

# Cabinet (Resources) Panel

## 28 February 2017

**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 Andrew Johnson (Lab)

**Vice-chair** Cllr Roger Lawrence (Lab)

### Labour

Cllr Peter Bilson  
Cllr Claire Darke  
Cllr Steve Evans  
Cllr Val Gibson  
Cllr Milkinderpal Jaspal  
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:

**Contact** Dereck Francis, Democratic Services  
**Tel/Email** 01902 555835 or [dereck.francis@wolverhampton.gov.uk](mailto:dereck.francis@wolverhampton.gov.uk)  
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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.

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# Agenda

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

*Item No.*     *Title*

### MEETING BUSINESS ITEMS

- 1            **Apologies for absence**
- 2            **Declarations of interests**
- 3            **Minutes of the previous meeting - 7 February 2017** (Pages 5 - 14)  
[To approve the minutes of the previous meeting as a correct record]
- 4            **Matters arising**  
[To consider any matters arising from the minutes of the previous meeting]

### DECISION ITEMS (AMBER - DELEGATED TO THE PANEL)

- 5            **Revenue Budget Monitoring 2016/17** (Pages 15 - 56)  
[To approve matters relating to the 2016/17 revenue budget as at the end of the third quarter]
- 6            **Quarter Three Treasury Management Activity Monitoring** (Pages 57 - 76)  
[To receive an update on treasury management activity for the third quarter in 2016/17]
- 7            **Arterial Routes - Achieving a Consistent Approach to their Maintenance and Development** (Pages 77 - 90)  
[To approve the arterial routes highway enhancement work programme]
- 8            **Police and Crime Commissioner (PCC) Community Safety Allocation** (Pages 91 - 100)  
[To approve the delegation of the PCC grant to the Safer Wolverhampton partnership to deliver against the Community Safety and Harm Reduction Strategy 2017/20 in line with the conditions of the grant]
- 9            **Development of Bantock House Complex** (Pages 101 - 110)  
[To approve capital investments at Bantock House complex]
- 10           **Exclusion of press and public**  
[To pass the following resolution:

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

## Part 2 - exempt items, closed to press and public

- |    |   |  |
|----|---|--|
| 11 | <b>Re-Entry - Transitional Payment Plan</b> (Pages 111 - 114)<br>[To approve a transitional payment plan]   | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 12 | <b>Procurement - Award of Contracts for Works, Goods and Services</b> (Pages 115 - 138)<br>[To consider various delegations of authority and the award of contracts]  | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 13 | <b>Wolverhampton Interchange Programme - Supplemental Agreement</b> (Pages 139 - 146)<br>[To enter into a Supplemental Agreement in relation to the Wolverhampton Interchange Programme]  | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 14 | <b>Site Disposal to WV Living for the Delivery of Starter Homes</b> (Pages 147 - 158)<br>[To declare four Housing Revenue Account sites surplus to requirements, and to approve the disposal of these sites to WV Living for the purpose of developing Starter Homes, subject to valuations by the District Valuer and approval by WV Living] | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 15 | <b>Update on the Procurement of Residential Development of the Former Tower and Fort Works Site, Pelham Street/Ashland Street</b> (Pages 159 - 166)<br>[To appoint the developer for the development of the former Tower and Fort Works site and to approve entering into the Development Agreement and associated legal agreements]          | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |
| 16 | <b>City North Gateway - A449, Junction 2 to Springfield Lane</b> (Pages 167 - 182)<br>[To approve taking forward the initial draft design for consultation]   | Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3) |

- 17        **Wolverhampton Environment Centre (WEC),  
Westacre Crescent, Wolverhampton** (Pages 183 -  
192)
- [To declare part of the WEC site surplus to requirements and approve the disposal of the site for housing development; to allocate funds for demolition and planning consent; and to transfer the remainder of the site for future use and maintenance as part of Smestow Valley Local Nature Reserve]
- Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3)
- 18        **Heath Park Phase 3 Arts Block**
- [To enter into a Deed of Variation to amend the Private Finance Initiative boundary at Heath Park to omit a discrete grassed area from the scheme][**Report to follow**]
- Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3)

# Cabinet (Resources) Panel

## Minutes - 7 February 2017

### Attendance

#### Members of the Cabinet (Resources) Panel

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

#### Employees

Dereck Francis	Democratic Support Officer
Keith Ireland	Managing Director
Tim Johnson	Strategic Director - Place
Kevin O'Keefe	Director of Governance
Mark Taylor	Director of Finance
David Watts	Service Director Adult Social Care

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## 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 Milkinderpal Jaspal.
- 2 Declarations of interest**  
The following employees declared a disclosable pecuniary interest in relation to agenda item 5 (Senior Pay Policy Statement 2016-2017 and 2017-2018):  
  
Keith Ireland, Managing Director  
Tim Johnson, Strategic Director Place  
Kevin O'Keefe, Director of Governance  
Mark Taylor, Director of Finance  
David Watts, Service Director, Adults
- 3 Minutes of the previous meeting - 10 January 2017**  
Resolved:  
That the minutes of the previous meeting held on 10 January 2017 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 **Senior Pay Policy Statement 2016-2017 and 2017-2018**

Cllr Roger Lawrence presented a report on a revised Senior Pay Policy 2016-17 which had been compiled to comply with the requirements of section 38 (1) of the Localism Act 2011. It was propose that the policy statement be referred to Full Council for approval.

Resolved:

That Full Council be recommended to:-

1. Approve the Senior Pay Policy for 2016 - 2017 for immediate publication.
2. Approve the Senior Pay Policy for 2017 - 2018 for publication by 31 March 2017 in line with the Localism Act 2011.

6 **Budget 2017/18 - Outcome of Consultation**

Cllr Andrew Johnson presented the report on the consultation process undertaken to support the 2017/18 budget setting process, allowing for Councillors' consideration of the responses to the consultation.

He placed on record his thanks to Cllr Steve Evans, Cabinet Member for City Environment who attended all of the community consultation meetings and Cllr John Reynolds for his input at the business consultation meetings. And Jane Dixon, Finance Business Support Manager for her co-ordinating role.

The completed set of responses to the consultation would be taken into account in the final budget that Cabinet recommends to Full Council on 1 March 2017.

Resolved:

That the responses to the 2017/18 Budget Consultation be taken into account for the 2017/18 Final Budget to be presented to Cabinet on 22 February 2017.

7 **Discretionary Rate Relief - Extension to the Local Scheme for Charitable and Voluntary Organisations**

Cllr Andrew Johnson sought approval to extend the current discretionary rate relief scheme relating to charitable and voluntary organisations for 2017/18.

Resolved:

That the extension of the scheme for discretionary rate relief for charitable and voluntary organisations for 2017/18 be approved.

8 **TUC "Dying to Work" Campaign**

Cllr Roger Lawrence asked Cabinet to support the TUC campaign 'Dying to work', to urge organisations to support and help terminally ill employees by agreeing to sign up to a voluntary charter.

In supporting the campaign the City of Wolverhampton Council would provide its employees with the security of work, peace of mind and the right to choose the best course of action for themselves and their families to help them through this challenging period with dignity and without undue financial loss.

Resolved:

1. That the Council support the TUC 'Dying to Work' Campaign and sign the Dying to Work Charter.
2. That the Cabinet Member for Governance, Cabinet Member for Public Health and Wellbeing and the Managing Director attend a public signing event.
3. That an amendment to the Management of Attendance Procedure to include a specific statement that employees who have sickness absence related to a diagnosed terminal illness will automatically have that absence "exempted" from the management of attendance thresholds be approved.
4. That all employees of the Council be notified of the commitment to the Dying to Work Campaign.

9 **Transsexual, Transgender and Gender Reassignment Policy**

Cllr Roger Lawrence reported that the Equalities Advisory Group had identified a gap in the Council's policies and procedures regarding supporting employees through gender and reassignment and the employment of a transsexual person. To address this a Transsexual, Transgender and Gender Reassignment Policy and Managers Guidance had been produced and was submitted for approval.

Resolved:

That the introduction of a Transsexual, Transgender and Gender Reassignment Policy and Managers Guidance be approved.

10 **Smoke Free Policy**

Cllr Paul Sweet presented for approval a revised smoke free policy for the City Council which built on the existing policy that promoted a smoke free workplace and took the view that smoking constituted a fire risk and a hazard to the health of all its employees, both smokers and non-smokers.

Smoking was not permitted at work or in any of the council owned and controlled buildings. In support of the Workplace Wellbeing Charter and Public Health objectives the Smoke Free Policy has been revised to extend the smoke free area beyond the council owned building to include all areas within the boundary of council ownership and control.

Resolved:

That the revised Smoke Free Policy be approved.

11 **Department of Health, Housing and Technology Capital Fund 2016/17**

Cllr Sandra Samuels reported that the Council had been successful in a bid submitted to the Department of Health (DOH) Housing and Technology capital fund to support people with Learning Disabilities. Approval was sought to utilise the funds from the DOH within the remainder of 2016/17 and throughout 2017/18.

Resolved:

That the growth in the General Fund Capital Programme of £207,000 for the Housing and Technology Fund for Telecare be approved. This would be funded by external grant from the Department of Health (DOH) (£110,000 within 2016/17 and £97,000 within 2017/18) in line with City of Wolverhampton Council accepted bid submission to DOH.

12 **Schedule of Individual Executive Decision Notices**

Resolved:

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

13 **Exclusion of press and public**

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business as it involves the likely disclosure of exempt information falling within the paragraph 3 of Schedule 12A of the Act.

## **Part 2 - exempt items, closed to public and press**

14 **Decent Homes Contract Full and Final Settlement**

Cllr Peter Bilson requested approval to make full and final payment to each of the Decent Homes contractors (Bullock Construction, Frank Haslam Milan and Thomas Vale) to close off all accounts. Approval was also sought to delegate authority to the Director of Governance and Solicitor to the Council to enter into the necessary agreements with the Decent Homes Contractors in full and final settlement of all entitlements, claims or rights of action for each of the contractors.

Resolved:

1. That the payments to the Decent Homes Contractors (Bullock Construction, Frank Haslam Milan and Thomas Vale) as set out in paragraph 3 of the report be approved.
2. That authority be delegated to the Director of Governance and Solicitor to the Council to enter into the necessary agreements with the Decent Homes Contractors in full and final settlement of all entitlements, claims or rights of action.
3. That the savings made in negotiating the total value forecast settlement with each of the Decent Homes contractors be noted.

15 **Disposal of Land Adjoining the Former Danesmore School, Ashmore Park, Wolverhampton**

Cllr Peter Bilson sought approval to declaring additional garage sites, and the former Community Centre at Coppice Close surplus to requirements, and that they form part of a land assembly, to include the former Danesmore school for future proposed housing development.

Resolved:

That authority be delegated to the Cabinet Member for Housing and City Assets in conjunction with the Strategic Director for Place to:

1. Declare the following sites surplus to requirements
  - a. The Coppice Close and Perks Road (2) garage sites
  - b. The former Community Centre Coppice Close Ashmore Parkand that they form part of the Danesmore Site for Sale.



2. Agree the Heads of Terms for the disposal of the whole site
3. Transfer the freehold of the site only to WV Living for the development of housing.
4. Transfer the freehold of a part of Perks Road (2) garage site to the owner of 24 Perks Road Ashmore Park

16

**Disposal of Land at Planetary Road, Wolverhampton**

Cllr Peter Bilson presented the report on a proposal to declare land at Planetary Road surplus to requirements and dispose of it, as part of a land assembly proposal, that is to be sold for industrial/ warehousing development.

Resolved:

1. That the land at Planetary Road, Wolverhampton be declared surplus to requirements and form part of a greater area of land for sale for industrial development.
2. That the land be sold to JSL (Wolverhampton) Ltd to develop for industrial use/warehousing development in accordance with the valuation.
3. That a licence be granted to JSL (Wolverhampton) Ltd to undertake surveys and tree clearance, on the land for a period of six months duration, along with access thereto.

17

**Appropriation of Sites from the General Fund to the Housing Revenue Account (HRA)**

Cllr Peter Bilson presented the report on the proposal to approve the appropriation of the following General Fund sites into the Housing Revenue Account (HRA) for the development of Council Housing:

- Site of former Dale House, Bushbury South & Low Hill Ward
- Site at Ettingshall Road, Ettingshall Ward
- Site at Burton Crescent, Heath Town Ward

Approval was also requested to support the appropriation of the General Fund site at Grosvenor Street, Heath Town Ward into the HRA for the provision of a 7 v 7 sports pitch, required to support the development of another site for housing.

Resolved:

1. That the appropriation of the following sites from the General Fund into the HRA in order that they can be developed for new council housing be approved.
  - Site of former Dale House, Bushbury South and Low Hill Ward
  - Site at Ettingshall Road, Ettingshall Ward
  - Site at Burton Crescent, Heath Town Ward
2. That the appropriation of the site at Grosvenor Street, Heath Town Ward from the General Fund into the HRA for re-provision of a playing pitch be approved.

3. That it be noted that the development of council housing on these sites would be procured separately using a small to medium scale development contractor, and would be the subject of a further Cabinet (Resources) Panel report.

18 **Proposed Housing Development at Burton Crescent**

Cllr Peter Bilson presented a report on proposals for the development of up to four Council-owned sites at Burton Crescent, Heath Town Ward, Wolverhampton, for the provision of affordable Council housing to help meet housing need in the City.

Resolved:

1. That the proposals for the development of four sites at Burton Crescent, Heath Town Ward, for the provision of affordable rented Council Housing, to help meet housing need in the City be approved.
2. That the acquisition of Site C from Springfield Horseshoe HMC in exchange for a single storey extension to their principle office be approved and the approval for any further terms be delegated to the Cabinet Member for City Housing and Assets in conjunction with the Strategic Director of Housing.
3. That the Springfield Horseshoe Housing Management Co-operative (HMC) manage the new Council properties once built by extension of their management agreement.
4. That the progression of a local lettings plan for this development, in accordance with process set out in the Council's Allocations Policy be approved.
5. That the proposal to extend the current offices of the Springfield Horseshoe Housing Co- operative to provide a meeting space to replace the existing portakabin annex facility currently on the development site be approved, subject to further feasibility and costing, with approval to be delegated to the Cabinet Member for City Housing and Assets in conjunction with the Strategic Director of Housing.
6. That it be noted that the appropriation of two small General Fund Sites into the Housing Revenue Account (HRA) to support the overall development subject to the agreement of Cabinet (Resources) Panel on an earlier agenda item.

19 **Improving the City Council Offer: Small Site Newbuild Council Housing Phase 3**

Cllr Peter Bilson presented an update report on the delivery of Phase 2 of the small sites new build programme using the Strategic Construction Partners (SCP) Wates and United Living. A planned development of a third phase of small site development was proposed, which would be delivered by contractors to be procured through a competitive tendering process, intended to encourage small and medium sized enterprises to participate.

Resolved:

1. That the allocation of £4.0 million from the approved Housing Revenue Account (HRA) capital budget for the New Build Programme to deliver the Small sites new build phase 3 be approved.
2. That any variation from the identified sites and allocation of budget for Phase 3 of the small site new build be delegated to the Cabinet Member for Housing and City Assets, in conjunction with the Strategic Director of Housing and Director of Finance to maintain the delivery timescale of newbuild housing across the small sites.
3. That it be noted that the next five sites for the Housing Revenue Account small sites development programme for the delivery of new build council housing would be delivered using local contractors procured through a competitive tendering exercise.
4. That it be noted that one site would be used to pilot the delivery of new homes using modular construction methods to establish the benefits of this alternative delivery approach in terms of cost, quality and speed of delivery.

20

**Update on the Procurement of Development of the Former Tap Works, Fifth Avenue and Broome Road Sites**

Cllr Peter Bilson presented the report which consolidated and updated previous recommendations and authorisations over a number of years to provide clarity on the authority provided. The report also provided an update following the completion of the procurement process for the sale of land and works to be completed; and to secure the authority to dispose of the land associated with the former Tap Works, Fifth Avenue and Broome Road Sites to Bouygues Development Thomas Vale.

Resolved:

1. That the award of the contract to develop the former Tap Works, Fifth Avenue and Broome Road sites by entering a Development Agreement along with associated agreements including deed of covenants, collateral warranties, transfers relating to the disposal of the Council's land and to provide written consent to any permitted assignments and such other ancillary agreements as may be deemed necessary be approved.
2. That the disposal of the land associated with the former Tap Works, Fifth Avenue and Broome Road Sites by way of the development agreement be approved.
3. That the payment under the Development Agreement to Bouygues Development Thomas Vale Limited in the sum of £4,470,724 in relation to the development of 40 units of housing to be funded from the Housing Revenue Account be approved.
4. That the receipt of £80,000 from Bouygues Development Thomas Vale Limited to enable the Council to procure the enhancement of the children's playground at Bushbury Memorial Recreation Ground be approve.

5. That authority be delegated to the Director of Governance to execute legal agreements in respect of the Tap Works development as required.
6. That authority be delegated to the Cabinet Member for City Housing and Assets in conjunction with the Strategic Director of Housing for the approval of any minor variations to the project required for its delivery.

21

### **City Learning Quarter - Potential Property Solutions**

Cllr John Reynolds presented the report seeking approval to proceed with negotiations and acquisitions of properties in order to assemble a site capable of accommodating the requirements for a City Learning Quarter.

Resolved:

1. That subject to approval of Full Council to recommendation 2 below:
  - a. The Strategic Director Place be authorised to enter into negotiations to acquire properties to assemble sites for the City Learning Quarter.
  - b. An allocation of £6 million for the acquisition and associated costs for sites within the City Learning Quarter be approved and the intention to ultimately seek a contribution from external sources be noted.
  - c. Authority be delegated to the Cabinet Member for City Economy in consultation with the Strategic Director Place, Director of Finance and Director of Governance to acquire individual properties as part of the assembly of sites for the City Learning Quarter, within the budget approved by Full Council.
2. That it be noted that the Capital Budget Quarter Three Monitoring 2016/17 report to Council would seek approval to a budget of £6 million for site acquisition in the City Learning Quarter, in the event that Cabinet (Resources) Panel approve the strategy to acquire properties as part of site assembly for the City Learning Quarter.

22

### **Bilston Urban Village**

Cllr John Reynolds presented the report on progress in the delivery of development on Bilston Urban Village. He requested appropriate approvals for the funding of the site's public open space and its long term management by The Land Trust.

Resolved:

1. That authority be delegated to the Cabinet Member for City Economy, in consultation with the Service Director City Economy to sign a Funding Agreement for European Regional Development Funding for the provision and enhancement of public open space on the Bilston Urban Village site.
2. That an increase in capital and revenue budgets of £506,000 and £175,000 respectively in accordance with the European Regional Development Funding (ERDF) application be approved and they be amended as appropriate upon signing of a Funding Agreement.
3. That a virement of £200,000 from the Bilston High Street Link Capital Budget to the Bilston Urban Village Capital Budget be approved.

4. That the signing of a Funding Agreement with the Canal and River Trust be approved subject to Council approval of recommendation 8 below.
5. That the allocation of £156,000 section 106 monies held by the Council for the provision and enhancement of public open space on the Bilston Urban Village site and the adjacent canal towpath and the appropriate adjustment in the capital programme be approved.
6. That the heads of terms for a transfer and management of the public open space to The Land Trust be approved and agreement of the final terms be delegated to the Cabinet Member for City Economy in consultation with the Service Director City Economy.
7. That the principle of employment uses for Bilston Urban Village East, the land between Bankfield Road and the Metro line be approved, and a report be received in due course outlining a recommended delivery strategy for the development of this part of the site.
8. That it be noted that a second Bilston Urban Village report would be presented to Council for approval of grant not exceeding £206,000 to the Canals and River Trust for surface and biodiversity improvements of the canal towpath between Dudley Street and Highfields Road, Bilston.
9. That the progress in the delivery of new housing, employment and other uses on the Bilston Urban Village site be noted.

23

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

The Panel considered a report on proposals for the award of contracts for works, goods and services.

