

Confident, Capable Council Scrutiny Panel

11 January 2017

Time 6.00 pm **Public Meeting?** YES **Type of meeting** Scrutiny

Venue Committee Room 4 - Civic Centre

Membership

Chair Cllr Rita Potter (Lab)
Vice-chair Cllr Andrew Wynne (Con)

Labour

Cllr Alan Bolshaw
Cllr Jacqueline Sweetman
Cllr Mary Bateman
Cllr Caroline Siarkiewicz
Cllr Dr Michael Hardacre
Cllr Payal Bedi-Chadha
Cllr Louise Miles
Cllr Paula Brookfield
Cllr Ian Brookfield

Conservative

Cllr Udey Singh

Quorum for this meeting is three Councillors.

Information for the Public

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

Contact Earl Piggott-Smith
Tel/Email Tel: 01902 551251 or earl.piggott-smith@wolverhampton.gov.uk
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Agenda

Part 1 – items open to the press and public

Item No. *Title*

MEETING BUSINESS ITEMS

- 1 **Apologies**
- 2 **Declarations of interest**
- 3 **Minutes of previous meeting (16 November 2016)** (Pages 3 - 8)
[To approve the minutes of the previous meeting as a correct record]
- 4 **Matters arising**
[To consider any matters arising from the minutes]

DISCUSSION ITEMS

- 5 **Wolverhampton City-Wide Financial Strategy** (Pages 9 - 26)
[Mark Taylor, Director of Finance, to present report]

Attendance

Members of the Confident, Capable Council Scrutiny Panel

Cllr Alan Bolshaw
Cllr Mary Bateman
Cllr Andrew Wynne (Vice-Chair, in the Chair)
Cllr Dr Michael Hardacre
Cllr Payal Bedi-Chadha
Cllr Udey Singh
Cllr Paula Brookfield
Cllr Ian Brookfield

In Attendance

Cllr Andrew Johnson Cabinet Member for Resources

Employees

Earl Piggott-Smith Scrutiny Officer
Andy Hoare Head of Services - ICT
Mark Taylor Director of Finance

Part 1 – items open to the press and public

Item No. *Title*

1 **Apologies**

Apologies were received from the following members of the panel:

Cllr Jacqueline Sweetman
Cllr Caroline Siarkiewicz
Cllr Louise Miles
Cllr Rita Potter
Cllr Milkinder Jaspal – Cabinet Member Governance

2 **Declarations of interest**

There were no declarations of interest recorded.

3 **Minutes of previous meeting (14 September 2016)**

Corrections

Cllrs Udey Singh should have been recorded as submitting apologies for the meeting.

Outcome of the Local Government Association Finance Peer Review

The Cabinet Member for Resources commented that ***the reference** refers to the issue of slippage in the capital programme and the need for more realistic forecasting. The Cabinet Member supported this approach and highlighted the importance of good forward financial planning.

Budget Update and Review

The panel queried the reasons for the increase in the overall deficit figure of £9.9 million in the Collection Fund. The Director of Finance explained that the Council has to make provision to meet successful appeals about business rates. The Director of Finance ***commented** that making adequate provision to meet the cost of successful business rates appeals is a challenge for all local authorities.

That the minutes of the meeting held on 14 September 2016, subject to the agreed changes, be approved as a correct record and signed by the Chair.

4 Matters arising

Minute 5: Outcome of the Local Government Association Finance Peer Review

Cllr Andrew Wynne chaired the review group held on 15 November 2016 to consider the Council's overall financial strategy. Cllr Wynne commented that the meeting was very constructive and the information provided gave a positive snapshot view of the local economy.

5 Budget Review - Draft Budget 2017/18

Mark Taylor, Director of Finance, gave a brief of the report and invited panel comments on the update information about the Council's finances. The panel welcomed the report.

Resolved:

The Panel noted the report and information provided about the Council finances.

6 Draft Budget and Medium Term Financial Strategy 2017/18 - 2019/20

Cllr Andrew Johnson, Cabinet Member Resources, introduced the report and invited panel members feedback on the budget proposals. The Cabinet Member advised the panel that there had been a good attendance at public meeting events arranged by the Council to explain the budget savings proposals. The Chair advised the panel that comments on proposals would be collated and sent to Scrutiny Board. The panel discussion on the budget proposals are shown below:

Appendix A

Corporate Administration Review

Colin Parr, Head of Governance, explained that the £50,000 savings would be achieved by deleting unfilled held vacancies. The savings target of £250,000 for 2018/19 is an indicative figure.

Organisational Development

The Head of Governance explained how the savings target would be achieved and referred to the use of Agresso as example of savings that could be achieved as a result of introducing changes in current working practices.

