulties with their social and emotional well-being and lack stable relationships in their life.

In addition, it is important that we recognise that as Corporate Parents we have a responsibility to our care leavers too, ensuring young people have opportunity to partake in education, employment or training opportunities when they leave school or college, are supported into independence and have the right support around them to progress into adulthood.

Key Legislation & Local Policies

- Children Act 1989
- Quality Protects 1998
- Care Standards Act 2000
- Children (Leaving Care) Act 2000
- Every Child Matters 2003 & Children Act 2004
- Care Matters 2007 & Children Act 2008
- Children and Families Act 2014
- Statutory guidance on promoting the educational achievement of Looked After Children - Department for Education 2014
- City of Wolverhampton Council Corporate Plan 2015-2016
- Wolverhampton's Children, Young Peoples and Families Plan 2015-2025
- Looked After Children Sufficiency Strategy 2014-2017

Councillors and Governance

All councillors have a specific responsibility for children and young people who are looked after. The DFES in 2003 published guidance for all councillors about how to be a good corporate parent, *If This Were My Child*² states:

- Councillors have a clear responsibility to ensure that the services being provided to children in their care are of the highest quality
- Councillors have no greater responsibility than when they act as corporate parent
- Councillors' role is crucial not just in drawing up policies, but in setting standards and seeing that they are met
- Councillors should be involved in the setting of a vision and strategic objectives for Looked After Children and young people

While all councillors have a duty to ensure that the Council fulfils its responsibilities to its Looked After Children, those who are appointed to the Corporate Parenting Board have a specific responsibility to oversee this area of Council responsibilities. In the City of Wolverhampton Council the Lead Member for Children and Young People chairs the cross-party Corporate Parenting Board (CPB). The CPB is currently a regulatory panel with scrutiny being carried out by the Children and Young People Scrutiny panel.

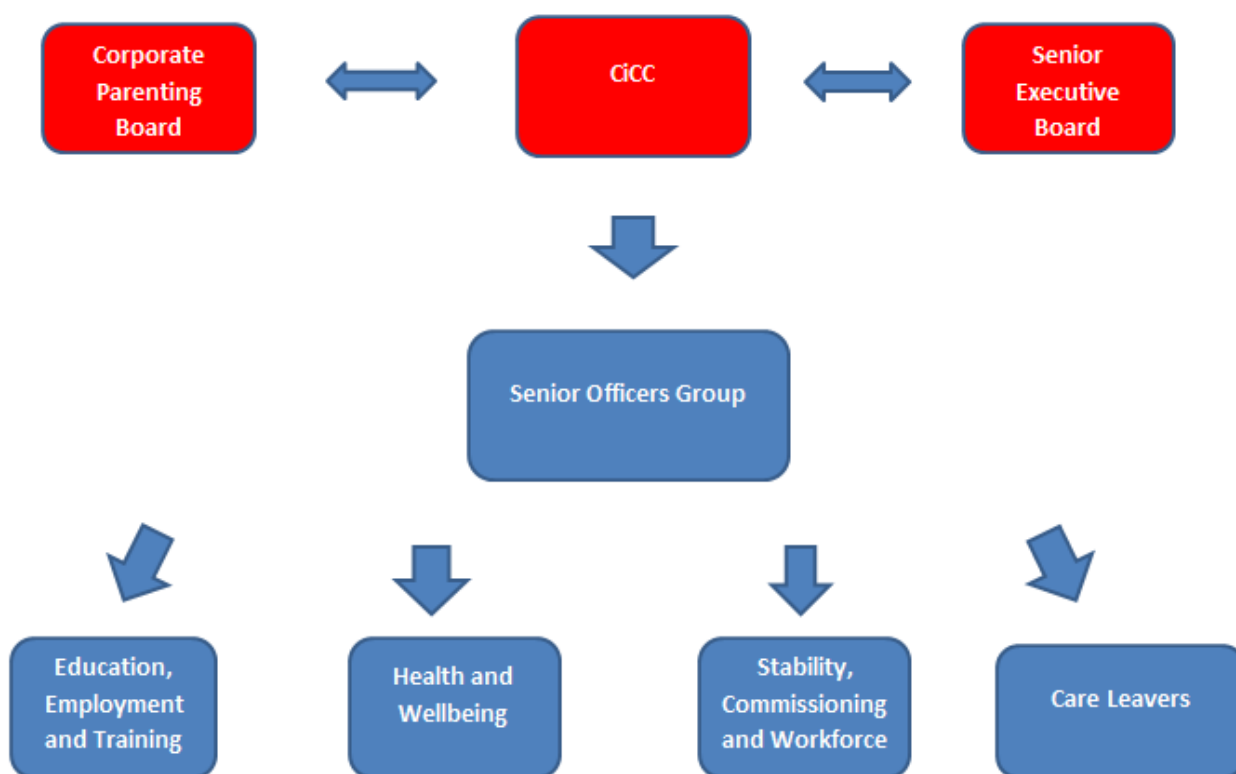
Officers from across the City of Wolverhampton Council and its Partner Agencies are represented and held accountable at a senior level through the Corporate Parenting Strategic Officers' Group. This group has a responsibility for leadership, vision and implementation of the strategy. Themed Corporate Parenting Operational Officers Groups will be formed to move forward the action plan resulting from this strategy. The Children in Care Council (CiCC) will have responsibility for monitoring the Young Person's action plan that results from this Strategy and are consulted on each of the key service area reports on LAC, providing a response to accompany each report so that the views LAC are captured as well as those of councillors at CPB meetings.