Resolved:

1. That authority be delegated to the Cabinet Member for Resources, in consultation with the Director of Finance, to approve the award of contracts for Insurance Services when the evaluation process is complete.
2. That the contract for Revenues and Benefits Mail Service be awarded to Critiqom Limited of Document House, Phoenix Crescent, Strathclyde Business Park, Bellshill, ML4 3NJ for a duration of four years from 1 April 2017 to 31 March 2021 for a total contract value of £700,000.
3. That the Director of Governance be authorised to execute contracts in respect of the above as required.

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# Cabinet (Resources) Panel

28 February 2017

<b>Report title</b>	Revenue Budget Monitoring 2016/17	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Mark Taylor	Director of Finance
	Tel	01902 554410
	Email	<a href="mailto:mark.taylor@wolverhampton.gov.uk">mark.taylor@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Strategic Executive Board	14 February 2017
	Confident Capable Council	1 June 2017

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## Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the use of £50,000 from the Public Health Early Intervention Team Reserve, specifically set aside from public health grant funding, to fund initial set up and salary costs for Beat the Street Wolverhampton as detailed at section 5.2.2.
2. Approve the use of £563,000 from the Regeneration Reserve to fund various development works and schemes as detailed at section 5.2.3.
3. Approve the use of £106,000 from the Local Strategic Partnership Reserve to support the work of the Skills Commission as detailed at section 5.2.4.
4. Approve the write off of sixteen rechargeable repair accounts totalling £111,675 as detailed in Appendix I.

5. Approve the write off of four sundry debts totalling £27,832.77 as detailed in Appendix F.
6. Approve four virements totalling £2.1 million, for transfers within directorates, as detailed in Appendix G.
7. Approve setting up of expenditure budgets within the 2016/17 approved budget as detailed in section 4.2 for grant funded expenditure.

**Recommendations for noting:**

The Cabinet (Resources) Panel is asked to note:

1. That the projected outturn for the General Fund for 2016/17 is on target to achieve a net underspend against the budget.
2. That projected redundancy costs, including the cost of pension strain, totalling £7.0 million are included in the forecast outturn. The projected costs are subject to change dependent upon the actual redundancies approved by year end. It is anticipated that forecast underspends against the Central Provision for Auto-enrolment and Pay Award costs, in addition to Capital Receipts flexibility announced by the Secretary of State, will offset the cost of redundancies.
3. That the Director of Finance has approved the write off 1,073 former HRA tenant rent accounts for 2016/17 that are considered unrecoverable amounting to £760,000 at an average of £708 per account in accordance with the Council's Financial Procedure Rules. Debts from former tenants are written off when there is little prospect of the debt being collected. Wolverhampton Homes Board Resources Committee recommended the formal write off of debts totalling £374,000 on the 14 October 2016 and £386,000 on 20 January 2017.
4. That the Director of Finance has approved the write off 1,891 former HRA tenant rechargeable repair accounts totalling £1.3 million covering the period 2010 to 2016 at an average of £695 in accordance with the Council's Financial Procedure Rules. No write off for rechargeable repairs has been undertaken since the recharge policy was relaunched in 2010.
5. That 375 council tax accounts totalling £104,548.80 have been approved by for write off by Director of Finance in accordance with the Council's Financial Procedure Rules.
6. That 25 non-domestic rates accounts totalling £83,524.71 have been approved by for write off by Director of Finance in accordance with the Council's Financial Procedure Rules.
7. That 52 sundry debt accounts totalling £77,962.45 have been approved by for write off by Director of Finance in accordance with the Council's Financial Procedure Rules.



8. That 24 housing benefit overpayments totalling £7,714.34 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
9. That a £18.3 million surplus on the Housing Revenue Account (HRA) is projected compared with a budgeted surplus of £15.3 million as shown at Table 8 and in detail at Appendix H. The projected increased surplus of £3.0 million will be used to redeem debt in line with the HRA Business Plan.

## 1.0 Purpose

1.1 The purpose of this report is to provide Cabinet (Resources) Panel with a projection of the likely revenue outturn position for the General Fund and Housing Revenue Accounts, compared with the Council's approved revenue budgets for 2016/17.

## 2.0 Summary

2.1 Overall, the General Fund projected outturn is currently forecast to underspend against the net budget, as analysed in Table 1.

**Table 1 – 2016/17 General Fund Revenue Budget Projected Outturn**

	Net Controllable Budget 2016/17 £000	Projected Outturn 2016/17 £000	Projected Variation Over/(Under)	
			£000	%
People	114,554	114,619	65	0.06%
Corporate	59,037	56,473	(2,564)	-4.34%
Place	41,997	41,771	(226)	-0.54%
Education	1,762	3,806	2,044	116.00%
<b>Net Budget Requirement</b>	<b>217,350</b>	<b>216,669</b>	<b>(681)</b>	<b>-0.31%</b>
Government Grant (General)	(92,622)	(92,582)	40	0.04%
Enterprise Zone Business Rates	(1,532)	(1,388)	144	9.40%
Council Tax	(86,036)	(86,036)	-	0.00%
Business Rates	(37,805)	(37,805)	-	0.00%
Collection Fund Deficit	2,237	2,237	-	0.00%
Business Rates Equalisation	(1,592)	(1,592)	-	0.00%
Reserve				
<b>Total Resources</b>	<b>(217,350)</b>	<b>(217,166)</b>	<b>184</b>	<b>0.08%</b>
<b>Net Budget (Surplus) / Deficit</b>	<b>-</b>	<b>(497)</b>	<b>(497)</b>	<b>-0.23%</b>

2.2 The Council continues to be faced with a challenging projected financial position over the medium term, and significant budget reduction and income generation proposals are required in order to achieve a robust financial position. The Budget 2016/17 and Medium Term Financial Strategy 2016/17 to 2019/20 approved by Full Council on 2 March 2016, identified that the Council would be faced with finding further budget reduction and income generation proposals totalling £54.6 million (£22.2 million for 2017/18) over the three year period to 2019/20. It is important to note that the updated projected budget deficit assumes the achievement of prior year budget reduction and income generation proposals amounting to £37.4 million over the four-year period to 2019/20.

2.3 A report was presented to Cabinet on 19 October 2016, which detailed the outcome of work that has been in progress across all areas of the Council to identify budget reduction and income generation targets to deliver the strategy of identifying £22.2 million for 2017/18. The projected target of £22.2 million approved in March 2016 was revised to £23.5 million. This was due to a number of proposals being reprofiled or

removed. The Council has currently identified £13.5 million Budget Reduction and Income Generation proposals and £10.0 million Financial Transactions and Base Budget Revisions for 2017/18.

- 2.4 A balanced budget is now projected for 2017/18; the final budget report will be presented to Cabinet on 22 February 2017 and will be recommended to Full Council for approval on 1 March 2017. Work continues to identify additional budget reduction and income generation opportunities to address the projected budget deficit in 2018/19 and 2019/20, amounting to £20.5 million, in order to ensure that a balanced budget can be set over the medium term.
- 2.5 An update on the General Fund budget risks is provided at section 6. Overall the risk for 2016/17 is currently assessed as Amber as the Council has significant budget reductions to deliver and income to achieve.
- 2.6 It is important to note that projected redundancy costs, including the cost of pension strain, totalling £7.0 million are included in the forecast outturn. It is anticipated that forecast underspends against the Central Provision for Auto-enrolment and Pay Award Costs, in addition to Capital Receipts flexibility announced by the Secretary of State, will offset the cost of redundancies.
- 2.7 In accordance with the Council's financial procedures rules, all virements in excess of £50,000, or those that result in a transfer between Employees and Other Controllable Expenditure headings, require the approval of this panel. There are four virements that require approval in this report as detailed in Appendix G.
- 2.8 The most significant factors contributing towards the projected net underspend against the budget are reported on a service-by-service basis in section 3.
- 2.9 The forecast outturn position for the Housing Revenue Account is a surplus of £18.3 million, compared to a budgeted surplus of £15.3 million. The projected additional surplus of £3.0 million, which is mainly due to a forecast underspend on interest payable, will be used to redeem debt to comply with the Council's approved HRA Business Plan.

### **3.0 General Fund Revenue Budget Monitoring: Service Analysis**

#### **3.1 People**

- 3.1.1 A summary of the projected outturn against the People 2016/17 revenue budget is provided in Table 2, whilst a detailed analysis is provided in Appendix A.

**Table 2 – 2016/17 Revenue Budget Projected Outturn - People**

	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Strategic Director	2,173	2,410	237	10.91%
Older People	28,556	29,366	810	2.84%
Disability & Mental Health	38,046	38,736	690	1.81%
Children & Young People	45,779	44,107	(1,672)	(3.65%)
Public Health & Wellbeing	-	-	-	0.00%
<b>People Total</b>	<b>114,554</b>	<b>114,619</b>	<b>65</b>	<b>0.06%</b>

3.1.2 Overall a net overspend of £65,000 (0.06%) is projected for the year. The main factors contributing towards this forecast overspend are:

1. **Strategic Director** – There is an overspend of £237,000 mainly due to the appointment of additional Independent Review Officers within Children’s Safeguarding (£150,000).
2. **Older People** - There is a forecast overspend of £810,000 for Older People services mainly as a result of pressures on care purchasing budgets (totalling £1.3 million) due to increasing demand for support. This is offset partially by a projected underspend mainly against the following three services:
  - a. The Service Director for Older People is projecting an underspend of £139,000 due to in year employee budget savings as a result of a management restructure and on vacancies held in the Adult Multi Agency Safeguarding Hub (MASH).
  - b. The Housing Service is projecting an underspend of £105,000 due to efficiencies on employee costs.
  - c. The Quality Assurance and Policies service is also projecting an underspend of £126,000 which are as a result of employee vacancies.
3. **Disability & Mental Health** - There is a forecast overspend of £690,000 which is mainly due to slippage on budget reduction targets within the Disabilities In-House Provision (£403,000), Mental Health Assessment and Care Management (£139,000) and Learning Disabilities Assessment and Care Management (£447,000). There is also a forecast overspend of £186,000 within the Emergency Duty Team as a result of using agency staff to cover permanent staff absences. These overspends have been partly offset by underspends within the Children with Disabilities service of £264,000 due to reduction in activity in overnight residential short breaks. There is also an underspend of £190,000 within the Physical Disabilities Assessment & Care

Management service as a result of achieving efficiencies across all areas of this service.

4. **Children & Young People** - There is a forecast underspend of £1.7 million for this service directorate mainly due to underspends by the following services:
- a) The Looked-After Children (LAC) service is forecasting a £474,000 underspend due to the early achievement of the budget reduction target for LAC totalling £2.0 million and one off savings against employee budgets. This is offset in part by increased expenditure on adoption/residence order allowances and inter-agency payments totalling £1.5 million and pressures on Youth Justice Board Remand/Secure expenditure of £123,000.
  - b) The Specialist Support service is projecting an underspend of £510,000 due to one-off savings across the service following the Children's Service Re-Design including £168,000 on staffing, £111,000 on general expenditure and £230,000 against therapeutic commissioned services.
  - c) Projected underspends within the Early Intervention service of £503,000 due to one-off savings due to employee vacancies held following the Children's Re-Design Restructure implementation.
  - d) The Youth Offenders Team are also forecasting an underspend of £200,000 due to staff vacancies.
  - e) The Psychology Service is projecting an underspend of £167,000 due to increased income generation across the service.

The underspends are offset by overspend of £203,000 on the Child Protection service due to increased Section 17 expenditure of £117,000, along with expenditure on No Recourse to Public Funds (NRPF) of £327,000. This is offset in part by efficiencies of £200,000 on the Contact contract.

## 3.2 Corporate

- 3.2.1 A summary of the projected outturn against the Corporate 2016/17 revenue budget is provided in Table 3, whilst a detailed analysis is provided in Appendix B.

**Table 3 - 2016/17 Revenue Budget Projected Outturn - Corporate**

	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Managing Director	1,433	1,218	(215)	(15.00%)
Corporate Services	23,940	23,943	3	0.01%
Governance	6,772	6,627	(145)	(2.14%)
Corporate Budgets	26,892	24,685	(2,207)	(8.21%)
<b>Corporate Total</b>	<b>59,037</b>	<b>56,473</b>	<b>(2,564)</b>	<b>(4.34%)</b>

3.2.2 Overall a net underspend of £2.6 million (-4.34%) is projected for the year. The main factors contributing towards the forecast underspend are:

1. **Managing Director** – There is a forecast underspend totalling £215,000 due to vacancies held across the Corporate Business Support service.
2. **Corporate Services** – There is a minor forecast overspend against this budget. However, there are a number of services forecasting underspends and overspends which contribute to this overspend. There is forecast underspends from Audit Service (£239,000) and Communications and Marketing service (£238,000) due to vacancies held across both services. There is also a managed underspend of £663,000 for Corporate Financial Management which will offset forecast overspends across the Corporate Service Directorate. The underspends are offset by overspends in the following services:
  - a. Corporate Management is projecting an overspend of £143,000 as a result of an increase in bank charges associated with a shift to card payments and payments made online or over the telephone.
  - b. The Hub is projecting an overspend of £152,000 as a result of a reduction in income from schools.
  - c. Commercial Services forecast an overspend of £363,000 as a result of additional resources required to improve contract efficiency and commercialisation. Contract efficiencies will be obtained across the Council.
  - d. Customer Services forecast an overspend of £333,000 as a result of slower delivery of savings in order to maintain service levels during an extensive programme of technological improvements. It is important to note that the total savings for 2016/17 are projected to be £500,000.

3. **Governance** – There is a forecast underspend of £145,000 against this budget primarily due to an underspend on Human Resources totalling £396,000. This is as a result of lower than anticipated spend against a range of corporate training budgets and vacancies arising as former Transformation Division teams are amalgamated within the service. It is anticipated that training budgets will be fully utilised in future when directorates are provided with further workforce planning support through a restructured service. The underspend is offset partly by a forecast decrease in income levels for the Market service, partly due to temporary charging arrangements extended to Wolverhampton traders.
4. **Corporate Budgets** - Overall there is a projected underspend of £2.2 million against this budget. There is a forecast net underspend of £1.2 million against the Treasury Management budget primarily due to a reduced forecast borrowing need in year arising as a result of re-phasing in the capital programme. There is a forecast underspend of £135,000 with West Midlands Transport Authority Levy charge for 2016/17 as a result of the levy charge being less than what was estimated at the start of the year.

In addition to this, there are underspends projected against the Corporate/Transformation Budgets and Contingencies totalling £639,000 and the Central Provision for Auto-enrolment and Pay Award Costs totalling £4.2 million. Projected redundancy costs, including the cost of pension strain, totalling £7.0 million are included in the forecast outturn. It is anticipated that the forecast underspends against the Central Provision for Auto-enrolment and Pay Award Costs, in addition to Capital Receipts flexibility announced by the Secretary of State, will offset the cost of redundancies.

### 3.3 Place

- 3.3.1 A summary of the projected outturn against the Place 2016/17 revenue budget is provided in Table 4, whilst a detailed analysis is provided in Appendix C.

**Table 4 – 2016/17 Revenue Budget Projected Outturn - Place**

	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Strategic Director	471	471	-	-
City Economy	7,140	6,992	(148)	(2.07%)
Corporate Landlord	8,646	8,712	66	0.76%
Housing	1,788	1,620	(168)	(9.40%)
City Environment	23,952	23,976	24	0.10%
<b>Place Total</b>	<b>41,997</b>	<b>41,771</b>	<b>(226)</b>	<b>(0.54%)</b>

3.3.2 Overall a net underspend of £226,000 (-0.54%) is projected for the year. The main factors contributing towards this underspend are:

1. **City Economy** – A £148,000 underspend is forecast within this service directorate mainly by the Skills Service due to additional grant secured to cover core staffing (£99,000).
2. **Corporate Landlord** – A £66,000 overspend is forecast within this service directorate as a result of forecast overspend within:
  - a. Capital Programmes totalling £270,000 due to change in accounting treatment of capitalised salaries.
  - b. Facilities management of £226,000 as a result of increased costs for management of vacant properties which is partly reflected through underspends on energy and NNDR as reported in Asset Management service below.
  - c. Maintenance Programmes service totalling £156,000 on Centralised Repair and Maintenance.

These overspend are offset by forecast underspends within Asset Management on non-domestic rates and energy costs (£252,000), forecast additional income generated for the Cleaning service totalling £144,000 and forecast additional income from former HRA shops totalling £241,000.

3. **Housing** – A £168,000 underspend is forecast within this service due to contract efficiencies arising as a result of renegotiated third party payment contracts. Also, reduced payments for bed and breakfast due to increased use of council housing stock for temporary accommodation also contributed to the underspend.
4. **City Environment** – A £24,000 overspend is forecast within this service directorate as a result of overspend with Waste & Recycling Services totalling £803,000 due to the reprofile of a budget reduction target. This overspend is mainly offset by forecast increased car parking and bus lane enforcement income totalling £682,000 by Parking Services and by forecast underspend of £123,000 on Transportation as a result of reduced employee and computer hardware expenditure and capitalisation of Black Country Directors costs.

### 3.4 Education

3.4.1 A summary of the projected outturn against the Education 2016/17 revenue budget is provided in Table 5, whilst a detailed analysis is provided in Appendix D.



**Table 5 – 2016/17 Revenue Budget Projected Outturn - Education**

	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	Projected Variation Over/(Under)	
			£000	%
Education	1,762	3,806	2,044	116.00%
<b>Education Total</b>	<b>1,762</b>	<b>3,806</b>	<b>2,044</b>	<b>116.00%</b>

3.4.2 Overall a net overspend of £2.0 million (116.00%) is projected for the year. This is largely due to a projected overspend on School Services totalling £1.3 million as academy conversion deficits are now being met from the General Fund rather than the Dedicated School Grant (DSG) as detailed in section 7.4. The School Planning and Resources service is also forecasting an overspend of £543,000 due to increase in demand on home to school transport budget for high need pupils. This has recently been independently reviewed and savings identified for future years.

#### 4.0 Changes to Grant Funded Expenditure

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

4.2 Approval is sought from the Panel to establish expenditure budgets within the 2016/17 approved budget as set out in the table below, and in accordance with the grant's terms and conditions. This will have no effect on the Council's net revenue budget as the expenditure is fully funded from grant.

**Table 6 – Grant Approval Sought from this Panel**

Grant Name	Description of the Activities this Grant will Fund	Awarding body	Expenditure 2016/17 £000
Ambrosia	To promote collections through a web based system.	Collections Trust	23
Gen Y City	Participation in specialised study visits for the exchange of best practice	City Of Poznan (ERDF)	20
Flexible Support Fund	Contract to provide support service to long term unemployed facing barriers to work	Department for Work & Pensions	25

## **5.0 Reserves and Balances**

5.1 This report projects at this stage that during 2016/17, the City of Wolverhampton Council will underspend against the approved budget for 2016/17. However, in those individual areas where overspends are currently projected, budget managers will seek to identify and manage these during the year to ensure that services outturn at least within budget.

## **5.2 Transfers to/from Earmarked Reserves**

5.2.1 Approval is sought from this meeting for a number of transfers to/from earmarked reserves, as set out in the following paragraphs. In the event that the use of capital receipts replaces previously approved specific reserve drawdowns as a result of the new capital receipts flexibilities announced by central government, an update will be provided to Cabinet in the outturn report.

### **5.2.2 Public Health Early Intervention Team Reserve**

Approval is sought from this meeting for the use £50,000 from the Public Health Early Intervention Team Reserve, specifically set aside from Public Health grant funding, to fund the initial set up and salary costs for Beat the Street Wolverhampton which would increase physical activity participation rates within the City of Wolverhampton.

### **5.2.3 Regeneration Reserve**

Approval is sought from this meeting the use of £563,000 to fund various development projects and schemes to fund:

1. City Centre Prospectus development work (£100,000);
2. City Learning Quarter development work (£130,000);
3. Provision of temporary toilets for relocated markets at Westside (£20,000);
4. External review of project Pipeline Schemes (£30,000);
5. Full business case and design for Junction 2 to Springfield (£62,000);
6. Industrial Sites Project Development (£50,000);
7. Project Management for Stafford Road/Willenhall Road development (£150,000) and
8. Libraries Transformation Project Management (£21,000).

