

Report title	Performance and Budget Monitoring 2022-2023	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Obaida Ahmed Resources and Digital City	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Tim Johnson, Chief Executive	
Originating service	Strategic Finance	
Accountable employee	Claire Nye	Director of Finance
	Tel	01902 550478
	Email	Claire.Nye@wolverhampton.gov.uk
	Charlotte Johns	Director of Strategy
	Tel	01902 554240
	Email	Charlotte.Johns@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	23 August 2022

Recommendations for decision:

The Cabinet is recommended to:

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

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

Recommendations for noting:

The Cabinet is asked to note:

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

1.0 Purpose

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

2.0 Background

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

3.0 Performance Update

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

Our City: Our Plan Performance

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

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

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

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

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

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

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

- 3.24 The percentage of children in year 6 with excess weight has decreased by 2.19 to 42.2% in 2020 (latest available data) since the pre-pandemic figure of 2019, however in comparison to west midlands, statistical neighbours and national averages the rate remains higher, even with all comparators reporting an increase in 2020. The overall direction of travel is down but Wolverhampton remains in the lowest quartile of performance.
- 3.25 Regarding financial performance, Children's Services and Education is currently forecasting an underspend of £1.2 million, due to strong financial management and transformative projects and programmes which have achieved significant and positive changes for children and young people living and learning in Wolverhampton. To date, Wolverhampton has not seen a significant increase in demand on children's social care as a result of the pandemic, however, as with adult services, there continues to be significant uncertainty over the impact of Covid-19 on this service over the short to medium term, and more recently the increased cost of living. Work will continue to model the potential financial effects of the pandemic and the impact of the increase in the cost of living on the service. Further financial analysis is included at Appendix 2.
- 3.26 Maintained schools are required to submit budget plans detailing their expected income and planned spending levels at two points in the year; 31 May and 31 October. At the end 2021-2022, maintained schools had balances totalling £15.6 million. 40 schools were identified as having balances above recognised thresholds detailed in the local scheme. In addition, there are three schools with anticipated deficits at the end of 2022-2023. Actual end of year balances for 2020-2021 and the latest projected balances in those submitted budget plans for 2021-2022 are shown at Appendix 6, along with details of the processes in place to review deficit and surplus balances.

Fulfilled lives with quality care for those that need it

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

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

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

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

Healthy, Inclusive Communities

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

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

Good home and well-connected neighbourhoods

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

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

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

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

More local people into good jobs and training

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

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

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

Thriving Economy in all part of the City

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

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

Our Council

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

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

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

4.0 Quarter One 2022-2023 Budget Performance

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

Pay Award

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

Inflation

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

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

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

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

5.0 Risk Management

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

6.0 Housing Revenue Budget Monitoring

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

Table 2 – Housing Revenue Account Projected Outturn 2022-2023

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

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

7.0 Changes to Grant Funded Expenditure

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

Table 3 – Supplementary budget approvals sought from Cabinet

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

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

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

8.0 Reserves

- 8.1 Reserves play a vital role in the financial sustainability of the Council. The Council's General Fund Balance stands at £13.7 million. This represents approximately 5% of the net budget for 2022-2023 and is in line with recommended good practice.
- 8.2 In addition to the General Fund balance, the Council also holds a number of earmarked reserves. Earmarked reserves balances that have been set aside by the Council to fund future estimated liabilities and planned expenditure. At the end of 2021-2022 these earmarked reserves were £55.9 million. In addition, the Council is also required to hold a

number of earmarked reserves due to either specific criteria associated with funding, legal requirements or accounting practice.

Transfers to / from Earmarked Reserves

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

Schools Art Service Reserve

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

Budget Contingency Reserve

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

Budget Efficiency Reserve

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

Regional Adoption Reserve

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

Transformation Reserve

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

8.11 Regeneration Reserve

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

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

9.0 Corporate Contingency

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

10.0 Debt Write offs

- 10.1 Debts are only written off as a last resort, when all feasible recovery action has been exhausted. If the situation surrounding an individual case changes in the future, steps would be taken to pursue the debt, despite the debt having been written off.
- 10.2 This report seeks approval to a number of debt write offs in relation to Council Tax. The details of these write-offs are provided in Appendix 7.

11.0 Evaluation of alternative options

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

12.0 Reasons for decisions

- 13.1 In accordance with the Council's financial procedures rules, all virements in excess of £50,000, or those that result in a transfer between Employees and Other Controllable Expenditure headings, require the approval of Cabinet. Contribution to and from reserves also requires the approval from Cabinet. The write-offs, virements and use of reserve requests detailed in this report which seek the approval of Cabinet are all considered to be prudent in the opinion of the Director of Finance and the Cabinet Member for Resources and Digital.

13.0 Financial implications

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

14.0 Legal implications

- 14.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. It is a legal requirement under s25 of the Local Government Act 2003 to set a balanced budget and monitor the financial position throughout the year.
[SZ/30082022/P]

15.0 Equalities implications

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

16.0 All other implications

- 16.1 There are no other implications.

17.0 Schedule of background papers

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

18.0 Appendices

- 18.1 Appendix 1 - Performance Update

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