Further development of YOO Recruit

The Cabinet Member for Resources explained how the savings target would be achieved by entering into a partnership with a recruitment agency that would help generate savings. The panel queried the rationale for the Council wanting to involve an external agency which would be reduce the current level of income. The Cabinet Member explained that in order to grow the business the Director of Finance would be required to dedicate more time to manage the project and the view of the Council was that this would not be appropriate. The Cabinet Member for Resources explained that the Council would retain control of the project and determine its future direction. The project would retain its public sector ethos. The Cabinet Member for Resources commented that the aim of the planned change is to make the service attractive to external companies. The Cabinet Member for Resources explained how future risks would be managed to ensure that the Council is guaranteed to receive an agreed level of income.

Governance Service Restructure

No comments

Review of External Legal Fees

No comments

School Admission Appeal Fees

The Head of Governance explained that Council incurs considerable costs in dealing with admission appeals on behalf of schools, particularly when hearings do not go ahead as planned.

In addition, the increasing number of appeals has added to the demand on staff resources. The Head of Governance explained that changes will be made to the current service level agreement and that work will be done to look at the feasibility of offering the appeal service to schools outside Wolverhampton who may be interested in buying the service.

The panel discussed the risk of schools choosing to buy in appeal services from another provider. The Head of Governance explained that there would be market testing work done to check that the fees cover the costs involved providing the service.

Appendix B

The panel discussed the Council's approach to budget management and forecasting. The Cabinet Member for Resources explained that rationale underpinning the budgetary assumptions detailed in the report.

The Director of Finance explained that the work had been informed by findings and recommendations from the LGA Peer Review. A key finding from the report was that the Council approach to financial planning was prudent and where necessary changes have been made to respond to changes in the level of risk – for example, assumptions about future changes to interest rate policy.

The panel discussed the challenge facing the Council in achieving the budget savings target of £130 million. The Cabinet Member for Resources explained that the Council has a contingency reserve to help it respond to future financial challenges. The Director of Finance explained that the Council gets regular updates from financial advisers about future finance issues and the assumptions used when drafting the budget report.

The panel suggested that it would be helpful for the public to collate all the separate reports linked to the budget consultation document into a single document. The Director of Finance agreed to make the changes.

The Director of Finance advised the panel that the Council had received 27,000 emails responding the budget consultation.

The Chair thanked the Cabinet Member for presenting the report.

Resolved:

1. The panel comments and feedback on the draft budget proposals to be incorporated into the response to scrutiny board.
2. The Director of Finance agreed to make the changes to the Council website to include a link to all budget reports.
3. The panel agreed that the final response be finalised by the Chair and Vice Chair.

7 **Future Works - Digital Transformation Programme Update**

Andy Hoare, Head of ICT, gave an overview of the progress against the delivery of the Future Works Digital Transformation Programme. The Head of ICT advised the group that the programme has been operating for 12 months. The Head of ICT explained the aims of the programme and explained that it consisted of four integrated themes of work.

The Head of ICT explained the governance and project management arrangements for the programme. The programme is supported by a mix of council employees and external contractors. The Head of ICT commented on the work done to ensure the Council becomes self-sufficient in the future through activities aimed at transferring skills and knowledge to Council employees from specialist contractors and others.

The Head of ICT gave some examples of the progress made by each of the project streams and the benefits to the Council of delivering services more efficiently and how the information collected by the programme is being used to support decision making across all levels of the Council. The Head of ICT commented on work done to enhance the service in response to customer feedback and to look for opportunities to improve the quality of data. The Head of ICT commented on the work currently underway to allow citizens to engage with the Council by registering on-line and creating a 'My Account'. The service will take citizens to a menu of council services.

The current range of services will be further enhanced in the New Year by adding other services to the menu that can be accessed using a range of devices.

The panel queried the vision for the Digital Transformation Programme and expressed concern that when such changes were introduced elsewhere, with the stated aim that people would have choices about how to access Council services, the changes introduced resulted in the services only being accessed digitally.

The Head of ICT reassured the panel that the aim of the programme is to offer good digital alternatives to existing communication methods so that people used whichever channel is convenient for them. The programme will adopt 'digital by design' principles and not 'digital by default', where citizens will retain a choice about how they access council services.

The panel queried the data protection implications of the information that residents need to register to access online services and the potential for people to abuse the system by giving false details. The Head of ICT explained the authentication process used to confirm someone's identity. A user will be asked to provide a valid email address to activate an account and this will be used for all future communication. In addition, a person can choose to access some digital services as a guest user. The Head of Service explained that in the future the system will be able collate information from other sources to assist in the verification of a person's identity.

The panel discussed the future expansion of the 'My Account' portal and the planned future rollout of the services that will be available to users to request and pay for (when appropriate).

The panel queried if the system used by the public to report issues using the ReportIt App still needs a person to action the matter. The Head of ICT confirmed that further work is needed to deliver the full functionality - from a person reporting the issue to the Council, to it being referred directly to the service to be dealt with, however the Head of ICT confirmed this is the desired outcome that is being worked on. The current process still needs a council employee to refer the issue to the relevant service area to action.

The panel discussed the use of the email address as an identifier and expressed concern about cases involving domestic violence and what will be done to maintain confidentiality. The Head of ICT reassured the panel the level of security would depend on the type of enquiry and that cases involving domestic violence will have extra security checks done.