### **5.2.4 Local Strategic Partnership Reserve**

Approval is sought from this meeting for the use of £106,000 from the Local Strategic Partnership Reserve to support the work of the Skills Commission.

## **6.0 General Fund Budget Monitoring – Risk Management**

6.1 The overall level of risk associated with the budget 2016/17 is assessed as Amber, it is important to note, however, that the Council has significant budget reductions to deliver and income to achieve. The six main areas of risk are summarised in the table at Appendix E.

## 7.0 Revenue Budget Monitoring – Schools’ Budgets

7.1 Maintained schools are required to submit budget plans detailing their expected income and planned spending levels at two points in the year 31 May and 31 October. Returns submitted on 31 May estimated that overall balances would reduce by £7.2 million to £5.7 million. However, returns submitted at 31 October estimated that overall balances would reduce by £7.5m to £5.2m as shown in Table 6.

**Table 6 – Projected Movement on Schools’ Balances 2016/17**

<b>Sector</b>	<b>Balances as at 31 March 2016 £m</b>	<b>Use of Balances in 2016/17 £m</b>	<b>Balances as at 31 March 2017 £m</b>
Secondary	0.2	(0.6)	(0.4)
Primary	6.6	(3.1)	3.5
Junior	0.6	(0.3)	0.3
Infant	0.5	(0.2)	0.3
Nursery	1.4	(0.9)	0.5
Special	1.9	(1.0)	0.9
Pupil Referral Units	1.5	(1.4)	0.1
<b>Total</b>	<b>12.7</b>	<b>(7.5)</b>	<b>5.2</b>

## 7.2 Schools with Surplus Balances

7.2.1 At the end of 2015/16 maintained schools had balances of £12.7 million. 41 schools were identified as having balances above recognised thresholds detailed in the local scheme (5% for secondary schools and 8% for primary, special and nursery schools). Following a desktop exercise and a visit by officers, there are 4 schools where Authority officers consider the explanations for the level of surplus balances do not meet the requirements as laid out in the Scheme for Financing Schools. The Authority is therefore minded to recover excess surplus balances from the following schools: -

- Rakegate Primary
- St Pauls Primary
- West Park Primary
- Windsor Nursery

7.2.2 The Scheme for Financing Schools establishes an arbitration process to review the Authority’s decision and determine if, and to what level, any excess balances should be recovered. This process was invoked to review 2014/15 surplus balances and 8 schools were subject to review with £85,000 being recovered from one school. The panel will meet in March 2017 to review the position of the 4 schools.

### 7.3 Schools in a deficit balance position.

7.3.1 As part of its overview of schools in deficit, a Schools under Notice of Concern Board (SuNC) chaired by the Director of Education has been established to review monthly financial information from schools in deficit to evaluate the financial position of the schools. The chair of Schools Forum is also a member of the board. The position currently on schools with anticipated deficits in 2016/17 is as follows:

**Table 7 – Schools with anticipated deficits in 2016/17**

Name	Balance at the end of 2015/16 £	Anticipated balance at end of 2016/17 £	Status
Woodfield Junior	(94,757)	(95,608)	School with approved licensed deficit and a plan to recover the deficit within a 3 year time frame.
Coppice	(98,150)	(94,000)	School with approved licensed deficit and a plan to recover the deficit within a 3 year time frame. The LA received updated plans showing improved financial position - school expecting to be in surplus in 2017/18.
Colton Hills	(266,223)	(205,000)	School with approved licensed deficit and plan to recover the deficit within a 3 year time frame.
St Matthias	(127,827)	(618,000)	A deficit recovery plan and application are under discussion with the school.
Woodthorne	(22,810)	(90,669)	A licenced deficit budget has been approved.

### 7.4 Deficits Following Sponsored Academy Conversion

7.4.1 The schools surplus or deficit balance on conversion to academy status usually transfers at the same time. However, where the conversion is directed by Department for Education (DfE) through a sponsorship arrangement any deficit remains with the local authority. Historically this has been charged to the Dedicated Schools Grant (DSG). DfE has now clarified the position and unless Schools Forum has set aside a specific contingency, then such costs ought to be met from the Authority's General Fund. No contingency has been set aside so 16/17 deficits will be charged to the General Fund as reported in section 3.4.2.

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

The 2016/17 DSG budget when set last February assumes £390,000 from Wednesfield High will be met from DSG so this sum will now be available to contribute to the out of city budget pressure in current year. These costs were previously identified as being funded from General Fund so will now be met by DSG. As a result of recent academy conversions, deficits from New Park and Kingston PRU will be met from the General Fund.

## 8.0 Debt Write Offs

- 8.1 Debts are only written off as a last resort, when all feasible recovery action has been exhausted. If the situation surrounding an individual case changes in the future, steps would be taken to pursue the debt, despite the debt having been written off.
- 8.2 **Sundry Debtors** - Income is due to the Council for a wide range of services provided to individuals and businesses. To reflect the fact that, despite the Council's best efforts, not all of this income will actually be collected, the Council makes provision for bad and doubtful debts, which it charges directly to the General Fund.

The write off debts relating to Housing Revenue Account are reported in detail in sections 9.2, 9.3 and 9.4.

- 8.3 Overall, 56 debt write offs totalling £105,795.22 have been incurred since the last budget monitoring report was submitted to the Panel. All but four valued at £27,832.77 in total, which require the approval of this Panel (see Appendix F), have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedures Rules.
- 8.4 **The Collection Fund** - The City of Wolverhampton Council acts as billing and collecting authority for council tax and non-domestic rates income. The Council administers a separate Collection Fund account for this purpose. The Collection Fund accounts for the receipt of council tax and business rates (non-domestic rates) income and payments to precepting authorities such as the Fire Authority and the Police. Within this account, provisions are made for bad and doubtful debts and any write offs are charged to the council tax or business rates provision as appropriate.
- 8.4.1 **Council Tax** – Overall, 375 debt write offs totalling £104,548.80 have been incurred. All have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
- 8.4.2 **Non-Domestic Rates** – Overall, 25 debt write off totalling £83,524.71 have been incurred. All have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.
- 8.5 **Housing Benefits** - Housing benefit overpayments occur when rent rebate or rent allowance awards exceed a recalculated entitlement. Whilst the Council aims to limit the incidence of overpayments they may occur for a number of reasons including as a result of fraud or error. In general, overpaid benefit is written off in line with Government guidance where recovery would cause hardship, where the debtor has died or cannot be traced.

- 8.6 The Council receives Government subsidy in respect of overpaid housing benefit at rates of between 40% and 100% according to the circumstances in which the overpayment arose. The unsubsidised element of any overpayment is charged to the General Fund.
- 8.7 Overall 24 write off totalling £7,714.34 have been approved for write off by the Director of Finance in accordance with the Council's Financial Procedure Rules.

## 9.0 Housing Revenue Budget Monitoring

- 9.1 Table 8 shows the latest forecast revenue outturn against budget for the Housing Revenue account (HRA). The forecast outturn position for the year is a surplus of £18.3 million, compared to a budgeted surplus of £15.3 million. The projected additional surplus of £3 million will be used to redeem debt to comply with the Council's approved HRA Business Plan

**Table 8 – Housing Revenue Account Projected Outturn 2016/17**

	Budget	Projected Outturn	Projected Variation
	£000	£000	£000
Total income	(98,674)	(99,291)	(617)
Total expenditure	70,095	70,062	(33)
Net cost of HRA services	(28,579)	(29,229)	(650)
Interest payments etc.	13,273	10,939	(2,334)
(Surplus)/deficit before transfers to/from reserves and provision for redemption of debt	(15,306)	(18,290)	(2,984)
<i>Allocation of (surplus)/deficit</i>			
Provision for redemption of debt	15,306	18,290	2,984
<b>Balance for the year</b>	-	-	-

- 9.2 The main forecast variance is due to a forecast underspend of £2.3 million on interest payable. This is primarily due to slippage on the HRA capital programme and a review of the interest split between the General Fund and HRA, resulting in a reduced proportion to the HRA. In addition, rental income from dwellings is forecast to be slightly higher (0.7%) than budgeted.
- 9.3 **Write off former tenant rent accounts**
- 9.3.1 Wolverhampton Homes is responsible for collection of annual rent roll of £99 million. Wolverhampton Homes have an obligation to pursue all rent owed to the Council from both current and former tenants. Debts from former tenants are written off when there is little prospect of the debt being collected. Wolverhampton Homes Board Resources Committee recommended the formal write off of debts totalling £374,000 on the 14 October 2016 and £386,000 on 20 January 2017.

9.3.2 The Director of Finance has approved the write off 1,073 former tenant rent accounts for 2016/17 that are considered unrecoverable amounting to £760,000 (see appendix K) at an average of £708 per account.

#### **9.4 Write off former tenant rechargeable repair accounts**

9.4.1 Wolverhampton Homes is responsible for collection of recharge repairs where neglect or damage can be proven. No write off for rechargeable repairs has been undertaken since the recharge policy was relaunched in 2010. On 20 January 2017 Wolverhampton Homes Board Resource Committee recommended the formal write off of 1,907 rechargeable repair accounts totalling £1.4 million.

9.4.2 The Director of Finance has subsequently approved the write off 1,891 former tenant rechargeable repair accounts totalling £1.3 million (see appendix J) covering the period 2010 to 2016 at an average of £695 in accordance with the Council's Financial Procedure Rules.

9.4.3 Approval is sought from the Cabinet (Resources) Panel for write off of £111,675 (see Appendix I) relating to former tenant rechargeable repair accounts over £5,000 which are considered unrecoverable.

9.5 The debts referred to in 9.3 and 9.4 above are provided for in the HRA bad debt provision.

### **10.0 Financial Implications**

10.1 The financial implications are discussed in the body of the report.  
[MH/14022017/H]

### **11.0 Legal Implications**

11.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. It is a legal requirement under s25 of the Local Government Act 2003 to set a balanced budget and monitor the financial position throughout the year.  
[TS/16022017/J]

### **12.0 Equality Implications**

12.1 This report provides details of the projected outturn for 2016/17. The necessary equalities analyses were carried out as part of the preparations for setting the 2016/17 budgets, and will similarly form part of the requisite pre-work for 2017/18.

### **13.0 Environmental Implications**

13.1 A range of services focused upon the Council's environmental policies is supported through revenue budgets reviewed in this report. Changes in levels of funding will be considered as such changes are proposed.

#### **14.0 Background Papers**

2017/18 Budget and Medium Term Financial Strategy 2017/18 – 2019/20, report to Cabinet, 22 February 2017.

Draft Budget and Medium Term Financial Strategy 2017/18 – 2019/20, report to Cabinet, 19 October 2016.

Budget 2016/17 and Medium Term Financial Strategy 2016/17 to 2019/20, report to Full Council, 2 March 2016.



Revenue Budget Monitoring – People

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Strategic Director People</b>					
Strategic Director	231	318	87	87	
Safeguarding	1,942	2,092	150	189	An overspend is mainly due to the appointment of additional Independent Review Officers from agency within Children's Safeguarding.
<b>Sub Total Strategic Director People</b>	<b>2,173</b>	<b>2,410</b>	<b>237</b>	<b>276</b>	

Revenue Budget Monitoring – People

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Older People</b>					
Service Director	632	493	(139)	(99)	An underspend is forecast due to in year employee budget savings as a result of management restructure and on Adult Multi Agency Safeguarding Hub (MASH).
Business support	31	32	1	-	
Carers Support	1,292	1,215	(77)	(49)	
ILS, Telecare & Adaptations	2,788	2,758	(30)	(154)	
Older People Assessment & Care Management	16,845	18,128	1,283	1,538	An overspend is forecast as a result of budget pressures across care purchasing due to increasing demand for support.
Older People Provider Management	4,004	4,036	32	17	
Welfare Rights & Financial Assessment	1,560	1,497	(63)	(71)	
Housing	993	888	(105)	(5)	An underspend is forecast due to achieving efficiencies on employee costs.
Community Recreation	105	139	34	24	
Quality Assurance and Policies	306	180	(126)	(54)	An underspend is forecast on staffing budgets as a result of employee vacancies.
<b>Sub Total Older People</b>	<b>28,556</b>	<b>29,366</b>	<b>810</b>	<b>1,147</b>	

Revenue Budget Monitoring – People

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Disability &amp; Mental Health</b>					
Service Director	96	143	47	55	
Better Care Fund	-	-	-	-	
Children's Disabilities Commissioning	49	40	(9)	(3)	
Disabilities In-House Provision	4,630	5,033	403	362	An overspend is forecast as a result of budget pressures relating to slippage on the budget reduction target across Disabilities In-House Provision.
Emergency Duty Team	456	642	186	82	An overspend is forecast as a result of using agency staff to cover permanent staff absences.
Mental Health Assessment & Care Management	4,476	4,615	139	185	An overspend is forecast due to slippage in the delivery of budget reduction proposals.
Mental Health Commissioning	867	810	(57)	(4)	
Short Breaks	404	476	72	72	
Children With Disabilities	2,351	2,087	(264)	(76)	An underspend is forecast due to a reduction in activity on overnight residential short breaks saving £150,000 and savings of £73,000 on rental costs.
Learning Disabilities Assessment & Care Management	17,668	18,115	447	(25)	An overspend is forecast due to slippage in the delivery of budget reduction proposals within care purchasing.

**Revenue Budget Monitoring – People**

<b>Service</b>	<b>2016/17 Controllable Budget £000</b>	<b>2016/17 Forecast Outturn £000</b>	<b>2016/17 Forecast Variance Q3 £000</b>	<b>2016/17 Forecast Variance Q2 £000</b>	<b>Reason for Variation</b>
Physical Disabilities Assessment & Care Management	5,203	5,013	(190)	(649)	An underspend is forecast due to the early achievement of budget reduction proposals..
All Age Disability & Joint Commissioning Young Adults	1,846	1,763	(83)	(123)	
<b>Sub Total Disability &amp; Mental Health</b>	<b>38,046</b>	<b>38,736</b>	<b>690</b>	<b>(123)</b>	

Revenue Budget Monitoring – People

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Children &amp; Young People</b>					
Service Director	(237)	(214)	23	18	
Early Years	496	533	37	50	
Early Intervention	4,187	3,684	(503)	(392)	An underspend is forecast as a result of one-off savings on employee budgets due to vacancies following the Children's Re-Design Restructure implementation.
Child Protection	6,509	6,712	203	132	An overspend is forecast as a result of budget pressures due to increased Section 17 expenditure of £117,000 and expenditure on no recourse to public funds (NRPF) of £327,000, which is offset partly by efficiencies of £200,000 on the Contact contract.
Children Commissioning	983	902	(81)	(206)	
Specialist Support	2,741	2,231	(510)	(516)	An underspend is forecast as a result of one off savings across the service following the Children's Service Re-Design including £168,000 on staffing, £111,000 on general expenditure and £230,000 against therapeutic commissioned services.

Revenue Budget Monitoring – People

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
Looked-After Children	29,181	28,707	(474)	(632)	An underspend is projected due to the early achievement of the budget reduction target for LAC totalling £2.0 million and one off savings against staffing. However, these are offset in part by increased expenditure on adoption/residence order allowances and inter-agency payments totalling £1.5 million and pressures on Youth Justice Board Remand/Secure expenditure of £123,000.
Psychology	683	516	(167)	(131)	An underspend is forecast due to increased income generation across this service.
Youth Offenders Team	1,236	1,036	(200)	(193)	An underspend is forecast as a result of efficiencies due to staff vacancies.
<b>Sub Total Children &amp; Young People</b>	<b>45,779</b>	<b>44,107</b>	<b>(1,672)</b>	<b>(1,870)</b>	

Revenue Budget Monitoring – People

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Public Health &amp; Wellbeing</b>					
Public Health - Service Director	-	-		-	
Public Health - Support Costs	-	-		-	
Public Health - Healthier Places	-	-		-	
Sport & Leisure Trust	-	-		-	
Public Health - Commissioning	-	-		-	
Public Health - Contracts	-	-		-	
Public Health - Health Protection & NHS Facing	-	-		-	
Public Health - Intelligence & Evidence	-	-		-	
Public Health - Sports Development	-	-		-	
Public Health - Transformation	-	-		-	
Business Continuity & Emergency Planning	-	-		-	
Community Safety	-	-		-	
<b>Sub Total Public Health &amp; Wellbeing</b>	-	-		-	
<b>Total People Directorate</b>	<b>114,554</b>	<b>114,619</b>	<b>65</b>	<b>(570)</b>	

Revenue Budget Monitoring – Corporate

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
Managing Director	196	196	-	-	
Corporate Business Support	1,237	1,022	(215)	(204)	An underspend is forecast due to vacancies held across the service.
<b>Managing Director</b>	<b>1,433</b>	<b>1,218</b>	<b>(215)</b>	<b>(204)</b>	
<b>Corporate Services</b>					
Director of Finance	144	144	-	-	
Audit Services	1,936	1,697	(239)	(199)	An underspend is forecast due to vacancies held across the service.
Corporate Financial Management	4,290	3,627	(663)	(663)	Managed underspend to offset forecast overspends within the Directorate.
Corporate Management	854	997	143	137	An overspend is forecast as there has been an increase in bank charges associated with a shift to card payments and payments made online or over the telephone.
Revenues and Benefits	2,582	2,675	93	22	An overspend is forecast in Revenues and Benefits which will be managed against underspends across the directorate or application of one off grant funding.
Housing Benefits Payments	(452)	(452)	-	5	
Strategic Finance	2,514	2,514	-	-	
The Hub	1,689	1,841	152	219	An overspend is forecast primarily as a result of a reduction in income from schools. The overspend will be managed within the directorate.



Revenue Budget Monitoring – Corporate

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
Commercial Services	608	971	363	377	The forecast overspend within this service has arisen as a result of additional resources required to improve contract efficiency and commercialisation. Contract efficiencies will be obtained across the Council.
Communications and Marketing	1,893	1,655	(238)	(183)	An underspend is forecast due to vacancies held across the service.
Customer Services	1,951	2,284	333	301	The forecast variance is as a result of slower delivery of savings to maintain service levels during an extensive programme of technological improvements. It is important to note that the total savings for 2016/17 are projected to be £500,000.
ICTS	4,460	4,499	39	15	
Organisational Development	81	81	-	-	
Leisure	1,390	1,410	20	-	
<b>Sub Total - Corporate Services</b>	<b>23,940</b>	<b>23,943</b>	<b>3</b>	<b>31</b>	

Revenue Budget Monitoring – Corporate

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Governance</b>					
Director of Governance	158	168	10	10	
Democratic Services	2,204	2,159	(45)	23	
Human Resources	3,003	2,607	(396)	5	An underspend is forecast as a result of lower than anticipated spend against a range of corporate training budgets and vacancies arising as former Transformation Division teams are amalgamated within the service. It is anticipated that training budgets will be fully utilised in future when directorates are provided with further workforce planning support through a restructured service.
Legal Services	2,177	2,231	54	41	
Markets	(856)	(683)	173	126	There is a forecast decrease in Income levels, partly due to temporary charging arrangements extended to Wolverhampton traders.
Licensing	(448)	(448)	-	-	
Other Governance Services	534	593	59	94	
<b>Sub Total - Governance</b>	<b>6,772</b>	<b>6,627</b>	<b>(145)</b>	<b>299</b>	

Revenue Budget Monitoring – Corporate

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Corporate Budgets</b>					
West Midlands Transport Authority Levy	11,380	11,245	(135)	-	A underspend is forecast as a result of the amount of levy charge which has been confirmed as £11.245 million for 2016/17.
Environment Agency Levy	67	70	3	-	
Provision for Bad Debts	200	200	-	-	
Treasury Management Budgets	14,647	13,424	(1,223)	(533)	This underspend is mainly due to reduced forecast borrowing need in year arising as a result of reprofiling in the capital programme.
Contribution from the Budget Contingency Reserve with regards to BSF Re-financing	(4,200)	(4,200)	-	-	
Birmingham Airport - Rent	(69)	(69)	-	-	
Central Provision for Auto-enrolment and Pay Award Costs	4,593	430	(4,163)	(3,017)	A underspend is forecast against the central provision for auto enrolment and pay award costs. It is anticipated that this contingency will not be required in full, however, budget provision is needed in future years. The underspend against this budget will help to offset the cost of redundancy for this year.
Cross-cutting Savings Proposals	(1,286)	(1,286)	-	-	Cross cutting budget reductions held corporately to be distributed during the year in accordance with existing delegations in the Constitution.
Other Corporate /Transformation Budgets and Contingencies	1,560	921	(639)	(1,643)	It is anticipated that this contingency will not be required in full in this year.