²

If this were my child, A councillors guide to being a good corporate parent, DFES 2003

The CiCC have strong links with the Children and Young People's Scrutiny Panel, having had their own session dedicated to LAC.

The New Belongings project has been launched in 2015 and is aimed at improving support for Care Leavers. This is supported by the Care Leavers Forum who meet monthly. Their role is to evaluate and monitor the New Belongings action plan which sits alongside the action plan for the Corporate Parenting strategy.



The participation of Looked After Children in Corporate Parenting

It is essential that the voices of Looked After Children are heard and considered in the shaping of services that support them. Planning how to meet the needs of Looked After Children has to be an endeavour based upon their full and active engagement and participation both on an individual and group basis

The Participation Officer for LAC now works in partnership with the Participation Officer for the Wider Youth Council and they support each other with their councils. This new structure will enable information and opportunities to work in sync with each other and work plans reflect the priorities of both.

The CiCC, which meets monthly, is hosted in the Council Chambers to reflect the importance that the City of Wolverhampton Council places on the views and experiences of Children in Care. In addition, members of the CiCC and the care Leavers Forum are involved in the recruitment and selection of Children and Young People employees.

Corporate Parenting Strategic Priorities 2015-17

Previous strategies have highlighted key priorities and these priorities have been continually monitored, measured and progressed. These priorities continue to be important developments for meeting the needs of Children and Young People in Care and the council's commitment to Corporate Parenting.

Further key requirements have been developed as a result of consultation and feedback from Looked After Children (LAC) and Children in Care Council (CiCC) in June 2014 and May 2015. This consultation has led to a refresh of the strategy with emphasis on four areas of focus which incorporates all of the key requirements laid down by the CiCC.

Areas of Focus	Key requirements
Education, Employment and Training	<ul style="list-style-type: none"> • Help young people to make achievements. Encourage young people to be involved in making choices about school. • Maximise access to work experience and apprenticeship opportunities for LAC and Care Leavers including a specific dedicated programme within the City of Wolverhampton Council
Health and Wellbeing	<ul style="list-style-type: none"> • Share more information and support about sexual health • Develop partnership between health and education to offer cohesive and knowledgeable support for LAC especially in relation to health appointments and recorded absence
Social Skills and Development	<ul style="list-style-type: none"> • Ensure LAC are able to access universal services enabling them to spend time with children who aren't in care • Keep siblings together & encourage more contact with siblings • Strengthen care leavers' preparation for independence, teaching independence skills from an earlier age and increasing access to life story work • Make placements changes more positive, by preparing young people about what the family and the community might be able to offer
Corporate Responsibilities	<ul style="list-style-type: none"> • Ensure services understand LAC and Care Leavers better and support offered reflects their needs • Strengthen the social work workforce to ensure that they are skilled, knowledgeable and stable in order to meet the needs of our LAC population • Focus on the positive things we do

To progress these four key areas of focus an annual action plan will be developed, monitored and progressed by the Corporate Parenting Senior Officers group. Progress will be overseen by the Corporate Parenting Board, CiCC and the Strategic Executive Board, all whom will receive regular updates.

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