The panel discussed the range of languages spoken in Wolverhampton and how the Digital Transformation Programme will deal with these enquiries. The Head of ICT advised the panel that the system uses Google translate to ensure consistent and accurate translation of information is offered to meet the needs of different groups. In addition, the accuracy of translation will be tested by members of the citizen panel.

The panel suggested that evidence collected by Equalities Group includes a list of staff who can offer a translation service would be helpful to the work of the service. The panel requested that a report on equalities monitoring data presented by Human Resources should be added to a future agenda for discussion by the panel.

The panel queried the legality of the Council using data collected from Experian and other such organisations, as well as other partner agencies, and the checks to ensure that data protection rules are being adhered too. The Head of ICT explained the benefits to the Council of having access to such information and advised the panel that checks will be undertaken by the Council with these data sharing organisations to ensure people providing their contact and email details have been informed that their information could be shared with a third party.

Resolved:

1. The panel noted the progress against delivery of the Future Works Digital Transformation Programme.
2. The panel agreed to receive a report at a future meeting on employee equalities monitoring data.

- 8 **Terms of Reference and Nominations for Specific Reserves Working Group**
The panel were invited to support the establishment of the specific reserves working group. The scrutiny officer advised the panel of members of the working group.

Resolved:

The panel agreed to establish the specific reserves working group and approved the terms of reference.

Confident, Capable Council Scrutiny Panel

11 January 2017

Report title	Wolverhampton City-Wide Financial Strategy – Phase One	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Wards affected	All	
Accountable director	Mark Taylor	
Originating service	Strategic Finance	
Accountable employee(s)	Mark Taylor Tel Email	Director of Finance 01902 556609 Mark.Taylor@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board City Board Leaders Meeting	13 December 2016 14 December 2016 9 January 2017

Recommendation(s) for action or decision:

The Panel is recommended to:

1. Comment on Phase 1 work to outline the total public sector income and expenditure in the City of Wolverhampton
2. Review and comment on Phase 2 next steps

1.0 Purpose

- 1.1 The purpose of this paper is to present the Wolverhampton City-Wide Budget, that being the net cost of the Public Sector for the City of Wolverhampton, which was the agreed outcome of Phase 1 of the work to develop a City-Wide Financial Strategy.
- 1.2 It also presents the next steps to commencing Phase 2 of this work in January 2017 to develop a City-Wide Financial Strategy, underpinning Vision 2030 and linking in to the refresh of the City of Wolverhampton's Strategic Economic Plan.

2.0 Background

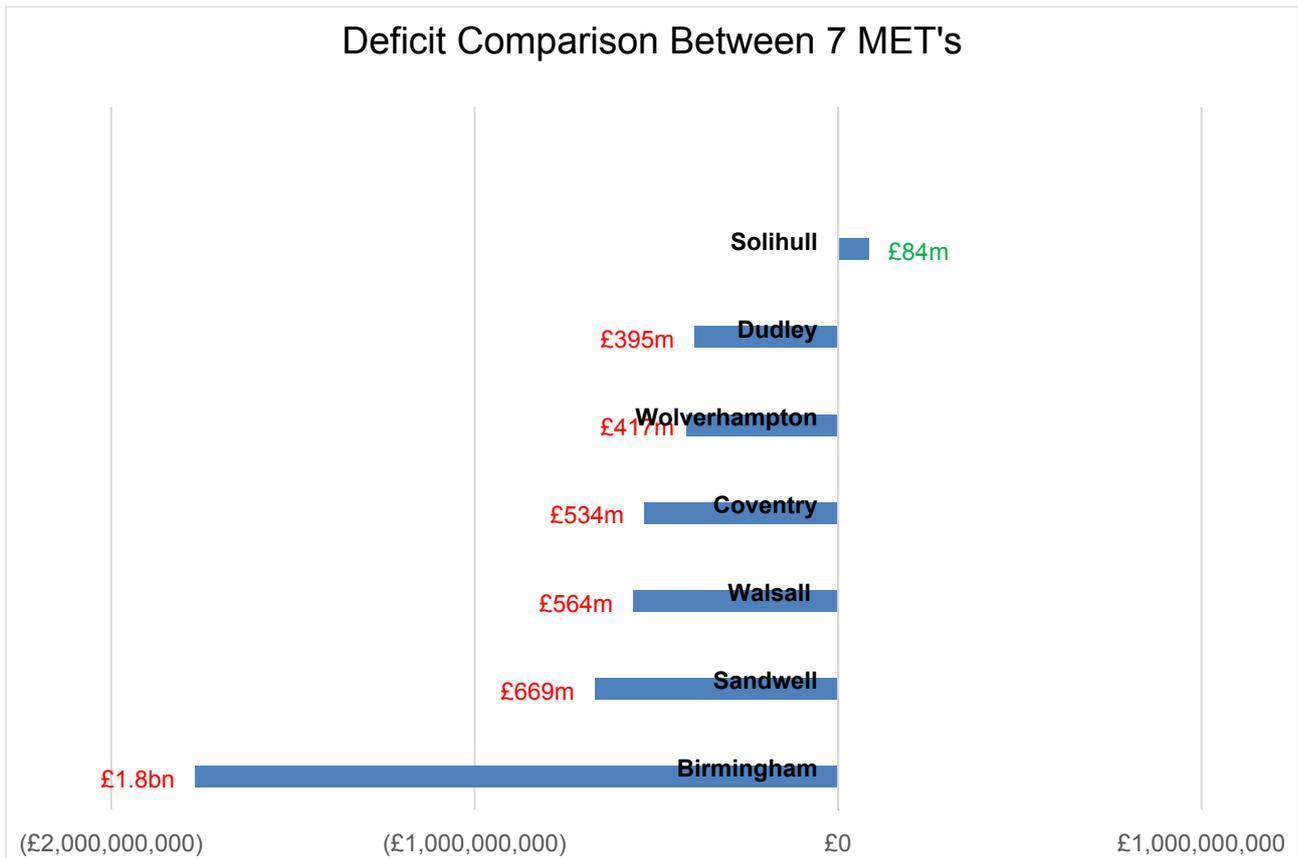
- 2.1 The Wolverhampton City-Wide Budget is the outcome of Phase 1 of a City-Wide Financial Strategy. The figures outlined in the City Budget are a representation of the total estimated public expenditure within the City of Wolverhampton compared to the income paid into the public purse from residents, those working in the City of Wolverhampton and businesses.
- 2.2 This demonstrates Wolverhampton's reliance on income from the public purse to maintain the current position. It shows that the City of Wolverhampton is a 'cost centre' to the national purse, compared to some areas that are net contributors. The current annual deficit is estimated to be in the region of £417 million.
- 2.3 This work commenced as a result of a recommendation from the LGA Finance Peer Review in June 2016 to collaborate with partners on the wider budget challenge and financial outlook for the city by working towards a Financial Strategy for the city, not just the council.
- 2.4 A C3 Scrutiny working group met on 15 November to sign off the scope of the work. The agreed scope was to ensure this was aligned to Vision 2030 and to establish clear measurable targets, with an economic growth focus.
- 2.5 It has been recognised that the City of Wolverhampton will need to reduce its dependency on the public purse as the public sector shrinks in the future. Therefore, it is important to understand the scale of the challenge faced by the city and to begin to strategically plan, with partners, to reduce this deficit in the future to enable the economy of the City of Wolverhampton to be more sustainable in the long term.