Revenue Budget Monitoring – Corporate

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
Gross Redundancy Costs	-	7,000	7,000	7,000	Projected redundancy payments during 2016/17, the costs of which may vary significantly during the year, depending on the profile of employees who take redundancy.
Capital Receipt Flexibility - Redundancy costs	-	(3,050)	(3,050)	(2,751)	In December 2015, the Secretary of State announced that from 1 April 2016 capital receipts may be used for revenue transformational projects. It is currently anticipated that capital receipts totalling £3.1 million will be used to offset reorganisation costs.
<b>Sub Total Corporate Budgets</b>	<b>26,892</b>	<b>24,685</b>	<b>(2,207)</b>	<b>(944)</b>	
<b>Total Corporate</b>	<b>59,037</b>	<b>56,473</b>	<b>(2,564)</b>	<b>(818)</b>	

Revenue Budget Monitoring – Place

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Strategic Director Place</b>	<b>471</b>	<b>471</b>	<b>-</b>	<b>-</b>	
<b>City Economy</b>					
Service Director - City Economy	136	136	-	-	
Adult Education	(145)	(145)	-	-	
City Development	549	555	6	6	
Enterprise	691	677	(14)	8	
Library Services	1,339	1,285	(54)	(20)	
Planning	833	809	(24)	(16)	
Skills	2,208	2,109	(99)	(7)	
Visitor Economy	1,529	1,566	37	(100)	
<b>Sub Total City Economy</b>	<b>7,140</b>	<b>6,992</b>	<b>(148)</b>	<b>(129)</b>	

Revenue Budget Monitoring – Place

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Corporate Landlord</b>					
Head of Corporate Landlord	283	283	-	-	
Asset Management	8,403	8,151	(252)	(198)	An underspend is forecast due to additional savings on NNDR & energy.
Capital programme	(195)	75	270	235	An overspend is forecast due to a change in accounting treatment of capitalised salaries.
Catering	(1,573)	(1,522)	51	36	
Cleaning	995	851	(144)	(131)	An underspend is forecast as a result of additional income generated from schools.
Corporate Landlord Support	489	489	-	-	
Estates and Valuations	(2,663)	(2,904)	(241)	(345)	Additional income is forecast from former HRA shops
Facilities Management	1,075	1,301	226	84	An overspend as a result of increased costs for management of vacant properties which is partly reflected through underspend on energy and NNDR as reported in Asset Management service.
Maintenance Programme	1,832	1,988	156	87	An overspend is forecast on Centralised Repair and Maintenance. Discussions are on-going to try to reduce the forecast overspend.
<b>Sub Total Corporate Landlord</b>	<b>8,646</b>	<b>8,712</b>	<b>66</b>	<b>(232)</b>	

Revenue Budget Monitoring – Place

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Strategic Director Housing</b>					
Housing	1,788	1,620	(168)	(119)	An underspend is forecast due to renegotiated third party payments contract to give a saving. The reduced payments for bed and breakfast due to increased use of council housing stock for temporary accommodation also contributed to the underspend.
<b>Strategic Director Housing</b>	<b>1,788</b>	<b>1,620</b>	<b>(168)</b>	<b>(119)</b>	
<b>City Environment</b>					
Service Director - City Environment	124	140	16	(1)	
Bereavement Services	(2,108)	(2,164)	(56)	(49)	
Environmental Maintenance	6,974	6,924	(50)	5	
Fleet Services	(527)	(517)	10	31	
Highways Maintenance	1,981	2,039	58	199	
Landscape	(24)	(13)	11	46	
Operational Maintenance of Existing Network	991	1,088	97	-	

Revenue Budget Monitoring – Place

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
Parking Services	(2,293)	(2,975)	(682)	(698)	Increased car parking and bus lane enforcement income offset by additional costs has resulted in forecast underspend.
Public Protection	2,085	2,025	(60)	(111)	
Street Lighting	2,795	2,795	-	(2)	
Transportation	645	522	(123)	(166)	An underspend is forecast as a result of reduced employee and computer hardware expenditure and part capitalisation of Black Country Director costs.
Waste & Recycling Services	13,309	14,112	803	683	An overspend is forecast as a result of unachieved savings which have been re-profiled in the updated MTFS.
<b>Sub Total City Environment</b>	<b>23,952</b>	<b>23,976</b>	<b>24</b>	<b>(63)</b>	
<b>Total Place</b>	<b>41,997</b>	<b>41,771</b>	<b>(226)</b>	<b>(543)</b>	



Revenue Budget Monitoring – Education

Service	2016/17 Controllable Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance Q3 £000	2016/17 Forecast Variance Q2 £000	Reason for Variation
<b>Education</b>					
Director of Education	134	212	78	80	
Schools	(2,600)	(1,253)	1,347	-	Sponsored academy conversion deficits are required to be met from General Fund rather than the Dedicated Schools Grant (DSG).
Standards and Vulnerable Pupils	741	817	76	1,363	
School Planning & Resources	3,487	4,030	543	342	An overspend is forecast due to Special Schools Home to School Transport service. A recent service review has identified savings not deliverable in the current year.
<b>Total Education</b>	<b>1,762</b>	<b>3,806</b>	<b>2,044</b>	<b>1,785</b>	

**General Fund Budget Risks 2016/17**

<b>Risk</b>	<b>Description</b>	<b>Level of Risk</b>
Medium Term Forecasting	Risks that might materialise as a result of the impact of non-pay inflation and pay awards, uptake of pension auto enrolment, Equal Pay.	Amber
Budget Management	Risks that might materialise as a result of loss of key personnel or loss of ICTS facilities	Green
Transformation Programme	Risks that might materialise as a result of not identifying budget reductions, not delivering the reductions incorporated into the budget and not having sufficient sums available to fund the upfront and one-off costs associated with delivering budget reductions and downsizing the workforce.	Amber
Income and Funding	Risks that might materialise as a result of income being below budgeted levels, claw back, reduction to government grant or increased levels of bad debts.  The risk of successful appeals against business rates.	Amber
Service Demands	Risks that might materialise as a result of demands for services outstretching the available resources.	Amber
Third Parties	Risks that might materialise as a result of third parties and suppliers ceasing trading or withdrawing from the market.	Amber
Government Policy	Risks that might materialise as a result of changes to Government policy including changes in VAT and personal taxation rules and, in particular, from the Care Bill.	Red

**APPENDIX F**

**General Fund Sundry Debt Write offs to be approved by Cabinet (Resources) Panel**

<b>Account Ref.</b>	<b>Reason for Write-Off</b>	<b>Write off Amount £</b>
16008678	Deceased	5,727.86
16008981	Deceased	7,977.68
16009023	Deceased	8,027.01
16009188	Statute Bared	6,100.22
	<b>Total</b>	<b>27,832.77</b>

**APPENDIX G**

**General Fund Budget Virements**

From		To		£000	Reason for Virement
Directorate	Service	Directorate	Service		
Corporate	ICTS	Corporate	Corporate Business Support	67	Transfer of post between services.
People	Children and Young People	People	Older People	983	Amalgamation of Commissioning Services across People Directorate
People	Older People	People	Older People	630	Amalgamation of Commissioning Services across People Directorate
People	All Age Disability	People	Older People	442	Amalgamation of Commissioning Services across People Directorate
			<b>Total</b>	<b>2,122</b>	

Housing Revenue Account Budget Monitoring

	2016/17 Budget £000	2016/17 Forecast Outturn £000	2016/17 Forecast Variance £000
<b>Income</b>			
Gross rents – dwellings	(92,389)	(93,013)	(624)
Gross rents – non dwellings	(860)	(867)	(7)
Charges to tenants for services and facilities	(5,425)	(5,411)	14
<b>Total income</b>	<b>(98,674)</b>	<b>(99,291)</b>	<b>(617)</b>
<b>Expenditure</b>			
Repairs and maintenance	26,104	26,185	81
Supervision and management	19,135	19,021	(114)
Rents, rates and taxes	435	435	-
Increase in provision for bad debts	2,250	2,250	-
Depreciation of fixed assets	22,171	22,171	-
<b>Total expenditure</b>	<b>70,095</b>	<b>70,062</b>	<b>(33)</b>
<b>Net cost of HRA services</b>	<b>(28,579)</b>	<b>(29,229)</b>	<b>(650)</b>
Interest payable	13,597	11,263	(2,334)
Interest and investment income	(37)	(37)	-
Adjustment for premiums and discounts	(287)	(287)	-
<b>(Surplus)/deficit before transfers to/from reserves and provision for redemption of debt</b>	<b>(15,306)</b>	<b>(18,290)</b>	<b>(2,984)</b>
<b>Allocation of (surplus)/deficit</b>			
Provision for redemption of debt	15,306	18,290	2,984
<b>Balance for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>

**APPENDIX I**

**Rechargeable Repair Accounts over £5,000 for Write Off**

<b>Account Ref</b>	<b>Reason for Write off</b>	<b>Write off Amount £</b>
1054080F	Collection Agent Recommendation	5,470
1057978H	Collection Agent Recommendation	5,656
1060318B	Collection Agent Recommendation	7,226
1060478B	Collection Agent Recommendation	7,210
1063760E	Collection Agent Recommendation	6,483
1072347A	Collection Agent Recommendation	6,663
1079686M	Collection Agent Recommendation	5,182
1082179A	Collection Agent Recommendation	5,455
1084392B	Collection Agent Recommendation	5,912
1094297A	Collection Agent Recommendation	7,159
1057507C	No forwarding address	6,133
1060411A	No forwarding address	8,494
1063442H	No forwarding address	5,920
1076974K	No forwarding address	5,259
1085484C	No forwarding address	11,979
1089412H	No forwarding address	11,473
	<b>Total</b>	<b>111,675</b>

APPENDIX J

Rechargeable Repair Accounts under £5,000 approved for write off by Director of Finance

Reason for Write off	2010/11 £	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	Total £
Collection Agent Recommended	27,812	486,663	75,709	61,421	81,212	8,091	740,908
Deceased	8,161	114,657	11,240	16,265	30,244	1,314	181,881
Residential Care		14,682	2,484	2,447	7,538	487	27,639
Recharge Repairs Prison		27,322	2,556	4,193	5,244	57	39,372
Legal Recommendation		3,458		673	882	1	5,012
Unable to Manage Affairs		9,034	5,851	1,807	4,290	241	21,223
Full and Final Settlement		2,571	1,639	2,352	2,974	1,041	10,578
Uneconomical to Pursue		5,844	729		9,416	1,951	17,939
Early Settlement Discount		1,015		1,145	3,134	813	6,107
No VAT Repair Discount				578	442		1,020
Col Agent VAT		2,374	809		1,742	774	5,700
No Further Action VAT	9,529	158,488	26,529	26,947	27,564	1,388	250,446
Uneconomical to Pursue VAT					869	1,190	2,058
Legal Recommendation VAT					317		317
Full And Final Settlement VAT					178	751	929
NFA VAT					275	137	412
Early Settlement Disc VAT					260	2,495	2,754
Deceased VAT						186	186
Prison VAT						57	57
Unable Manage Own Affairs VAT					393	124	517
Moved to Residential Care VAT						63	63
<b>Total</b>	<b>45,503</b>	<b>826,110</b>	<b>127,545</b>	<b>117,827</b>	<b>176,974</b>	<b>21,160</b>	<b>1,315,119</b>

**Former tenant accounts under £5,000 approved by for write off by Director of Finance**

<b>Reason for recommended write off</b>	<b>£</b>	<b>Cases</b>
Collection Agency recommendation	176,419	209
Deceased – no estate	204,412	377
In Prison (long term)	23,543	26
Legal Recommendation	6,465	27
Senior Citizen – no funds/moved to residential care	15,991	47
Unable to manage own affairs	4,057	16
Uneconomical to pursue	1,253	92
Unable to Trace (NFA)	337,957	301
Unable to Trace (NFA), (previously w/o now being recovered)	(1,530)	4
Reinstated Debts (previously w/o and now being recovered)	(8,223)	18
<b>Net Rent Arrears to be Written Off (all categories)</b>	<b>760,344</b>	<b>1,117</b>



# Cabinet (Resources) Panel

## 28 February 2017

<b>Report title</b>	Quarter Three Treasury Management Activity Monitoring	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Key decision</b>	No	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Mark Taylor, Director of Finance	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Claire Nye Tel Email	Chief Accountant 01902 550478 Claire.Nye@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board Confident, Capable Council Scrutiny Panel	14 February 2017 15 March 2017

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### Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. The contents of this report and in particular that the Council is continuing to operate within the Prudential and Treasury Management Indicators approved by Council, and also within the requirements set out in the Council's approved Treasury Management Policy Statement for 2016/17.
2. Savings of £1.2 million for the General Fund and £2.4 million for the Housing Revenue Account are forecast from treasury management activities in 2016/17.

## **1.0 Purpose**

- 1.1 This report provides a monitoring and progress report on treasury management activity for the third quarter of 2016/17, in line with the Prudential Indicators approved by Council in March 2016.

## **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 2016/17 report which can be accessed online on the Council's website by following the link:

<https://wolverhamptonintranet.moderngov.co.uk/documents/s21176/Treasury%20management%20strategy%20201617.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 2016/17. 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 2016/17 forecast**

- 3.1 The forecast outturn for treasury management activities in 2016/17 compared to budget is shown in Table 1.

**Table 1 – Treasury management budget and forecast outturn 2016/17**

	<b>Approved Budget £000</b>	<b>Forecast Outturn £000</b>	<b>Variance £000</b>
General Fund	14,419	13,196	(1,223)
Housing Revenue Account	13,310	10,862	(2,448)
<b>Total</b>	<b>27,729</b>	<b>24,058</b>	<b>(3,671)</b>

3.2 Savings of £1.2 million for the General Fund and £2.4 million for the HRA are projected for the year 2016/17. This is mainly due to a reduced borrowing need in year because of rephasing in the capital programme; a change in the split of interest between the General Fund and HRA resulting in a reduced proportion to the HRA and an increase in dividends received from Birmingham Airport Holdings. 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 efficiencies wherever possible.

3.3 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 2016.

#### **4.0 Borrowing forecast for 2016/17**

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 2015/16 and forecast for 2016/17.

**Table 2 – Average interest rate payable in 2015/16 and 2016/17**

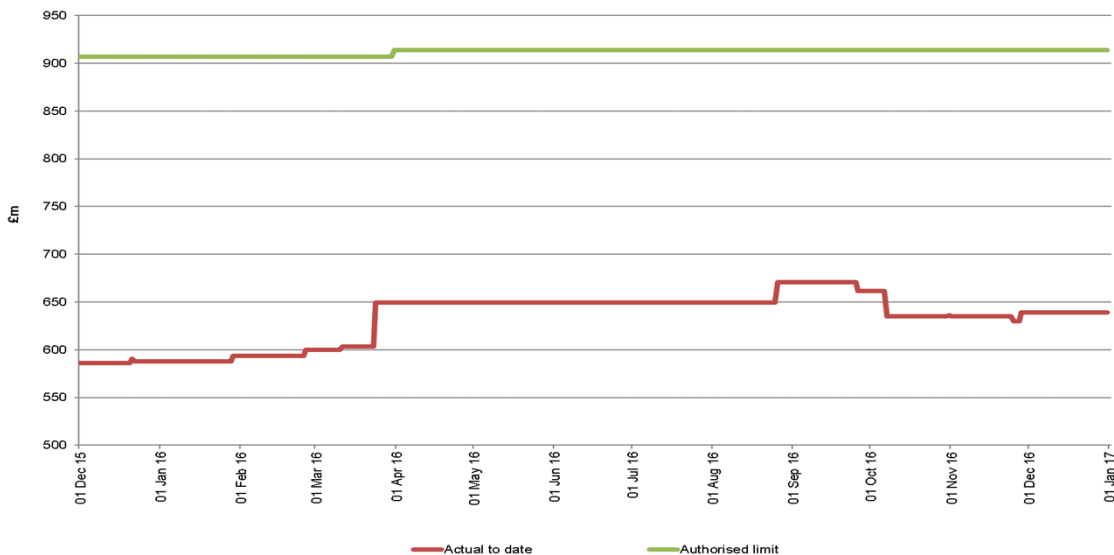
	<b>2015/16 Actual</b>	<b>2016/17 Forecast</b>
Average Interest Rate Payable	3.74%	3.71%

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 As always, the Council needs to be mindful that the opportunity to secure short term savings by postponing longer term borrowing requirements takes into account the risk of long term rates increasing in the future. Appendix C includes the Capita commentary for quarter three 2016/17 and forecasts that interest rates across all periods will increase up to March 2020. 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 31 December 2016 is £638.9 million. Appendix D shows a summary of this position along with a detailed breakdown of new loans and repayments made throughout the year.
- 4.7 In March 2016, Council approved a net borrowing requirement for 2016/17 of £165.7 million. The forecast net borrowing requirement for 2016/17 is £157.3 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 2016/17

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

- 5.2 Table 3 shows the total amount of surplus funds invested as at 30 September 2016 and 31 December 2016.

**Table 3 – Total amounts invested 2016/17**

	<b>30 September 2016</b> <b>£000</b>	<b>31 December 2016</b> <b>£000</b>
Business Reserve Accounts	258	46
Money Market Funds	23,955	9,350
	<b>24,213</b>	<b>9,396</b>
Average cash balance for the year to date	34,244	27,218

- 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 third quarter of the current financial year has moved between a low of £257,000 and a maximum of £23.2 million. The average cash balance for the quarter being £12.6 million.
- 5.5 Table 4 shows the budgeted average rate of interest receivable in 2016/17 and the forecast for the year.

**Table 4 – Average interest rate receivable in 2016/17**

	<b>2016/17 Budget</b>	<b>2016/17 Forecast</b>
Average Interest Rate Receivable	0.50%	0.45%

- 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 three 2016/17 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/09022017/M]

## **7.0 Legal implications**

- 7.1 The Council's Treasury Management activity must be carried out in accordance with the requirements of the Local Government Act 2003. In addition the Local Government and Housing Act 1989 sets out requirements for local authorities in respect of capital controls, borrowing and credit arrangements. The Council is also required to comply with the Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008.
- 7.2 Treasury Management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.
- 7.3 The area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in the Public Services', contains Treasury Management indicators and advice on Treasury Management Strategy. Investment strategy is regulated by 'DCLG Guidance on Local Government Investments' issued initially in 2004 and re-issued in 2010. Part 2 of this Guidance is statutory guidance.  
[TS/08022017/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 2016/17, Report to Cabinet, 24 February 2016

Treasury Management – Annual Report 2015/16 and Activity Monitoring Quarter One 2016/17, Report to Cabinet, 20 July 2016

Revenue Budget Monitoring 2016/17, Report to Cabinet (Resources) Panel, 6 December 2016

Capital Budget Quarter Two Monitoring 2016/17, Report to Cabinet, 30 November 2016

Treasury Management Activity Monitoring – Mid Year Review 2016/17, Report to Cabinet, 30 November 2016

## 13.0 Schedule of appendices

App	Title
A	Prudential and Treasury Management Indicators
B	Maturity rate profile
C	Capita commentary quarter three 2016/17
D	Borrowing type, borrowing and repayments
E	Certainty rate disclosure
F	Lending list

## APPENDIX A

### 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 2 March 2016			As at 31 December 2016		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
General Fund	6.0%	7.6%	14.4%	6.0%	7.7%	12.6%
HRA	35.2%	36.1%	38.0%	33.2%	34.3%	34.9%

#### 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 2 March 2016			As at 31 December 2016		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£	£
<b>Financial year impact</b>						
Implications of the capital programme for year:						
For Band D council tax	97.03	120.34	127.56	88.90	208.46	249.50
For average weekly housing rents	1.42	3.36	3.93	0.99	2.44	5.04
<b>Marginal impact to previous quarter</b>						
Implications of the capital programme for year:						
For Band D council tax	7.98	12.65	14.11	(10.20)	(17.02)	(15.37)
For average weekly housing rents	(0.25)	(0.50)	(0.60)	(0.09)	(1.15)	0.47

#### PI 3 - Estimates and actual capital expenditure.

Full details of capital expenditure plans and funding can be found in the quarter three capital budget monitoring 2016/17 report.

	Approved by Council 2 March 2016			As at 31 December 2016		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000
General Fund	108,733	45,622	13,884	113,768	116,888	49,281
HRA	48,616	52,014	32,269	43,052	47,977	59,158
	157,349	97,636	46,153	156,820	164,865	108,439



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 2 March 2016			As at 31 December 2016		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
General Fund	632,523	646,065	636,114	604,640	683,790	699,787
HRA	293,338	304,899	301,482	278,679	279,825	299,412
	925,861	950,964	937,596	883,319	963,615	999,199

**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 2 March 2016		
	2016/17	2017/18	2018/19
	Limit £000	Limit £000	Limit £000
Borrowing	914,038	913,021	918,009
Other Long Term Liabilities	94,585	92,488	90,005
Total Authorised Limit	1,008,623	1,005,509	1,008,014
Actual and Forecast External Debt as at 31 December 2016	819,680	916,769	973,277
Variance (Under) / Over Authorised limit	(188,943)	(88,740)	(34,737)

**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 2 March 2016		
	2016/17	2017/18	2018/19
	Limit £000	Limit £000	Limit £000
Borrowing	893,284	902,994	915,006
Other Long Term Liabilities	94,585	92,488	90,005
Total Operational Boundary Limit	987,869	995,482	1,005,011
Actual and Forecast External Debt as at 31 December 2016	819,680	916,769	973,277
Variance (Under) / Over Operational Boundary Limit	(168,189)	(78,713)	(31,734)

**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 2 March 2016			As at 31 December 2016		
	2016/17 Forecast £000	2017/18 Forecast £000	2018/19 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000	2018/19 Forecast £000
HRA Debt Limit	356,770	356,770	356,770	356,770	356,770	356,770
HRA Capital Financing Requirement	293,338	304,899	301,482	278,679	279,825	299,412
Headroom	63,432	51,871	55,288	78,091	76,945	57,358

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

**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 2 March 2016			As at 31 December 2016		
	2016/17 Forecast £000	2017/18 Forecast £000	2018/19 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000	2018/19 Forecast £000
Forecast Capital Financing Requirement at end of Second Year	950,963	950,963	950,963	999,199	1,000,692	1,025,180
Gross Debt	829,350	867,363	876,892	819,680	916,769	973,277
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

APPENDIX A

Debt and Treasury Management - Prudential and Treasury Management Indicators

Treasury Management Indicators (TMI)

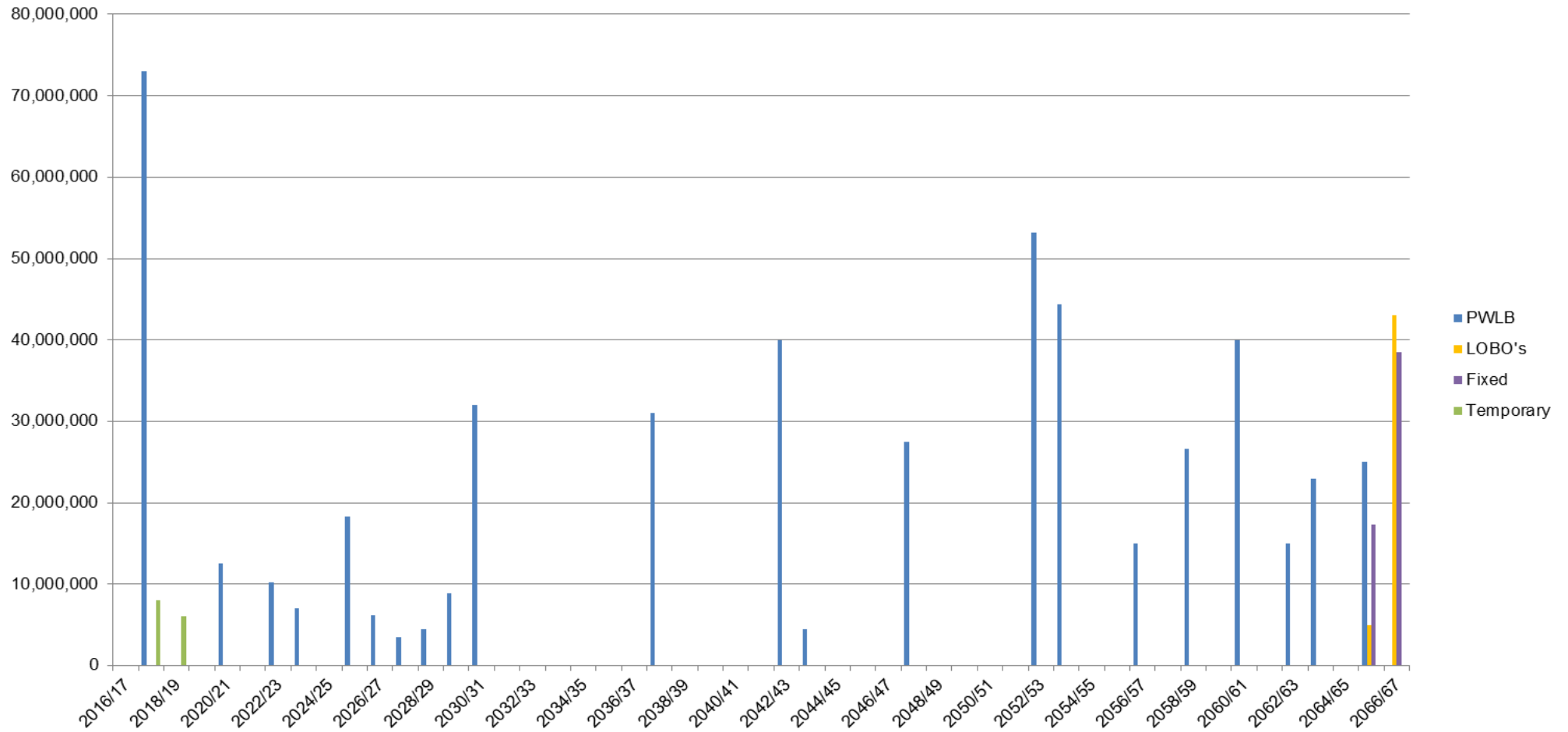
<b>TMI 1 - Upper limits on fixed interest and variable interest exposures.</b>						
These relate to the levels of net outstanding principal sums exposed to fixed and variable interest rates.						
	Approved by Council 2 March 2016			As at 31 December 2016		
	2016/17 Limit	2017/18 Limit	2018/19 Limit	2016/17 Forecast	2017/18 Forecast	2018/19 Forecast
Upper limit for fixed rate	100%	100%	100%	93%	94%	95%
Upper limit for variable rate	20%	20%	20%	7%	6%	5%

<b>TMI 2 - Upper and lower limits to the maturity structure of its borrowing.</b>			
These limits relate to the % of fixed rate debt maturing.			
	Approved by Council 2 March 2016		As at 31 December 2016
	Upper Limit	Lower Limit	2016/17 Forecast Borrowing
Under 12 months	25%	0%	4.58%
12 months and within 24 months	25%	0%	12.25%
24 months and within 5 years	40%	0%	2.73%
5 years and within 10 years	50%	0%	5.64%
10 years and above	90%	50%	74.80%

<b>TMI 3 - Upper limits to the total of principal sums invested longer than 364 days.</b>			
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 2 March 2016		
	2016/17 Limit £000	2017/18 Limit £000	2018/19 Limit £000
Upper limit for more than 364 days	35,000	35,000	35,000
Actual and Forecast Invested at 31 December 2017	-	-	-
Variance (Under) / Over Limit	(35,000)	(35,000)	(35,000)

Borrowing Maturity at 31 December 2016

Page 68



## **Economic Background**

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

### **UK**

UK GDP growth rate in 2013 of 2.2% and 2.9% in 2014 were strong but 2015 was disappointing at 1.8%, though it still remained one of the leading rates among the G7 countries. Growth has been fairly robust at +0.6% q/q, +2.2% y/y in quarter 3 of 2016 to confound the pessimistic forecasts by the Bank of England in August and by other forecasters, which expected to see near zero growth during 2016 after the referendum. Prior to the referendum, the UK economy had been facing headwinds for exporters from the appreciation of sterling against the Euro plus weak growth in the EU, China and emerging markets, and the dampening effect of the Government's continuing austerity programme. The referendum vote for Brexit in June this year delivered an immediate shock fall in confidence indicators and business surveys, pointing to an impending sharp slowdown in the economy. However, there was then a sharp recovery in confidence and business surveys and the fall in the value of sterling has had a positive effect in boosting manufacturing in the UK due to improved competitiveness in world markets.

The Bank of England meeting on 4th August addressed its forecast of a slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%. The Inflation Report cut the forecast for growth in 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market. While the MPC was prepared to cut Bank Rate again by the end of 2016, Carney also warned that the Bank could not do all the heavy lifting and suggested that the Government would need to help growth by increasing investment expenditure and possibly by using fiscal policy tools (taxation). The new Chancellor Phillip Hammond announced after the referendum result, that the target of achieving a budget surplus in 2020 would be eased in the Autumn Statement on November 23 and which he duly delivered.

The robust growth in quarter 3 of +0.6%, plus forward indicating business surveys also being very positive on growth, caused the MPC in November to pull back from another cut in Bank Rate. The November Inflation Report also included a forecast for inflation to rise to around 2.7% in 2018 and 2019, well above its 2% target, due to a sharp rise in the cost of imports as a result of the sharp fall in the value of sterling after the referendum. However, the MPC is expected to look thorough a one off upward blip from this devaluation of sterling in order to support economic growth, especially if pay increases continue to remain subdued and therefore pose little danger of stoking core inflationary price pressures within the UK economy.

### **USA**

The American economy had a patchy 2015 with sharp swings in the growth rate leaving the overall growth for the year at 2.4%. Growth in quarter 1 of 2016 of +0.8% on an annualised basis, and quarter 2 at +1.4%, was disappointing. However, quarter 3 came in very strongly at

## APPENDIX C

+3.5% and forward indicators are pointing towards robust growth in 2017, especially if Trump's expansionary plans are put into effect.

The Fed embarked on its long anticipated first increase in rates at its December 2015 meeting. At that point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, caused a delay in the timing of the second increase of +0.25% until this December's meeting. Three or four further increases are now expected in both 2017 and 2018.

### Eurozone

In the Eurozone, the ECB commenced in March 2015 its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month; this was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December 2015 and March 2016 meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March 2006 meeting, it also increased its monthly asset purchases to €80bn. In December 2016, it extended its QE programme; monthly purchases at €80bn will continue to March 2017 and then continue at €60bn until December 2017. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise from around zero towards the target of 2%. GDP growth rose by 0.6% in quarter 3 2016 (1.7% y/y) but forward surveys are, at last, positive about a modest upturn to growth while inflation has also started to increase significantly. There have been many comments from forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand in the their economies and economic growth.

### Interest rate forecasts

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

	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Bank rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
5yr PWLB rate	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
10yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
25yr PWLB rate	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
50yr PWLB rate	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%

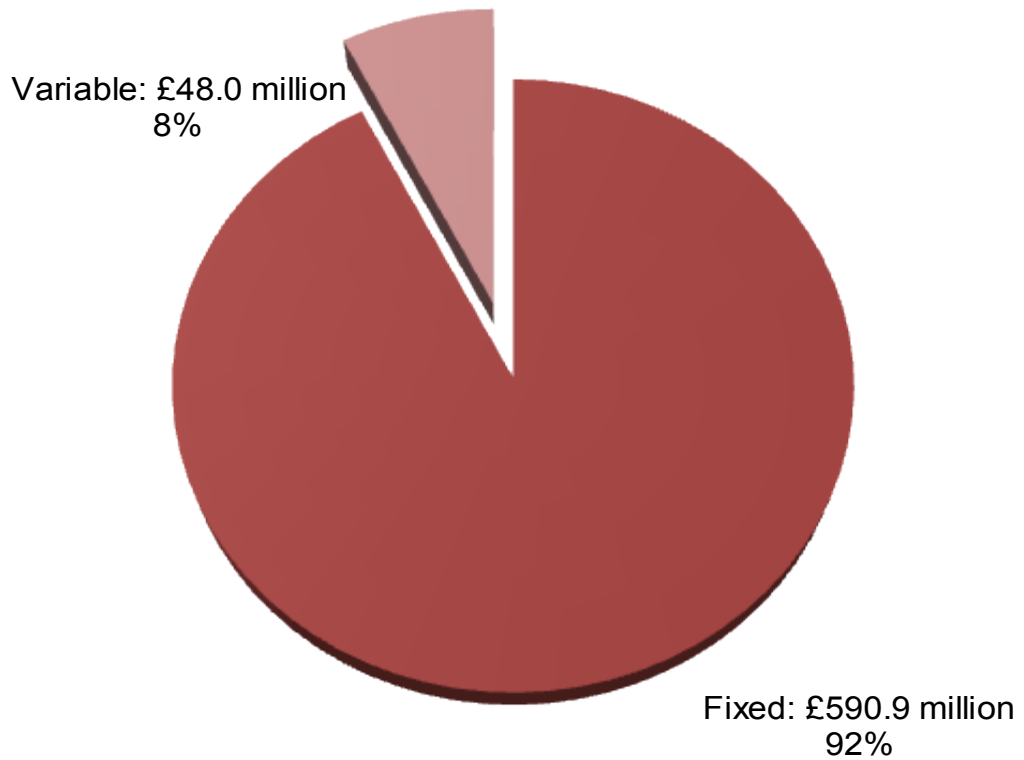
The Monetary Policy Committee, (MPC), cut Bank Rate from 0.50% to 0.25% on 4th August in order to counteract what it forecast was going to be a sharp slowdown in growth in the second

## APPENDIX C

half of 2016. It also gave a strong steer that it was likely to cut Bank Rate again by the end of the year. However, economic data since August has indicated much stronger growth in the second half 2016 than that forecast; also, inflation forecasts have risen substantially as a result of a continuation of the sharp fall in the value of sterling after early August. Consequently, Bank Rate was not cut again in November or December and, on current trends, it now appears unlikely that there will be another cut, although that cannot be completely ruled out if there was a significant dip downwards in economic growth. During the two-year period 2017 – 2019, when the UK is negotiating the terms for withdrawal from the EU, it is likely that the MPC will do nothing to dampen growth prospects, (i.e. by raising Bank Rate), which will already be adversely impacted by the uncertainties of what form Brexit will eventually take. Accordingly, a first increase to 0.50% is not tentatively pencilled in, as in the table above, until quarter 2 2019, after those negotiations have been concluded, (though the period for negotiations could be extended). However, if strong domestically generated inflation, (e.g. from wage increases within the UK), were to emerge, then the pace and timing of increases in Bank Rate could be brought forward.

**Borrowing: Graphical Summary**

**As at 31 December 2016**  
**Borrowing by Type**





APPENDIX D

Borrowing and Repayments in 2016/17

	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £
<b>2016/17 Borrowing</b>						
<b>PWLB Fixed Maturity:</b>				<b>years</b>		
505322	26/08/2016	20/08/2060	40,000	44	1.90%	760,000
505514	28/11/2016	28/11/2062	15,000	46	2.63%	394,500
505615	19/12/2016	19/12/2056	15,000	40	2.73%	409,500
<b>Sub total for PWLB</b>			<b>70,000</b>		<b>2.42%</b>	<b>1,564,000</b>
<b>Temporary Loans:</b>						
				<b>days</b>		
Rhondda Cynon Taff Pension Fund	31/10/2016	01/11/2016	1,000	1	0.34%	3,400
<b>Sub total for temporary loans</b>			<b>1,000</b>		<b>0.34%</b>	<b>3,400</b>
<b>Grand total borrowing</b>			<b>71,000</b>			<b>1,567,400</b>
<b>2016/17 Repayments</b>						
<b>PWLB Fixed Maturity:</b>				<b>years</b>		
498079	08/10/2010	07/10/2016	26,605	6	2.22%	590,631
<b>Sub total for PWLB</b>			<b>26,605</b>		<b>2.22%</b>	<b>590,631</b>
<b>Temporary Loans:</b>						
				<b>days</b>		
Bristol City Council	28/08/2015	26/08/2016	14,000	364	0.60%	84,000
Bristol City Council	28/08/2015	26/08/2016	3,000	364	0.60%	18,000
Wokingham Borough Council	28/08/2015	26/08/2016	2,000	364	0.58%	11,600
London Borough of Hillingdon	28/09/2015	26/09/2016	7,000	364	0.60%	42,000
Solihull MBC	28/09/2015	26/09/2016	2,000	364	0.60%	12,000
Rhondda Cynon Taff Pension Fund	31/10/2016	01/11/2016	1,000	1	0.34%	3,400
Solihull MBC	27/11/2015	25/11/2016	2,000	364	0.65%	13,000
Derbyshire County Council	27/11/2015	25/11/2016	3,000	364	0.67%	20,100
Bristol City Council	30/11/2015	28/11/2016	6,000	364	0.65%	39,000
Milton Keynes Borough Council	21/12/2015	19/12/2016	10,000	364	0.64%	64,000
West Sussex County Council	21/12/2015	19/12/2016	4,000	364	0.70%	28,000
Bath & North East Somerset DC	21/12/2015	19/12/2016	1,000	364	0.64%	6,400
<b>Sub total for temporary loans</b>			<b>55,000</b>		<b>0.61%</b>	<b>341,500</b>
<b>Grand total repayments</b>			<b>81,605</b>			<b>932,131</b>
<b>Net movement</b>			<b>(10,605)</b>			<b>635,269</b>

Disclosure for Certainty Rate

<b>Certainty Rate</b>						
This table details the information that is required to enable the Council to submit a return for 2016/17.						
	Approved by Council 2 March 2016			As at 31 December 2016		
	2016/17 Forecast £000	2017/18 Forecast £000	2018/19 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000	2018/19 Forecast £000
<b>Net Borrowing Requirement:</b>						
Borrowing to finance approved capital expenditure	83,018	40,110	12,012	72,145	100,481	60,329
Total new borrowing	83,018	40,110	12,012	72,145	100,481	60,329
Existing maturity loans to be replaced during the year	97,605	134,000	50,000	103,605	132,000	31,537
Less:						
Minimum Revenue Provision for debt repayment	-	-	(12,315)	-	-	(8,182)
Voluntary Debt Repayment	(14,882)	(12,910)	(10,582)	(18,434)	(16,793)	(12,741)
	(14,882)	(12,910)	(22,897)	(18,434)	(16,793)	(20,923)
Loans Replaced Less Debt Repayment	82,723	121,090	27,103	85,171	115,207	10,614
<b>Net Advance Requirement</b>	<b>165,741</b>	<b>161,200</b>	<b>39,115</b>	<b>157,316</b>	<b>215,688</b>	<b>70,943</b>

City of Wolverhampton Council  
2016/17 Specified Investments Lending List as at 31 December 2016

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 Rabobank U.A.	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
National Bank of Abu Dhabi	Abu Dhabi (U.A.E) (AA)	5,000	3 mths
Nordea Bank AB	Sweden (AAA)	10,000	6 mths
Nordea Bank Finland plc	Finland (AA+)	10,000	6 mths
Oversea Chinese Banking Corporation Ltd	Singapore (AAA)	10,000	6 mths
Qatar National Bank	Qatar (AA)	5,000	3 mths
Royal Bank of Canada	Canada (AAA)	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)	20,000	12 mths
Westpac Banking Corporation	Australia (AAA)	10,000	6 mths
<b>Nationalised Banks</b>			
<b>Royal Bank of Scotland Group plc</b>			
National Westminster Bank plc	UK (AA)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA)	10,000	3 mths
<b>Money Market Funds</b>		<b>Fund Rating</b>	
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.