3.0 City Budget Methodology

- 3.1 The Black Country Economic Intelligence Unit (EIU) provided the data for the City of Wolverhampton through their work in estimating the total income and expenditure for the West Midlands Combined Authority (WMCA) geography, replicating the Centre for Cities model to establish where tax is raised and where it is spent. The Centre for Cities report can be found [here](#). They also used the UN Classification of the Functions of Government (COFOG) to determine expenditure, which can be found [here](#).

4.0 Total Public Sector Deficit

- 4.1 The total deficit between taxes raised and public expenditure in the City of Wolverhampton is estimated to be in the region of £417 million.
- 4.2 A comparison between the METs in the WMCA reveals that Solihull is the only net contributor. The City of Wolverhampton has the second lowest total deficit after Dudley.



4.3 As part of Phase 2, a comparison by head of population will be undertaken.

5.0 Summary of Public Sector Income and Expenditure in the City of Wolverhampton

5.1 A high level overview of Income and Expenditure has been provided in this section. **Appendix 1** presents this in an infographic and **Appendix 2** provides a breakdown of each income and expenditure stream to show what it includes and the methodology used.

5.2 The table below shows the breakdown of Expenditure in the City of Wolverhampton

Public Sector Expenditure	£ million
Social protection	981
Health	496
Education	364
Economic Affairs	121
Public Order and Safety	102
Housing and community amenities	32
Environmental protection	27
Recreation, culture and religion	27
General Public Services	20
Defence	0.26
Total Identifiable Expenditure	£2.2 billion

5.3 The table below shows the breakdown of Income in the City of Wolverhampton

Public Sector Income*	£ million
Income Tax	445
NIC	306
VAT	484
Corporation Tax	117
Beer and Cider Duties	106
Council Tax	87
Business Rates	74
Fuel Duties	61
Insurance Premium Tax	16
Betting and Gaming	15
Air Passenger Duty	12
Stamp Duty on Shares	10
Stamp Duty Land Tax	9
Capital Gains Tax	7
Bank Levy	6
Total Identifiable Income	£1.8 billion

* An income has not been identified for the following areas because the methodology used could not apportion the national/regional income to the City of Wolverhampton: Inheritance tax, Annual Tax on Enveloped Dwellings, Tobacco Duties and Spirits Duties. The Black Country Economic Intelligence Unit are currently working on this to determine if an income for the City of Wolverhampton can be established for this income stream.