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# Cabinet (Resources) Panel

## 28 February 2017

<b>Report title</b>	Arterial Routes – Achieving a consistent approach to their maintenance and development	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Steve Evans City Environment	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Ross Cook, City Environment	
<b>Originating service</b>	Highways Network	
<b>Accountable employee(s)</b>	Bob Willis Tel Email	Head of Highways Network 01902 555790 bob.willis@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Keep the City Moving Board Place Leadership Team Strategic Executive Board Leader's Briefing	5 October 2016 9 January 2017 14 February 2017 3 October 2016

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

The Cabinet (Resources) Panel is recommended to:

1. Approve the arterial routes highway enhancement work programme to a value of £2.0 million over a two year period from 2017/18 to 2018/19 to enhance the status of the city and improve the streetscape.
2. Authorise the Cabinet Member for City Environment, in consultation with the Service Director City Environment, to approve through an Individual Executive Decision Notice (IEDN) the detailed programme of works for each route.

## **1.0 Purpose**

- 2.1 To seek approval to implement a programme of highway enhancement works regarding development and maintenance on the Key Route Network (KRN) and other associated routes of high traffic volume to improve the streetscape and status of the city.

## **2.0 Background**

- 2.1 As part of the work that has taken place in the development of the West Midlands Combined Authority a KRN has been approved across the West Midlands conurbation as per appendix A - page 1.
- 2.2 The KRN within Wolverhampton covers the main arterial routes to and from the city, together with the Ring Road and the Black Country Route. These routes carry the highest volumes of traffic, as of 2016 were carrying in the order of 223,000 vehicles per day over approximately 78 km.
- 2.3 The routes vary between single and dual carriageway roads and are the main routes that Wolverhampton has to the wider region including the strategically important connections to the M54 junction 2 on the A449 Stafford Road, M6 junction 10 on the A454 Willenhall Road and Birmingham on the A4123 Birmingham New Road.
- 2.4 It is considered a priority that these routes which provide the gateway to the city are maintained to a high standard and whilst the routes have been improved over a number of years, it is clear that a scheme that delivers a consistent approach to their on-going development and maintenance is required if the Council is to achieve the high standards it aspires to.

## **3.0 Outcomes**

- 3.1 It is proposed that each of the arterial routes as shown in the appendix A page 1 is reviewed and a programme of works developed to renew, repair or remove items of street furniture and associated infrastructure.
- 3.2 The review will assess the following items:
- Carriageway and footway surfaces
  - Road marking
  - Road signs (directional and regulatory) illuminated and non-illuminated (including brown tourists signs)
  - Street name plates
  - Street lighting
  - Condition of traffic signals and pedestrian crossings
  - Guard rail, barriers and bollards
  - Cleanliness (litter, graffiti etc.)
  - Trees, vegetation, verges and planters
  - General street furniture such as litter bins and seating
  - Gully maintenance

3.3 A number of tasks can be considered as quick wins such as refreshing road markings and removing vegetation. One specific challenge is guardrail. In order to get a clear picture regarding the suitability and requirements for guardrail on each route it is necessary for a safety audit to be carried out to provide guidance on the sections of guardrail that can be removed or replaced. The roads where this is a particular issue are the dual carriageways of the A449 Stafford Road, A454 Willenhall Road, A4123 Birmingham Road and A4150 Ring Road.

3.4 In order to manage the guardrail and associated planters it is proposed that a Project Manager is provided by our current Transportation consultant to deliver this element of the scheme.

3.5 The routes have been prioritised as shown below although it should be noted that a number of these tasks can be carried out on more than one route simultaneously:

Route name	Type
A449 Stafford Road	Dual carriageway
A454 Middle Cross / Horseley Fields / Lower Horseley Fields / Willenhall Road	Single/dual carriageway
A4150 Ring Road	Dual carriageway
A4123 Birmingham Road, Thompson Avenue, Birmingham New Road	Single/dual carriageway
A454 Compton Road / Compton Road West / Bridgnorth Road	Single carriageway
A41 Chapel Ash / Tettenhall Road / The Rock / Wergs Road	Single/dual carriageway
A449 Penn Road	Single/dual carriageway
A459 Dudley Road / Wolverhampton Road East	Single carriageway
A460 Cannock Road	Single carriageway
A4124 Wednesfield Road / Wolverhampton Road / Wednesfield Way / Lakefield Road / Lichfield Road	Single/dual carriageway
A41 Bilston Road / Wellington Road / Lichfield Street / Oxford Street	Single/dual carriageway
A463 Black Country Route / Shaw Road	Dual carriageway
Not on KRN:	
City Centre	Single carriageway
A4039 Goldthorn Hill / Parkfield Road / Millfields Road	Single carriageway
A4126 Spring Road / Etingshall Road / Rookery Road	Single carriageway

3.6 The second phase of the proposals would be to carry out a similar review of the local distributor routes in Wolverhampton as shown in the table below:

Route name	Type
Amos Lane / Long Knowle Lane	Single carriageway
Birches Barn Road / Broad Lane / Stubbs Road, Rookery Lane	
Blackhalve Lane	
Bushbury Lane / Elston Hall Lane / Three Tuns Lane	
Bushbury Road	
Coalway Road / Langley Road	

Codsall Road / Lower Street / Henwood Road	
Deans Road / Stowheath Lane	
Finchfield Road / Castlecroft Road / Finchfield Hill / Windmill Lane	
Highfields Road / Salop Street / Loxdale Street	
Hordern Road	
Lea Road	
Moseley Road / Neachells Lane	
Mount Pleasant / Willenhall Road	
Newhampton Road East / West	
Oxley Moor Road / Aldersley Road	
Prestwood Road / Prestwood Road west / Thorneycroft Lane / Victoria Road	
Trysull Road / Bradmore Road / Merridale Road / Bath Road	
Waddens Brook Lane	
Warstones Road / Oxbarn Avenue	
Waterloo Road	
Wobaston Road / Barnhurst Lane / The Droveway	
Wolverhampton Road, Rookery Street, Lichfield Road	
Wolverhampton Street	

- 3.7 The scheme compliments the recently approved 'New boundary signs to boost city pride and generate income' Cabinet (Resources) Panel report on 6 December 2016, improvements to way finding in the city centre and the annual programme of works supported by the Transportation Capital programme.
- 3.8 This scheme will also address the issues that have been identified with the consistency of the signing of tourist attractions for example the Wolverhampton Wanderers Stadium is variously signed as Molineux, Molineux Centre and Molineux Stadium. As part of the improvements to directional signage there will be a comprehensive review and updating of the tourist signs.
- 3.9 As part of the updating of the tourist signs it is proposed that there will be a gateway tourist sign on each of the main routes into the city which complements the new boundary signs.
- 3.10 The proposed criterion for an attraction to be included on the gateway tourist sign is that it must have at least 100,000 visitors per annum. The attractions meeting this criterion are: Art Gallery, Civic and Wulfrun Halls, Grand Theatre, Molineux Stadium, Monmore Green Stadium, Wolverhampton Racecourse and WV Active. Less well visited attractions such as Wightwick Manor will be signed but will not appear on the gateway sign. The Department for Transport guidance for this type of sign limits each sign to a maximum of five attractions; as a consequence not all of the attractions meeting the criteria will appear on every gateway sign.
- 3.11 It is anticipated that the majority of the works on phase one will be completed during the first year (2017/18), but due to the complexities regarding the guardrail it is expected this will not be completed until 2018/19 financial year as will phase two of the project.



#### **4.0 Financial implications**

- 4.1 The scheme development works detailed in this report are estimated to cost in the region of £2.0 million over a two year period from 2017/18 to 2018/19.
- 4.2 The approved capital programme for transportation includes a total budget allocation in the region of £8.0 million for 2017/18. The Key Route Network schemes will be accommodated from within this total budget allocation and will be reflected in the capital programme accordingly as the detailed programme of works for each route is progressed.  
[TT/05022017/B]

#### **5.0 Legal implications**

- 5.1 The Traffic Management Act 2004 places a duty on local authorities to ensure that traffic moves freely and quickly on their roads and provides a framework for them to manage parking policies, co-ordinate street works and enforce moving traffic offences.  
[RB15022017/J]

#### **6.0 Equalities implications**

- 6.1 There are no equality implications arising from this report.

#### **7.0 Environmental implications**

- 7.1 Improve the aesthetic appearance of the KRN streetscape.

#### **8.0 Human Resources implications**

- 8.1 There are no Human Resources implications arising from this report.

#### **9.0 Corporate Landlord implications**

- 9.1 There are no Corporate Landlord implications arising from this report.

#### **10.0 Schedule of background papers**

- 10.1 City Centre Highway Enhancement Works 2016/17 - Cabinet Resources Panel 20.07.16.
- 10.2 New boundary signs to boost city pride and generate income - Cabinet Resources Panel 06.12.16.
- 10.3 Transportation Capital Programme – 2016/17 and future years – Cabinet 20.04.16

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# Arterial Routes – Achieving a consistent approach to their maintenance and development

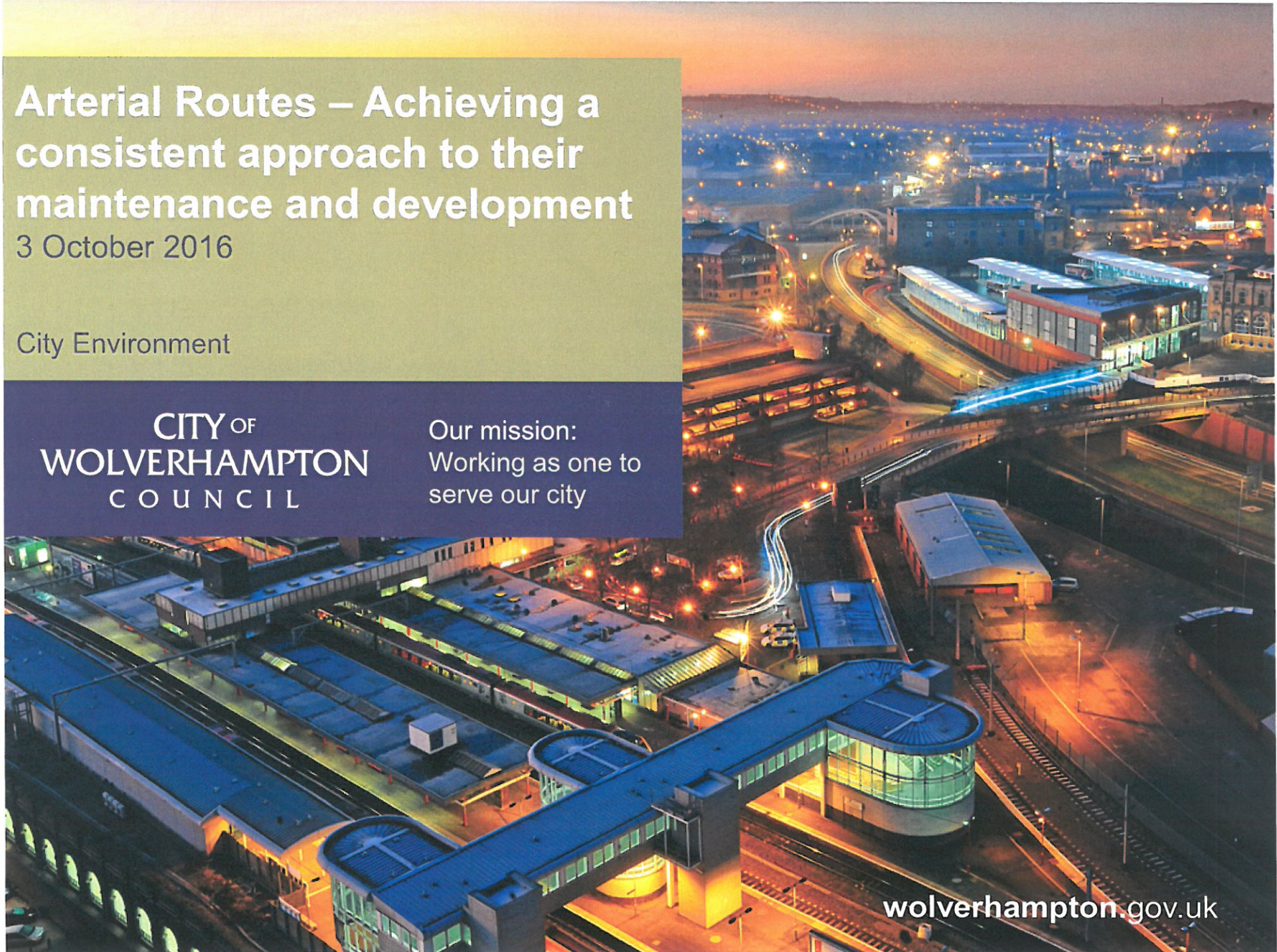
3 October 2016

City Environment

CITY OF  
WOLVERHAMPTON  
COUNCIL

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Working as one to  
serve our city

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# Key Route Network

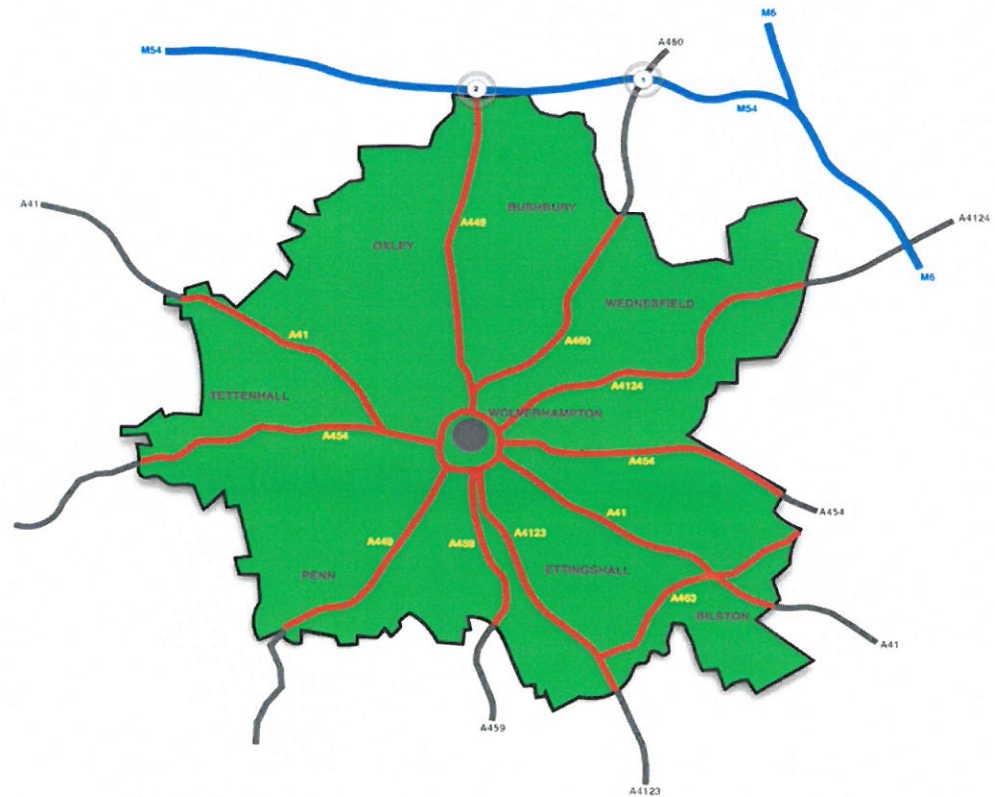
The Key Route Network (KRN) was developed from the arterial routes and identifies the strategically important routes for business and commuting within Wolverhampton. It has been highlighted that due to the inconsistencies in the maintenance and development of this critical network, improvements are needed to achieve a more consistent approach.

## Main Arterial Routes

- A449 – Stafford Road
- A454 – Willenhall Road
- A4123 – Birmingham New Road
- A4150 – Ring Road

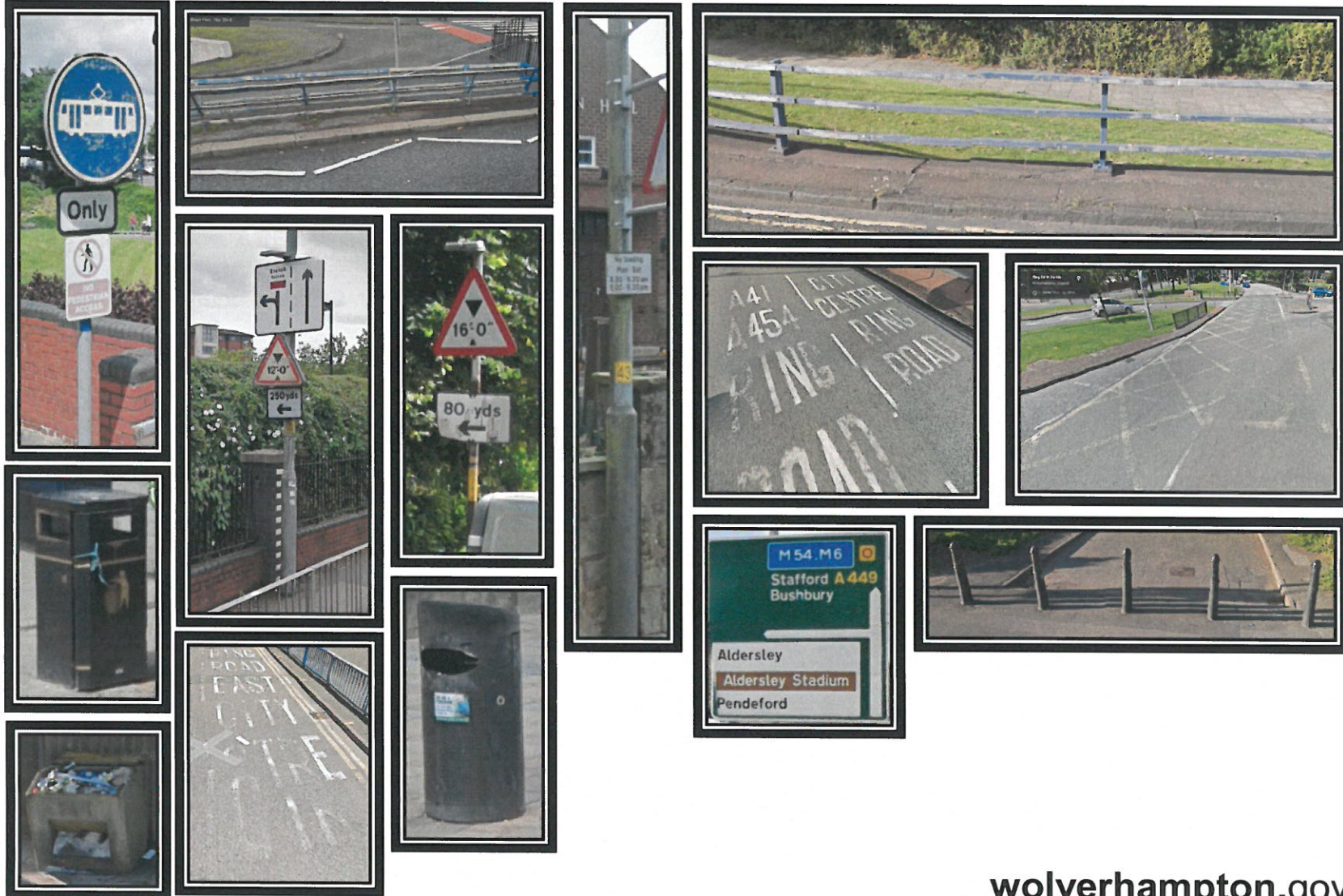
## Other Arterial Routes

- A41
- A449
- A454
- A459
- A460
- A463
- A4124



# Current issues

Page 85



# Achieving a consistent approach (1)

- Faded road markings
  - Repaint faded markings on all arterial routes
- Guard rail
  - Safety audit of guard rail
  - Remove, replace or repaint
- Signs – Directional signage, regulatory signage, street name plates
  - Identify worn out, obsolete and signs with incorrect information for replacement programme
  - Co-ordinate sign cleaning operations
- Greenery – Vegetation, trees, grassed areas, planters etc.
  - Cut back\remove overgrown vegetation, remove redundant planters and repair verges
  - Plant additional trees
- Street lighting columns and luminaires
  - Clean and repaint as necessary
- Traffic signals and pedestrian crossings
  - Clean, repaint and carry out minor repairs

# Achieving a consistent approach (2)

- Bollards – Protective
  - Remove, repair, replace or repaint bollards
- Bollards – Regulatory
  - Remove illuminated bollards and replace with non illuminated - ongoing programme

## Annual Maintenance

- Carriageway and footway resurfacing
  - Annual programme of schemes – review programme for 2017\18

## Regular maintenance

- Street cleansing – Mechanically swept, fortnightly
- Clean \ Litter – Manual, fortnightly
- Grass cutting – Monthly
- Bins emptied – Weekly
- Gulley emptying – Annual, more frequent in sensitive locations
- Sign cleaning – Six monthly, more frequent in heavily trafficked areas (e.g. BCR, Willenhall Road)

# What should we be aiming for?

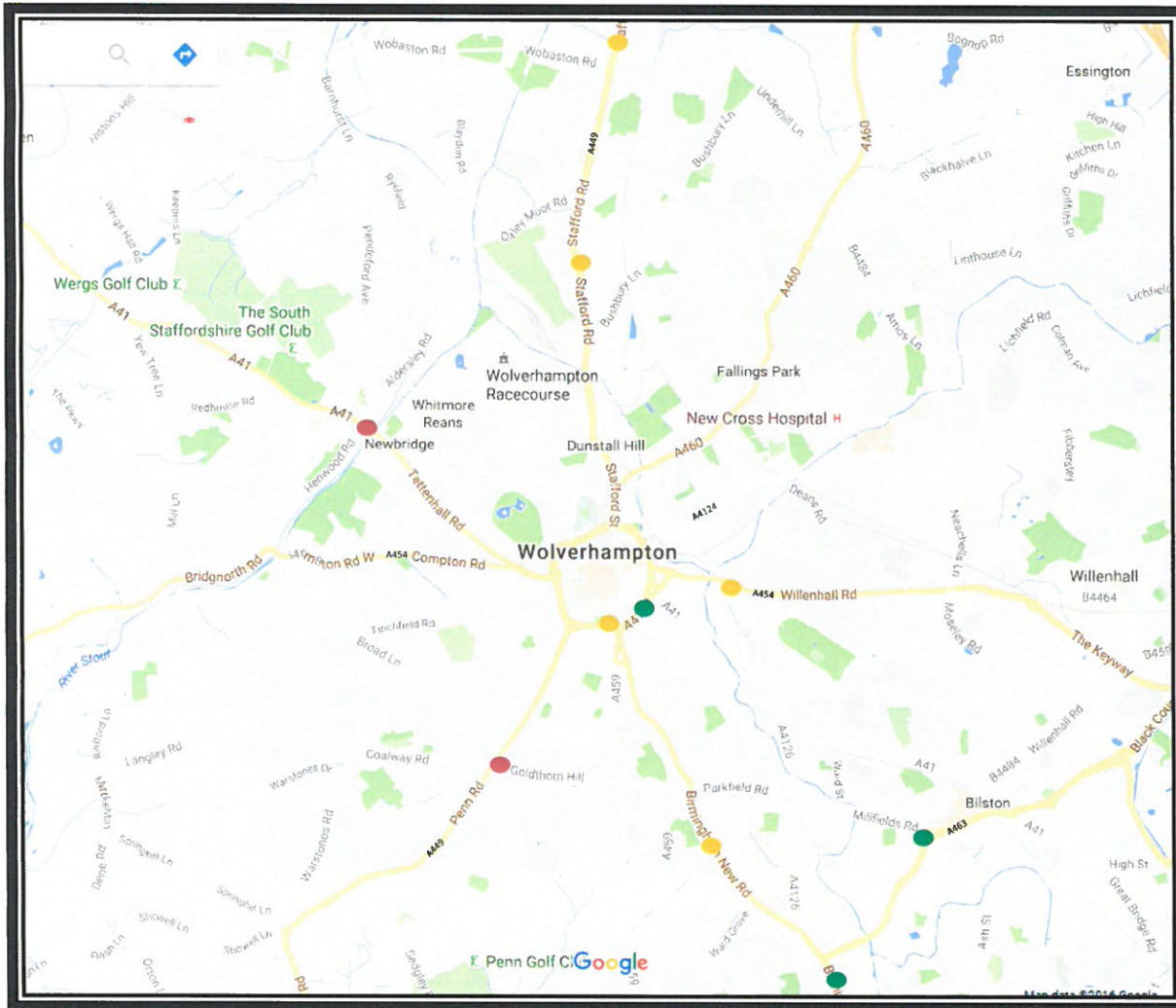


Page 88





# Capital improvement schemes



## Key

- Current schemes
- Schemes ready to go or partly funded
- No current scheme

# Current and future schemes

LOCATION	SCHEME	START	FINISH	
A463 Black Country Route	Coseley Rd roundabout improvement	Feb 2016	Nov 2016	G
A4123 Birmingham New Road	Shaw Road junction improvement	Aug 2016	May 2017	G
A4150 Ring Road	Cycle routes	Aug 2016	Jan 2017	G
A449 Stafford Rd	Widening M54 J2 to Springfield Lane	April 2017	Sept 2018	A
A4150 Ring Road St John's	Widening to three lanes	June 2017	Oct 2017	A
A449 Stafford Road	Corridor approach. Feasibility/modelling underway. Possible junction improvements. Parking restrictions?	2018	2026	A
A454 Willenhall Road	Corridor approach. Feasibility/modelling underway. Possible gyratory, dualling, Neachells Lane junction improvement.	2017	2022	A
A4123 Birmingham New Road	Corridor approach. Junction improvements/right turn movements. Cycle route design underway.	2017	2022	A
A41 Tettenhall Road	Junction improvement, The Rock	TBA	TBA	R
A449 Penn Road	Widen to dual carriageway	TBA	TBA	R

# Cabinet (Resources) Panel

## 28 February 2017

<b>Report title</b>	Police and Crime Commissioner Community Safety Allocation 2017/18	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Paul Sweet Public Health and Well Being	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Linda Sanders, Strategic Director People Ros Jervis, Director of Public Health	
<b>Originating service</b>	Community Safety	
<b>Accountable employee(s)</b>	Karen Samuels	Head of Community Safety
	Tel	01902 551341
	Email	Karen.samuels@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board	14 February 2017

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

The Cabinet (Resources) Panel is recommended to:

1. Approve delegation of the Police Grant Community Fund 2017/18 allocation from the Police and Crime Commissioner (PCC) to Safer Wolverhampton Partnership (SWP) for the purposes of delivering against the city's Community Safety and Harm Reduction Strategy 2017-20.

## 1.0 Purpose

- i) To seek delegation of the Police Grant Community Fund allocation 2017/18 from the Police and Crime Commissioner (PCC) to Safer Wolverhampton Partnership (SWP) in line with grant conditions, to aid delivery of agreed City-wide crime and community safety objectives. Allocation of the grant for 2017/18 is subject to PCC approval of a fully costed programme of delivery, the details of which are outlined in this report.
- ii) To note PCC proposals for development of a West Midlands Community Safety Partnership (CSP) which will oversee decisions on future spend from the PCC grant from 2018/19 onwards.

## 2.0 Background

- 2.1 The PCC makes an annual allocation of grant to the seven Community Safety Partnerships within the West Midlands metropolitan area to support delivery of their strategic plans. SWP approved the City's refreshed Community Safety & Harm Reduction Strategy 2017-20 at its meeting on 3 February 2017.
- 2.2 The following strategic priorities feature within the strategy:

Strategic Priority	Outcomes
Reducing Reoffending	<ul style="list-style-type: none"> <li>➤ Reduced adult and youth re-offending</li> <li>➤ Improved use of tools and powers to effectively manage offenders</li> <li>➤ Development of a risk-based, stepped model for high volume offenders</li> <li>➤ Improved use of pathways to change offender attitudes and behaviours</li> <li>➤ Earlier identification of young people in need of support</li> </ul>
Violence Prevention	<ul style="list-style-type: none"> <li>➤ Improved understanding of risk to prevent offending and harm</li> <li>➤ Improved use of tools and powers</li> <li>➤ Increased confidence in reporting</li> <li>➤ Reduced prevalence of violent crime</li> <li>➤ More effective management of threat and risk</li> </ul>
Reducing Victimisation	<ul style="list-style-type: none"> <li>➤ Increased reporting of under-reported crime</li> <li>➤ Reduced victimisation by adopting a whole family approach</li> <li>➤ Improved prevention interventions</li> <li>➤ Earlier identification of individuals at risk</li> <li>➤ Strengthened community response</li> </ul>

- 2.3 There is an expectation that the costed programme for 2017-18 should also be aligned to PCC priorities detailed in the West Midlands Strategic Police & Crime Plan. The key features of the draft plan as they currently stand are summarised below:

- **Protecting from harm**  
Working with partners to reduce harm through intervening and protecting
- **Supporting victims of crime**  
Supporting victims so they can cope and recover from the impact of crime
- **Building trust and confidence in our police**  
How West Midlands Police will ensure that the public has faith in the work it does on their behalf
- **Strengthening communities and growing the economy**  
Supporting communities through local policing, encouraging people to become more active citizens and the key role that policing has to play in the economy
- **Building a modern police service**  
How West Midlands Police will respond to the financial challenges we face and the plans in place to make sure we have a modern and effective workforce
- **Standing up for young people**  
Giving young people the opportunities they need to contribute to society
- **Tackling national and international threats**  
Working with partners to deliver the Strategic Policing Requirement, including an increased response to the threat of cyber crime

2.4 There is sufficient alignment within the 2016/17 costed programme to fit within the PCC's strategic plan.

### **3.0 Funding Availability**

3.1 The PCC applied a 25% reduction in grant allocations across the seven West Midlands Local authority areas from 2016-17, reducing Wolverhampton's allocation to £369,000 which will be received for 2017-18. Increasingly, during the current financial year, delivery has focussed mainly on shaping mainstream resources and a combination of available funding streams. During 2016/17 the budget for delivery against the costed plan was comprised of PCC funding and Council resources. It is anticipated that during 2017-18, this focus should continue and relationships strengthened between other City-wide forums to identify opportunities for joint commissioning, both across partners operating within the city and with the Community Safety Partnerships (CSPs) covering the six other areas which make up the West Midlands metropolitan area.

### **4.0 Proposals to Develop a West Midlands CSP**

4.1 At the PCC's Partnership Summit on 25 November 2016, the PCC's Office outlined proposals to establish a West Midlands CSP which would oversee all commissioning decisions regarding the use of the grant currently devolved to local areas from 2018 onwards. Further details on the proposals have not yet been communicated, although it is expected that they will be subject to consultation over the coming months.

4.2 A key driver for the proposals was a suggestion that greater efficiencies could be identified by taking a West Midlands view across all areas and that more systematic capture of impact against spend could be introduced through a changed model. The PCC's Office has confirmed that they are completely satisfied with the quality and

promptness of quarterly performance returns from Wolverhampton, however, as this is not reflective of all areas, a whole-scale change across all seven areas will be introduced in response.

## **5.0 Proposed 2017-18 Delivery Against Strategic Priorities**

- 5.1 The costed plan for 2016-17 has been delivered in line with spend proposals for the year, however, a small underspend is currently forecast totalling £38,000 arising from savings relating to domestic homicide reviews, recruitment and retention of posts. An approach is to be made to the PCC for permission to carry this forecasted underspend forward to support delivery into 2017-18.
- 5.2 The costed plan, detailed at **Appendix A** is attached and follows the refreshed SWP strategic priorities of Reducing Reoffending, Violence Prevention and Reducing Victimization which reflects both the change in SWP strategic priorities and reduced resource availability as well as the ongoing organisational change across agencies.
- 5.3 As the new strategic priorities set by SWP Board are fairly broad, a more detailed delivery plan will be produced each year, to provide clarity on the particular areas of delivery which will be progressed under each priority. The delivery plan will be informed by the annual strategic assessment. Using this approach, the strategy remains relevant to new and emerging local issues and introduces a degree of flexibility over the three year period to enable SWP to respond. The delivery priorities for 2017-18 are outlined below:

## **5.5 Reducing Reoffending**

- 5.5.1 The well-established model of Integrated Offender Management is considered as 'business as usual', however in order to support the move towards prevention and earlier intervention within youth offending and to support the case management structures in both youth and adults settings, the following delivery is proposed:
- Development and implementation of a reducing reoffending strategy.
  - Continuation of the Youth Inclusion Support Panel delivered through YOT.
  - Provision of p/t administrative support for the youth and adult IOM case management structures.
  - Implementation of the Health and Justice Pathways pilot to increase the use of mental health treatment orders within offender management.

## **5.6 Violence Prevention**

- 5.6.1 SWP has made a commitment to tackling youth and interpersonal violence with the recent development of strategies to address gangs/youth violence prevention and

violence against women and girls. To support delivery of both these areas, the following delivery is proposed:

- Continue implementation of youth violence and VAWG strategies.
- Specialist commissioning of VAWG services; maximising opportunities to draw in external funds in support.
- Support local implementation of the West Midlands DV Perpetrator Programme, funded by the PCC.
- Delivery of targeted community based interventions to engage and build resilience of young people as part of the gangs/youth violence agenda.
- Specialist commissioning of critical incident call outs using deployment of trained community mediators aimed at diffusing tensions and preventing escalation of violence following a critical incident.

## **5.7 Reducing Victimisation**

5.7.1 Recognising the need to continue to increase the confidence of victims to report crimes, the commitment made to raise awareness of vulnerabilities within communities, and reduce repeat victimisation, the following areas of delivery are proposed:

- Support efforts to develop a sustainable model for businesses to report crimes and reduce their vulnerability through continuation of the Business Crime Coordinator role and implementation of the Wolverhampton Business Crime Reduction action plan.
- Implementation of the Hate Crime action plan and extend use of third party reporting centres across the city as a means of reporting.
- Raise awareness of modern slavery with frontline practitioners, businesses and communities.
- Work with community organisations to develop community champions to challenge the acceptance of violence, extremism and exploitation and help deliver key communications.
- Strengthen community engagement methods through implementation of the Neighbourhood Engagement Review recommendations.

## **6.0 Resource Allocations and Evidencing Value for Money**

6.1 SWP Board adopted an 'invest to save' model throughout 2016-17 to trial new areas of joint working around prevention and early intervention. This involved establishing a number of new posts to co-locate within teams with a view to stemming the escalation of risk and the consequent demand for 'crisis' intervention. The approach has yielded a

number of successes with the Independent Domestic Violence Advisor (IDVA) deployed with Wolverhampton Homes mainstreaming the role from 2017-18 following realisation of cost savings.

- 6.2 Similarly, the IDVA deployed within the City Council's Children's Services team, whilst being established for a shorter period, has shown early signs of positive impact in preventing the risk of cases escalating to Looked After status; a commitment has therefore been made for this post to be part-funded through Children's Services for 2017-18 to enable the full benefits to be understood and a business case for mainstreaming to be considered.

## **7.0 Financial implications**

- 7.1 Implementation of the Community Safety Strategy will be largely delivered through existing mainstream partner resources. Wolverhampton's grant allocation of £369,000 in 2017-18 will be used to support the programme proposed in **Appendix A**, the full cost of which would be met from within the grant resources available. Subject to agreement from the PCC, the anticipated carry forward of £38,000 will be added to the 2017-18 programme, the total cost of which will be £407,000.
- 7.2 The PCC allocation, when received, is ringfenced for Community Safety use by SWP in line with conditions of grant. The grant is received by the City of Wolverhampton Council as accountable body for SWP, requiring delegation of the resource to be agreed by Cabinet Resources Panel. [GS/09022017/S]

## **8.0 Legal implications**

- 8.1 Sections five and six of the Crime and Disorder Act 1998 require the Council and other responsible authorities to formulate and implement strategies to reduce crime and disorder in the area. Subsequent revisions to the Act (Police and Justice Act 2006) places a duty on Community Safety Partnerships to prepare strategic assessments with the purpose of informing the partnership plan revisions. [AS/20022017/L]

## **9.0 Equalities implications**

- 9.1 The programme of delivery for 2017-18 is based on an assessment of need and contributes towards implementation of the strategic priorities in the Community Safety and Harm Reduction Strategy 2017-20. This will result in crime reduction measures being implemented within some of the City's most deprived neighbourhoods and providing support to some of the City's most vulnerable residents through targeted interventions. The programme of delivery detailed will directly support implementation of the strategy, actively addressing inequalities of individuals and communities which are disproportionately impacted by certain crimes on the basis of gender, age, ethnicity, religion, sexuality and disability. A full equality analysis has been undertaken on the strategy; there are no negative implications from its delivery.



## **10.0 Environmental implications**

10.1 Delivery of the programme detailed in this report will impact positively across all areas of the City through the implementation of crime reduction initiatives; particularly those neighbourhoods adversely affected by crime and anti-social behaviour.

## **11.0 Human resources implications**

11.1 The City of Wolverhampton Council is the employer for five posts which are funded using contributions from the PCC grant which are detailed within the attached costed plan; two posts within the Community Safety Team, two posts within the Youth Offending Team and a Domestic Violence Advisor aligned to Children's Social Care. The proposals within this report will provide funding for continuation of these fixed term posts to 31 March 2018.

## **12.0 Corporate landlord implications**

12.1 There are no corporate landlord implications.

## **13.0 Schedule of background papers**

13.1 There are no background papers

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## DRAFT - REVISED SWP Budget Plan 2017/18

Expenditure Type/Initiative	Cost	Cfd from 16/17 if applicable (£)	Allocation from 2017/18 budget (£)	Comments
1 <b>Violence Prevention</b> Violence Against Women and Girls (VAWG) provision	155,000	0	155,000	Specialist commissioned services. Currently being tendered.
2 <b>Violence Prevention</b> Childrens Services IDVA provision	13,500	2,250	11,250	SWP is funding 0.5 FTE for the post. Childrens Services match funding.
3 <b>Reducing Reoffending</b> Youth/adult IOM support	13,125	13,125	0	Support provision for delivery of OM pathways.
4 <b>Violence Prevention</b> Critical call out	15,000	3,723	11,250	Gangs and Youth Violence provision delivery of critical incident mediation services
5 <b>Violence Prevention</b> Youth violence specialist commissioning	13,500	0	13,500	Target community based interventions
6 <b>Reducing Victimisation</b> Business Crime (reporting / social media / website)	12,000	0	12,000	Contribution towards the establishment of sustainable business crime partnership model, part funded by business sector
7 <b>Reducing Reoffending</b> Youth Crime Prevention	66,000	0	66,000	Youth Offending Team deter workers - salary and on costs
8 <b>Reducing Victimisation</b> Communications and Community Champions	5,000	0	5,000	Awareness raising and community engagement
<b>Core Functions of SWP</b>				
9 Domestic Homicide Reviews	15,000	10,000	5,000	Carry over from 2016-17 will be contribute toward the costs for DHRs for 2017-18.
10 PACT locations	1,500	0	1,500	Covers the cost of PACT venues
11 Domehawk camera maintenance and deployment	12,000	0	12,000	This includes deployment (£4,500) of cameras across the city and associated maintenance/repair costs . Increased allocation for 2017-18 to address the backlog in repairs. (£7,500)
12 Prevent and Cohesion Coordinator	37,000	0	37,000	Salary and on costs
13 Partnership analyst	35,000	0	35,000	Final costs to be confirmed.
14 Community Safety Coordinator	8,830	8,830	0	Continuation of post to 30th June 2017
15 Running costs	4,500	0	4500	General overheads
	<b>406,955</b>	<b>37,928</b>	<b>369,000</b>	
			<b>369,000</b>	
			<b>37,928</b>	
<b>Total cost of 2016-17 programme</b>			<b>406,955</b>	
<b>Surplus/Deficit</b>			<b>0</b>	

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# Cabinet (Resources) Panel

## 28 February 2016

<b>Report title</b>	Development of Bantock House Complex	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor John Reynolds City Economy	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keren Jones, City Economy	
<b>Originating service</b>	City Economy	
<b>Accountable employee(s)</b>	Mark Blackstock Tel Email	Head of Service – Visitor Economy 01902 554447 markblackstock@wolvescivic.co.uk
<b>Report to be/has been considered by</b>	Corporate Landlord Board Place Leadership Team Strategic Executive Board	22 June 2016 09 January 2017 07 February 2017

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

The Cabinet (Resources) Panel is recommended to:

1. To approve scheme details for the proposed development of Bantock House Complex and Gardens on the basis the associated borrowing will be funded from additional income generated by the café.