6.0 The City of Wolverhampton's Strategic Economic Plan

6.1 In 2011 the over-arching framework for the City's economic development was approved at full Council.

The City Strategy set out four key overarching goals for inclusive growth:

- **Increase in net jobs** – by 2026 the number of jobs per head of the population will have grown from 0.77 to 0.85
- **Higher employment rate** - by 2026 we will have an employment rate of at least 70% from a baseline of 61.3%
- **Longer, healthier lives in 2010** - by 2026 life expectancy at birth will be 80.0/83.0 (males/females) from a baseline of 76.3/81.0
- **Reduce child poverty** - by 2026 we will have no more than 10% of our families living in poverty

6.2 Five years on, it is timely for the City to refresh its overarching Strategic Economic Plan, not only to provide the basis for a City-Wide Financial Strategy, but also to take account of:

- Vision 2030
- Progress over the last five years e.g. i54, Interchange and i10, the completion of the Bilston Urban Village Advanced Works Programme, improvements in the education system
- Development of a stronger project pipeline and significant progression of a number of key projects e.g. i54, Interchange, Westside, Civic Halls and Grand Theatre investments, Bilston Urban Village
- Growing confidence with the city from businesses, investors and developers
- The changing economic and political context, including the creation of the West Midlands Combined Authority, the West Midlands Devolution Deal and Brexit
- The key role the city is playing in cross boundary business support, as accountable body for the Black Country Growth Hub and AIM for the Black Country programmes
- The findings of the Skills and Employment Commission, the subsequent skills and employment action plan and the recommendations the Local Area Review into further education.

6.3 It is proposed that the refresh of the City of Wolverhampton's Strategic Economic Plan takes place within an agreed framework that builds on the original City Strategy document. Please see **Appendix 3** for a draft of the proposed framework and timeline for delivering the Strategic Economic Plan.

7.0 Next steps for Phase 2

7.1 To set up a working group in January 2017 to progress Phase 2 work to develop a City-Wide Financial Strategy by June 2017. This will tie in with work underway to refresh the City of Wolverhampton's Strategic Economic Plan.

7.2 To update the Public Sector Income and Expenditure for Wolverhampton's City Budget when the new data is released by the Black Country Economic Intelligence Unit in January 2017 and to incorporate this within the City-Wide Financial Strategy in a glossy document that is aligned to Vision 2030 and existing economic plans.

7.3 To develop a Communications Plan to communicate the City-Wide Financial Strategy externally, and launch Communications in January 2017.

7.4 To report progress to Cabinet on 22 February 2017.

8.0 Financial implications

8.1 The development of a City-Wide Financial Strategy will enable Councillors, Officers and other stakeholders to understand the scale of the economic challenge faced by the city. Furthermore, it will help the Council to strategically plan with partners, to reduce the forecast deficit between public income and public expenditure to enable the City of Wolverhampton's economy to be more sustainable in the long term.

8.2 All of the analysis undertaken during Phase 1 of the Wolverhampton City-Wide Financial Strategy has been met from within existing corporate budgets.

8.2 The Director of Finance is seeking to engage support from the Black Country Consortium to help with Phase 2 of this project; however any cost incurred as a result of this will be met from within existing corporate budgets.

[MH/21122016/T]

9.0 Legal implications

9.1 The legal duty for a council's finances falls within Section 151 of the Local Government Act 1972. Arrangements for the proper administration of the council's affairs is secured by the Section 151 Officer (the Director of Finance).

9.2 Councils have statutory obligations, under the Local Government Finance Act 1992, to set a balanced budget. There is also a duty to report to the Council on the robustness of the estimates provided and the adequacy of the financial reserves in place in line with Section 25 of the Local Government Act 2003.

9.3 This Council has already had to change significantly in response to on-going changes in the city's profile, trends in customer behaviour driven by technology, national and regional policies and the austerity challenges. Any updated Strategic Economic Plan must not only be compliant with the above provisions but also take account of the overriding fiduciary duty on Councillors to weigh the needs of service users against the interests of local taxpayers. Councillors are under a fiduciary duty to act prudently, responsibly, in a business-like manner and in their view of what constitutes the best interests of the general body of local taxpayers.

9.4 In deciding upon expenditure, the Council must fairly hold a balance between recipients of the benefits of services provided by the Council and its local taxpayers. The fiduciary duty also includes consideration of future local taxpayers as well as present local taxpayers.

[RB/19122016/X]

10.0 Equalities implications

10.1 Whilst there are no equalities implications in Phase 1 work to establish the city budget, we will be mindful of the impact on groups with protected characteristics of the city-wide Financial Strategy to be developed in Phase 2.

11.0 Environmental implications

11.1 Whilst there are no environmental implications in Phase 1 work to establish the city budget, we will be mindful of the impact on the environment of the city-wide Financial Strategy to be developed in Phase 2.

12.0 Human resources implications

12.1 There are no human resources implications arising from this note

13.0 Corporate landlord implications

13.1 Whilst there are no Corporate Landlord implications in Phase 1 work to establish the city budget, we will be mindful of the impact on city assets of the city-wide Financial Strategy to be developed in Phase 2.

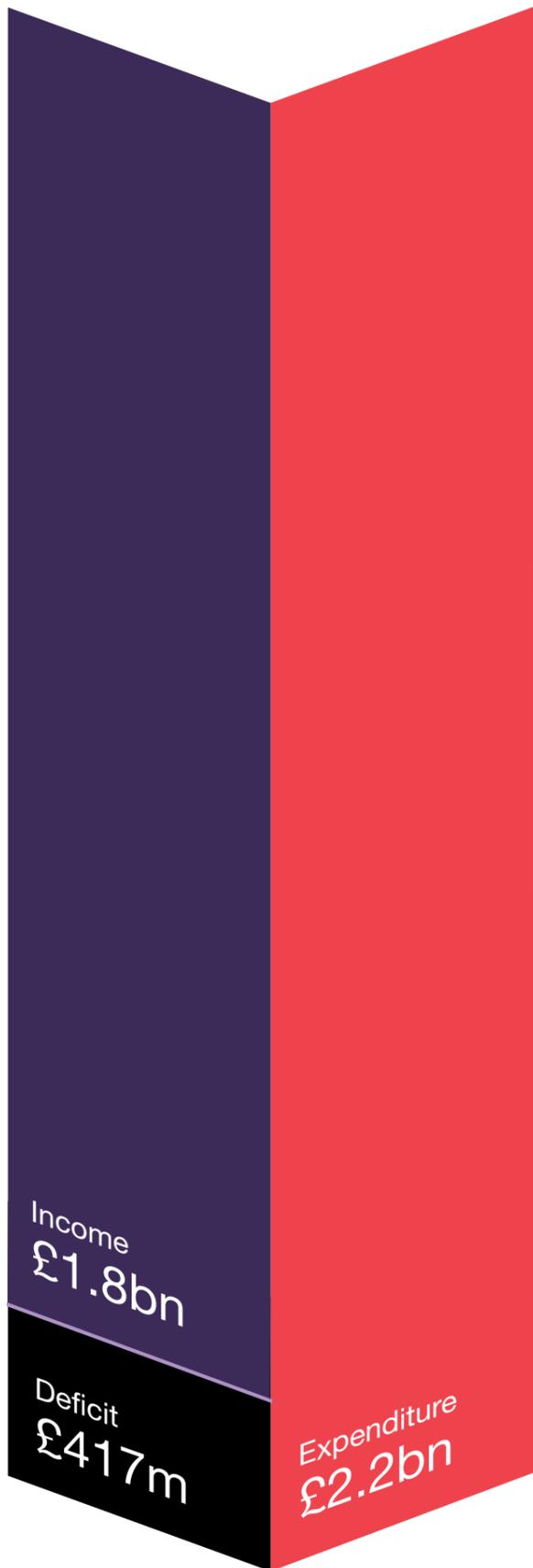
14.0 Schedule of background papers

14.1 15 November 2016, Wolverhampton City-Wide Financial Strategy Briefing Note, C3 Scrutiny Working Group

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Wolverhampton City-Wide Budget

Where the money comes from



Where the money goes



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Appendix 2: Breakdown of Public Sector Expenditure and Income

1.0 Breakdown of Public Sector Expenditure

1.1 The Black Country Economic Intelligence Unit used the Classification of the Functions of Government (COFOG) categories to outline the areas of expenditure. More detailed information can be found [here](#).

Area of Expenditure	Includes:
General public services	Executive and legislative organs, financial and fiscal affairs, external affairs, foreign economic aid, general services, basic research, R&D General public services, public debt transactions, transfers of a general character between different levels of government
Defence	Military defence, civil defence, foreign military aid, R&D Defence
Public order and safety	Police services, Fire-protection services, Law courts, Prisons, R&D Public order and safety
Economic affairs	General economic, commercial and labour affairs, Agriculture, forestry, fishing and hunting, Fuel and energy, Mining, manufacturing and construction, Transport, Communication, Other industries, R&D Economic affairs
Environmental protection	Waste management, Waste water management, Pollution abatement, Protection of biodiversity and landscape, R&D Environmental protection
Housing and community amenities	Housing development, Community development, Water supply, Street lighting, R&D Housing and community amenities
Health	Medical products, appliances and equipment, Outpatient services, Hospital services, Public health services, R&D Health
Recreation, culture and religion	Recreational and sporting services, Cultural services, Broadcasting and publishing services, Religious and other community services, R&D Recreation, culture and religion
Education	Pre-primary and primary education, Secondary education, Post-secondary non-tertiary education, Tertiary education, Education not definable by level, Subsidiary services to education, R&D Education
Social protection	Sickness and disability, Old age, Survivors, Family and children, Unemployment, Housing, Social exclusion, R&D Social protection