### Recommendation(s) for noting:

The Cabinet (Resources) Panel is asked to note:

1. A capital allocation of £350,000 has been sought as part of the Capital Programme report to Cabinet on 22 February 2017 and Council on 1 March 2017, subject to approval of this report.

## **1.0 Purpose**

- 1.1 To obtain approval for capital investments at Bantock House Complex. This investment will generate additional income and footfall for the site.

## **2.0 Background**

2.1 In March 2015, the Visitor Economy service formally took over responsibility for the Bantock House Complex. The complex currently comprises the house and museum itself, a flat formerly occupied by the house steward (currently unoccupied), a café (approx. 50 covers) which issues out onto a central courtyard where there is additional seating when the weather allows, four hireable spaces (capacities approx. 90, 45, 12 and 6) plus very attractive garden spaces and a nine hole pitch and putt course. There is onsite parking for around 50 cars, with extra space for parking on grass when the weather allows.

2.2 During the first year of the Visitor Economy service having responsibility for the site the number of hires of the various spaces rose from a few regular hires to over 250 individual events. So far in 2016/17 the level of hires has already increased on 2015/16 by 55%. Following discussions with senior officers and councillors, a plan to increase commercial income and footfall for the site was put together. This plan is made up of a number of elements:

- Increased catering income through the café
- Increased income from private hires.
- A broader programme of events attracting paying audiences – some music performances have already taken place.
- Improved marketing and publicity
- A more popular programme of exhibitions

2.3 To achieve these outcomes the following adaptations and improvements to the Bantock House Complex need to be made:

- Create extra capacity for the café (and also a new hireable space for events) by knocking through the wall into the former steward's flat. (There is currently an antiques shop on a short term let in the former flat – the occupiers are aware that this is time limited.)
- Create a wheelchair friendly route from the 'tractor shed' hire spaces to the courtyard and toilets, offering better disabled access.
- Create an archway in the wall separating the front area outside the café from the front garden of the current flat
- Creation of an accessible entrance at the front of the house
- Erection of a canvas canopy, exterior lighting and fixed decorative hanging baskets to improve the flexibility and appeal of the courtyard space to hirers
- Gates and hedge planting to secure the garden area.
- Improved access to the garden areas.

2.4 **The strategic case for investment:**

- 2.4.1 **A priority objective in the City of Wolverhampton's Corporate Plan** is 'Developing a Vibrant City, because in order 'to attract and retain high value businesses and a skilled workforce, the city needs to develop a distinctive and attractive offer. The plan also states that the Council will develop inspiring places that support the creative and learning sectors to flourish, generate vibrancy and footfall and, in turn, stimulate retail.'
- 2.4.2 One of the main activities listed is to 'Develop the city centre learning, cultural and leisure offer.'
- 2.4.3 The Visitor Economy Service has a key role to play in delivering the city's offer through a number of important cultural venues. This includes the Bantock House Complex.
- 2.4.4 One of the main aims of the Visitor Economy Service Plan is 'to manage a service that both satisfies the market needs of the ratepayers and the users of the city, whilst raising the profile of the city, as well as making a significant contribution to the footfall and the visitor economy.'
- 2.4.5 The proposed improvements to the Bantock House Complex will create a facility that is capable of hosting a wider range of events thus delivering more visitors to the site, increased media coverage, raising the profile of the city and delivering increased levels of commercial income.
- 2.5 **The economic and cultural case for investment:** The aim of the investment is to increase the range of events hosted at the venue, and, thereby, use the asset to enhance the city profile and change external perceptions. It is envisaged that the site and the new events held there will be instrumental in increasing cultural participation by the local community –as both audiences and volunteers, thus stimulating local identity and pride and contributing to the development and well-being in the city and region.
- 2.6 **The commercial case:** Demand for events at the site has already increased significantly during the current year, with a number of events already having to be turned down for access reasons. For example, a series of NHS events was lost because wheelchair users could not directly access the toilets from the Tractor Shed. The site is also seeing a significant increase in demand for parties and celebrations in the evenings. Demand at the café during busy periods now outstrips the capacity. It is predicted that the scope of works detailed in 3.1 below would deliver an extra net return to the council of £45,000 per annum, which will cover the cost of borrowing (see table below). It is also predicted that visitor / user numbers would increase by 15,700 per annum (i.e. café / shop / bar customers, hirers and attendees, audiences, wedding parties and other celebration and event attendees).
- 2.7 **The financial case:** A capital investment of £350,000 is required to fund the proposed works. This will be financed through Council Prudential Borrowing with an estimated pay-back period of 25 years. Specific details are provided in the financial section of this report.

2.8 **Project management:** The project will be managed by Project & Works within Corporate Landlord. Please see the governance diagram below.

The key milestones would be as follows:

Assume Cabinet Approval beginning of January 2017:

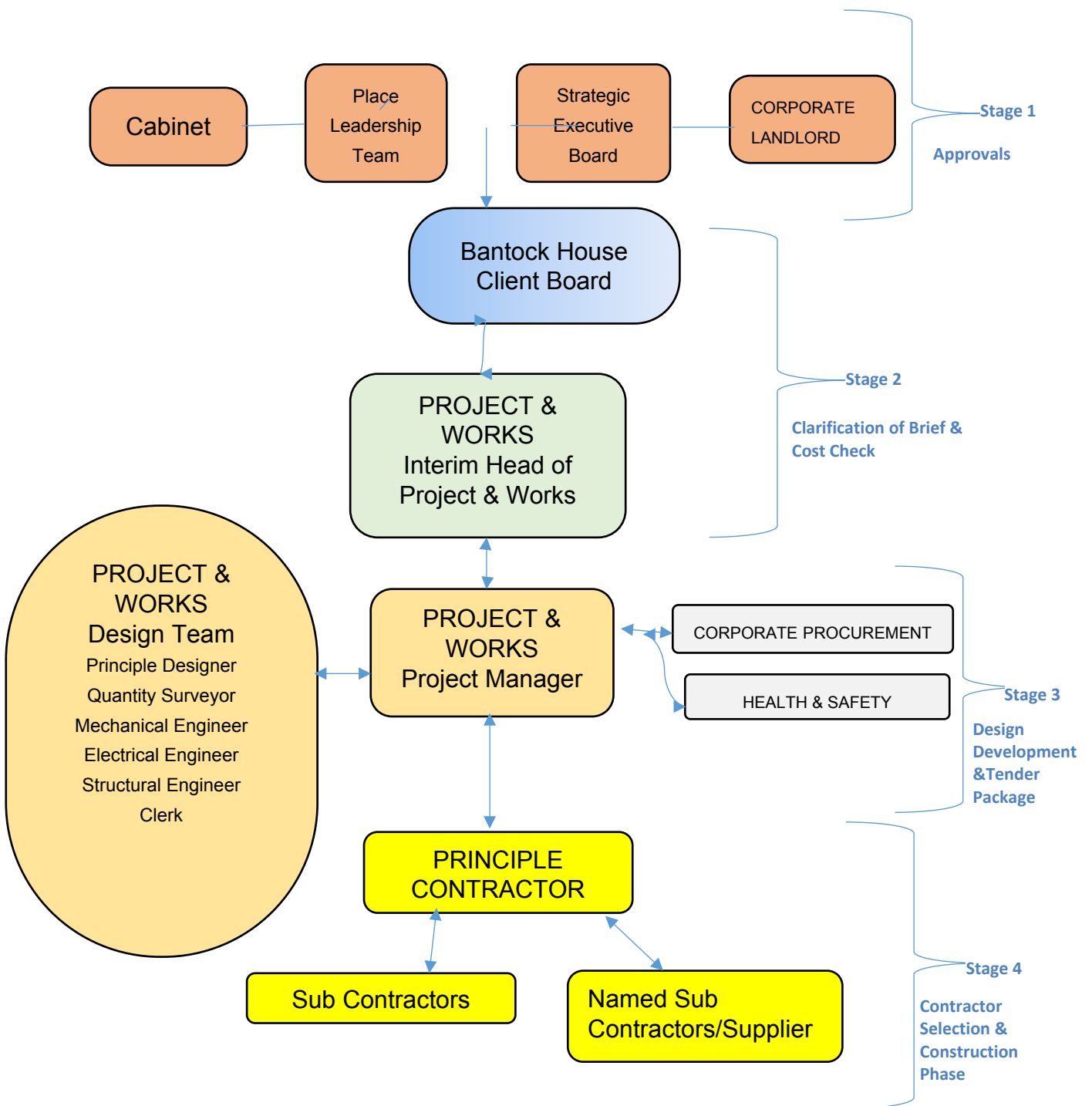
- Royal Institute of British Architects (RIBA) Stage 1 Confirm Brief mid-January 2017
- RIBA Stage 2 Concept Design – Mid February 2017
- RIBA Stages 3 Develop Design – End April 2017
- Planning & Listed Building Application – End of February 2017
- Planning & Listed Building Approval – End of May 2017
- Submission of Building Regs - End March 2017
- Tender Period Start – End of May 2017
- Tender Period Finish – End of June 2017
- Check Tender & Design Approvals - End of July 2017
- Cabinet Approval - mid August 2017
- Contract Signed – end August 2017
- Construction Start on Site – end September 2017
- Construction Completion – early February 2018

Any significant procurement activity will be addressed in the Procurement Cabinet (Resources) Panel Report.



# CITY OF WOLVERHAMPTON COUNCIL

## PROJECT GOVERNANCE



### **3.0 Progress, options, discussion, etc.**

3.1 Appended plans have been drawn up by Project and Works within Corporate Landlord to offer the following improvements to the site (please refer to annotated plan in Appendix):

- 1 Knock doorways through from the café to the former steward's flat to double the number of covers the café can offer. Currently the café gets very busy and often potential customers find no tables available and either are faced with a long wait for seating, or go elsewhere. This would also create an additional flexible hireable space for events and activities. It is also proposed to knock a doorway through between the other side of the flat and the house itself, so that the whole complex will link together, allowing catered events such as corporate or niche dinners to be held in the house, as well as in the new space.
- 2 Create a wheelchair friendly route from the 'tractor shed' hire spaces to the courtyard and toilets, offering better disabled access. Currently customers have to circumnavigate the building and potential hirers have seen this as a barrier to hiring the venue.
- 3 Create an archway in the wall separating the front area outside the café from the front garden of the current flat – this would allow an additional seating area in the front garden for café customers, or could be used as a 'beer garden' area in the evenings.
- 4 Creation of an accessible entrance at the front of the house. It is currently not possible for wheelchair users to access the house via what was traditionally the front door.
- 5 Erection of a canvas canopy, exterior lighting and fixed decorative hanging baskets to improve the flexibility and appeal of the courtyard space to hirers. The canopy would create a shaded area for customers during hot weather and also allow covered access to the toilets during wet weather. This and the other proposed improvements would make the courtyard a more attractive area and increase its potential for use in the evenings, generating extra income.
- 6 Gates and hedge planting to secure the garden area. The garden areas are frequently subject to vandalism – this proposal would help to prevent vandalism and offer a secure event space for weddings and also events where admission can be charged etc.
- 7 Improved access to the garden areas. The Dutch Garden, adjacent to the courtyard and the house is one of the most attractive areas of the Bantock complex. However, due to the fact that it is necessary to descend a few steps, there is currently no access to it for wheelchair users. This is a frequent source of comment or complaint from the public.

3.2 The proposals reflect the advice of the City of Wolverhampton Council's Urban Design and Conservation Officer, in respect of minimising the impact on the building. Discussions have also taken place with English Heritage and its recommendations have been incorporated into the plans.

- 3.4 It is planned for the works will be carried out in late 2017, avoiding disturbance during the peak summer months. It is not necessary for the site to close during these works.
- 3.5 In 2015/16, Bantock Café achieved a net return of £38,000 based on direct expenditure of £215,000 securing income of £253,000. It is anticipated following completion of the works additional income could be generated as follows:

<b>Additional Income</b>	<b>£000</b>
Extra café income	66
Shop / Bar income	35
Rent of rooms	12
<b>TOTAL</b>	<b>113</b>
<b>Additional Expenditure</b>	
Staff (contract and agency)	28
Supplies	40
<b>TOTAL</b>	<b>68</b>
<b>Total additional surplus (see breakdown below)</b>	<b>45</b>
Additional surplus from extra covers	13
Additional surplus - hire of rooms	13
Pop up courtyard shop / bar surplus	10
Wedding / party / event surplus	9

#### **4.0 Financial implications**

- 4.1 The capital Programme report to Cabinet on 22 February 2017 and Council on 1 March 2017 will seek approval to capital budget of £350,000 to fund the proposed works. It is estimated that additional income of approximately £45,000 per annum could be generated following completion of the works and this income will cover the borrowing costs of approximately £23,000 per annum over a 25 year term. Any surplus income generated after borrowing costs (currently estimated at £22,000) will be used to support the Medium Term Financial Strategy. [ES/02022017/X]

#### **5.0 Legal implications**

- 5.1 There are no direct legal implications arising from this report. [TS/22062016/Q]

#### **6.0 Equalities implications**

- 6.1 The proposed works will enhance accessibility to many areas of the site. There are no negative implications to the proposals set out in this report.

#### **7.0 Environmental implications**

7.1 It is possible that with the projected growth in usage, the limited access route could become crowded resulting in delays in access to or egress from the site. The access road is also subject to regular degeneration and developing potholes. However, on days of heaviest usage it is possible to open another gate onto Bradmore Road in order to alleviate congestion.

## **8.0 Human resources implications**

8.1 There are no human resources implications arising from this report.

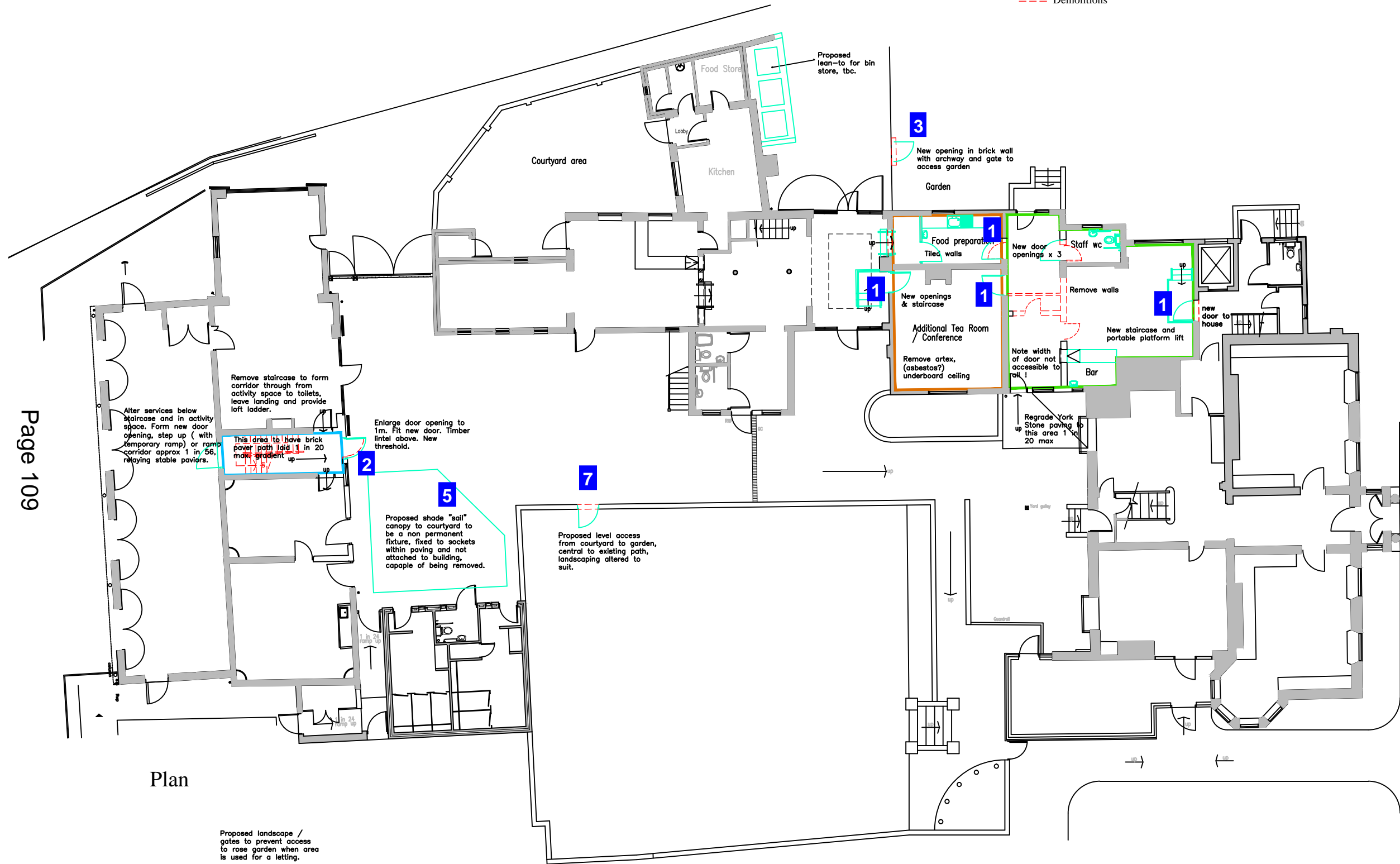
## **9.0 Corporate landlord implications**

9.1 The site is owned by the Council and the capital investment works proposed in this report would enhance and future proof the asset.

## **10.0 Schedule of background papers**

10.1 Capital Investment Appraisal Form (4) Bantock (Autosaved) (2) (3)  
AD015 1279-A-FS-08 – Draft plans for alterations to the site

- Key:
- Area 1 - Flat
  - Area 2 - Flat
  - Area 3 - Stable block
  - Proposed
  - - - Demolitions



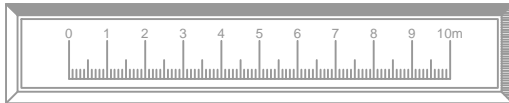
Stonework repair necessary, damp problem in porch.  
 Regrade tarmac to suit existing stone threshold. Access via portable ramp.

**4**

Plan

Proposed landscape / gates to prevent access to rose garden when area is used for a letting.

**6**



REV DATE AMENDMENT

**Wolverhampton**  
City Council

Property Services Tel: (01902) 555500  
 Civic Centre, St Peters Square Fax: (01902) 555403  
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 In Partnership with Jacobs UK Ltd and Bruton Knowles

LOCATION:  
**Bantock House**

PROJECT:  
**Remodelling options**

DRAWING:  
**Proposed Floor Plans options**

DATE	SCALE	DRAWN BY	CHECKED
7.10.15	1/100@A1	TM	NW
JOB No	DIS	PH	DWG
AD0015	1279 - A	- FS -	<b>07</b>

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