2.0 Breakdown of Public Sector Income

2.1 The income streams in the table below outlines the methodology used by the Black Country Economic Intelligence Unit.

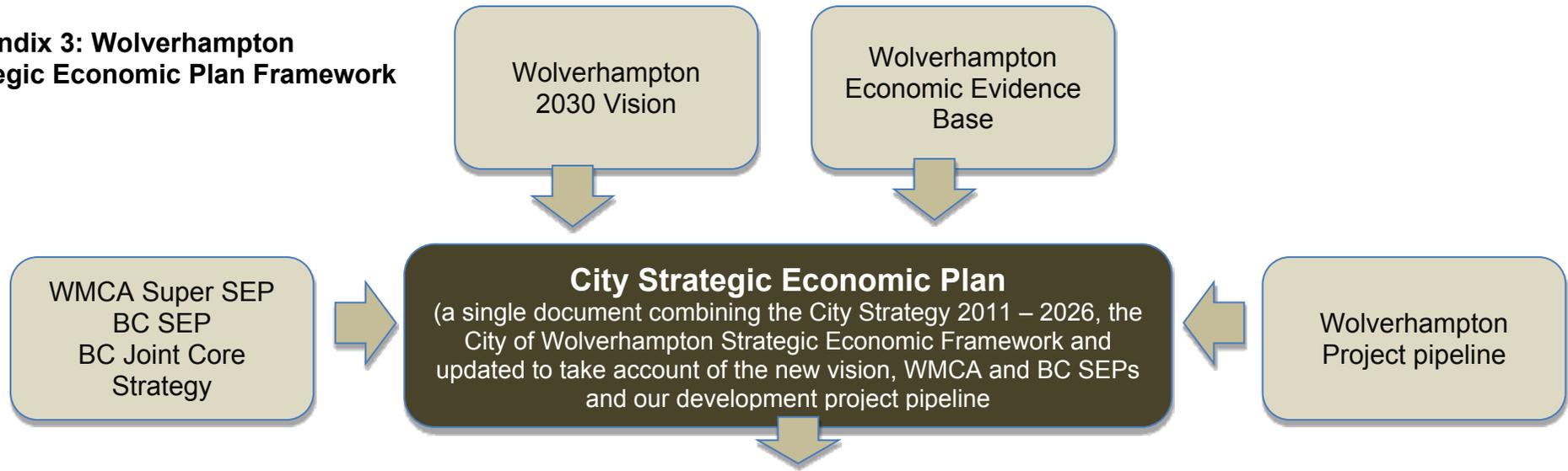
Income Stream	Data source	Methodology
Council Tax	DCLG Receipt of Council Taxes (2014-15)	Data amalgamated to LEP level using LA.
Business Rates	DCLG Non domestic rates Amount receivable from rate payers (2014-15)	DCLG Non domestic rates – net amount receivable from rate payers.
Income Tax	Annual Survey for Hours and Earnings (resident analysis for 2014). Extracted from NOMIS	An average income tax rate of 19.55% was applied to the median annual pay for each geography to calculate the average tax receipt per person. This was then multiplied by the number of people in employment to calculate the total Income Tax receipt.
National Insurance Contributions	Income tax data	Income tax data with the average NIC rate of 13.4% applied. Then multiplied by the total number of people in employment to get a total NIC receipt.
Capital Gains Tax	ONS data on LEP GVS HMRC report Capital Gains Tax (CCG) statistics 31 October 2014	Calculated this as a proportion of the region in which the LEP exists. Total Capital Gains Tax Bill from HMRC report. The share of LA GVA was then multiplied by the total WM CCG tax receipts to calculate the LEP contribution.
VAT	Table A35 of the ONS Family Spending Survey (2013)	The weekly expenditure was multiplied by 52 to get an annual expenditure figure per household. The number of households was then multiplied by the annual expenditure to arrive at a total annual expenditure figure per LEP. This was then multiplied by 0.2 to get to the VAT rate.
Corporation Tax	Gross Operating Surplus (GOS)/Mixed Income by Region HMRC Receipts for 2013/14	The West Midlands proportion of GOS multiplied by the total UK Corporation Tax receipt for the UK.

Income Stream	Data source	Methodology
Bank Levy	BRES (2013)	Interrogated to identify the number of employees working in the Financial and Insurance sector by LEP, then proportion to the region. Percentage of GVA in finance and insurance was calculated to arrive at regional contribution. Proportion of employees in each LEP multiplied by the regional Bank Levy contribution.
Fuel Duties	Road Transport Energy Consumption at the Regional and LA Level (2014)	The Combined Tonnes of Oil Equivalent (for Buses, Diesel Cars, Petrol Cars, Motorcycles, HGV & LGV) was calculated for each LEP and then proportioned out. The proportions were then multiplied by the total UK fuel duty to calculate the LEP equivalent.
Inheritance Tax	HMRC Inheritance Tax Statistics: Table 12:11	The LEP share of UK inheritance Tax units was calculated and then proportioned out to UK total Inheritance Tax revenue.
Stamp Duty on Shares	HM Revenue and Customs Receipts 2013-14.	LEP share of UK GVA calculated and then multiplied by the Total UK Stamp Duty on Share.
Stamp Duty Land Tax	HMRC Stamp Duty Land Tax by Local Authority, Country and Government Office Region	No manipulation of the data was derived.
Annual Tax on Enveloped Earnings	Annual Tax on Enveloped Earnings Database	Interrogated to identify all properties in each LA and LEP with a value of more than £2m.
Tobacco Duties	BRES (2013) at LA level	The total number of people employed in the Growing of tobacco, the manufacture of tobacco products, and the manufacture of machinery for food beverage and tobacco processing. LEP share of jobs calculated and then multiplied by the total UK tobacco duty receipt.
Spirit Duties	National receipt for spirits	The number of people employed in each LEP in Distilling, rectifying and blending of spirits were calculated as a proportion of total national employment in that sector and then multiplied by the national receipt for spirits to arrive at the LEP share.
Beer and Cider duties	BRES (2013) HM Revenue and Customs Receipts 2013-14	The number of people employed in the manufacture of cider and other fruit wines, manufacture of beer, and manufacture of malt. The LEP share of England employment was calculated and multiplied by the total beer and Cider Duty to work out the LEP share.

Income Stream	Data source	Methodology
Wine Duty	BRES (2013) HM Revenue and Customs Receipts 2013-14	The number of people employed in the manufacture of wine from grape. The LEP share of England employment was calculated and multiplied by the total duty (HM Revenue and Customs Receipts 2013-14) to work out the LEP share.
Betting and Gaming	BRES (2013)	The number of people employed in gaming and betting activities and then multiplied by the total UK revenue derived from these activities to calculate the LEP contribution.
Air Passenger Duty	Mid-year population estimates 2013 UK Airport Duty	LEP population calculated and then multiplied by the UK Airport duty to calculate the LEP proportion.
Insurance Premium Tax	BRES (2013)	National employment in the sale of care and light motor vehicles, wholesale of electrical household appliances, retail sale of electrical household appliances in specialised stores, and travel agency activities. The LEP share was multiplied by the total UK Insurance Tax receipts to calculate the LA contribution to the tax receipts.

For note: The following income streams have been excluded due to being unable to calculate accurately, but these may be included at a later date by the Black Country Economic Intelligence Unit as the methodology is refined: Petroleum Tax, Swiss Capital Tax, Landfill Tax, Climate Change Levy, and Aggregates Levy.

Appendix 3: Wolverhampton Strategic Economic Plan Framework



Supporting the creators of growth (business, innovators, entrepreneurs and the workforce)		Creating the conditions for growth (infrastructure, investors, visitors and marketing the offer)	
An enterprising city	A working and inclusive city	A vibrant city	Future City
Business support Priority sectors Enabling sectors e.g. health and social care Innovation International trade Inward investment Local procurement and spend Corporate social responsibility	Education Skills Employment Volunteering Digital Inclusion Financial Inclusion Adult Learning Learning city	City centre development District centre development Industrial growth corridors Supported by Infrastructure: Transport Housing Environmental services Cultural, sport, leisure, visitor economy and conferencing	Strategic planning City planning Sustainability Smart city
Wider dependencies			
Place marketing	Place marketing, Health and wellbeing, Early years, Families in Focus	Place marketing, One Public Estate	Place marketing, Digital transformation

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- Number of jobs per head of population
- % of the working age population that are economically active
- £s million invested in the city
- Number of visitors to the city
-

Timeline and key milestones for delivering the refreshed City of Wolverhampton Strategic Economic Plan

What	How	When (by)	Who
Approach endorsed corporately	Proposal presented at PLT, SEB and Portfolio briefing.	02/12/16	Service Director City Economy
Form Project team	Agree internal membership and meeting schedule. Start procurement process for specialist economic consultant to support process	12/12/16	Place Service Directors Selected HoS Corporate Business Intelligence Manager (and her team) Service Director City Economy
Revise and launch new Internal Performance Board structures	Agree terms of reference, responsibilities and membership of each new Board Brief new Boards on the refresh exercise and their role, as well as their longer term role in managing performance.	02/01/17	Service Director City Economy Place Business Manager
Refresh of economic evidence base	Set up a temporary website (similar to that used for the Skills and Employment Commission) to provide a shared site for evidence and strategy development Complete and publish refresh of evidence base and analysis	02/01/17 06/02/17	Place Service Directors and HoS Corporate Business Intelligence Manager (and her team) Service Director City Economy HoS Strategic Programmes Corporate Business Intelligence Manager
Performance Boards to review priorities and actions	Each Performance Board to review priorities, actions, activities and timescales for delivery using new evidence base	24/02/17	All Performance Boards
1st Draft of new SEP produced	SEP Drafting Group established Incorporation of priorities in City Vision, super SEP and SEP First draft completed and signed off by PLT, SEB and portfolio holder	10/03/17	Service Director City Economy and SEP Drafting Group

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Consultation internally and externally on first draft		TBC <i>(check Compact compliance)</i>	Service Director City Economy, Chairs of performance Boards, Chairs of external city Partnership Boards
Consultation completed		TBC	
Final Draft of new SEP produced		TBC	Service Director City Economy and SEP Drafting Group
Sign off by SEB		TBC	
Approval by Cabinet		TBC	
Approval by Council and City Board		TBC	

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