

# The Cabinet Agenda

**Wednesday 22 July at 3.30pm**

**The meeting will be conducted virtually via Microsoft Teams in accordance with The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020**

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[The Cabinet - 22 July 2020](#)

**This agenda gives notice of items to be considered in private as required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.**

**1. Apologies**

To receive any apologies for absence.

**2. Minutes**

To confirm the minutes of the meeting held on 8 July 2020 as a correct record.

**3. Declarations of Interest**

To receive any declarations of interest from members relating to any item on the agenda, in accordance with the provisions of the Code of Conduct and/or S106 of the Local Government Finance Act 1992.

**4. Additional Items of Business**

To determine whether there are any additional items of business arising which should be considered at the meeting as a matter of urgency.

## **Public Items**

- 5. Schools Capital Programme 2020/21-22/23**  
To consider proposals to allocate funding from the council's balances of Basic Need and School Condition allocations to fund the next phase of the Schools Capital Programme 2019/20-2021/22.
- 6. 2019/20 Financial Outturn**  
To consider proposals relating to the Council wide financial outturn for the 2019/20 financial year.
- 7. Youth Facilities Working Group Report**  
To consider the report and recommendations of the Youth Facilities Scrutiny Working Group which was agreed by the Children's Services and Education Scrutiny Board on 22 June 2020.
- 8. Towns Fund Governance and Member Appointments**  
To consider proposals relating to Sandwell Towns Fund Superboard, local boards and governance arrangements for the Towns Fund.

**David Stevens**  
**Chief Executive**

Sandwell Council House  
Freeth Street  
Oldbury  
West Midlands

**Distribution:**

Councillor Crompton (Statutory Deputy Leader);  
Councillor Ali (Deputy Leader);  
Councillor Millard (Deputy Leader);  
Councillors Allcock, Hadley, Padda, Shaeen, Singh, Taylor and Underhill.

Contact: [democratic\\_services@sandwell.gov.uk](mailto:democratic_services@sandwell.gov.uk)

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## The Cabinet

**Wednesday 8 July 2020 at 15:30 at Sandwell Council House, Oldbury**

- Present:** Councillor Y Davies (Chair);  
Councillors Ali, Crompton, Hadley, Millard, Shaeen,  
Taylor and Underhill.
- In attendance:** Councillors E M Giles, L Giles, S Jones, Padda, Rollins  
and Singh.
- Officers:** David Stevens (Chief Executive), Alan Caddick (Housing  
and Communities), Neil Cox (Director – Prevention and  
Protection), Lesley Hagger (Executive Director –  
Children’s Services), Stuart Lackenby (Director – Adult  
Social Care), Lisa McNally (Director – Public Health),  
Elaine Newsome (Service Manager – Democracy),  
Tammy Stokes (Interim Director – Regeneration and  
Growth), Suky Suthi-Nagra (Democratic Services  
Manager), Surjit Tour (Director of Law and Governance  
and Monitoring Officer) and Chris Ward (Director –  
Education, Skills and Employment).

46/20 **Apology for absence**

Members noted the apology of Councillor Moore, Chair of the Safer Neighbourhoods and Active Communities Scrutiny Board.

47/20 **Minutes of Meetings**

The minutes of the meeting held on 10 June 2020 were confirmed as a correct record.

48/20 **Declarations of Interest**

There were no declarations of interests declared at the meeting.

49/20 **Additional Business**

There were no additional items of business to consider.



50/20

**Sandwell Residential Education Centres: Charges for the period 1 August 2021 – 31 July 2022**

Approval was sought to introducing charges to residential education centres for the period 1 August 2021 – 31 July 2022. This would enable sufficient income to be generated to provide a high-quality service at zero revenue cost to the Council. Despite charges, there would continue to be subsidised places for Sandwell children and make access to the centres more affordable at certain times of the year in anticipation of a post Covid-19 recession.

Making no change to charges would result in empty weeks in low season, with a loss of uptake and opportunity and income. Reducing charges in high season would risk reducing overall income and not meeting income budget targets. An increase in charges in all seasons would risk reducing attendance and overall income.

**Agreed** that the Director - Education, Skills and Employment implement term-time charges for Sandwell Residential Education Centres for the period 1 August 2021 - 31 July 2022.

51/20

**Appropriation of Heath Lane Cemetery Lodge, West Bromwich to the Housing Revenue Account**

Approval was sought to declare the Heath Lane Cemetery Lodge, West Bromwich surplus to the requirements of Sandwell Council Bereavement Services and to appropriate the land and premises from the general fund to housing revenue account for the purposes bringing back the property into economic beneficial use, supporting the increasing demand for council housing in Sandwell.

Not appropriating the property would incur additional expenditure for the Council to look after a vacant property. Selling and disposing of the property was not deemed viable options as the lodge was sensitively located at the entrance of the cemetery and would reduce the ability of the Council to respond to any possible management issues post sale. This option would mean the council would lose the opportunity to add to the council's housing stock.

**Agreed:-**

- (1) that Heath Lane Cemetery Lodge, West Bromwich be declared surplus to the requirements of Sandwell Council Bereavement Services as identified on site plan identification reference SAM/23400/006;
- (2) that subject to Resolution (1) above, the Director – Regeneration and Growth appropriate the land and premises shown for identification purposes as Appendix A from the general fund to housing revenue account;

## The Cabinet – 8 July, 2020

- (3) that in connection with Resolution (1) and (2) above, the Director – Housing and Communities manage and let the premises as part of the Council's housing stock and the Section 151 Officer adjust the accounts accordingly

52/20

### **Leader's Announcement**

The Leader addressed the Cabinet to announce that she would be stepping down as Leader of the Council with immediate effect.

The Council's Statutory Deputy Leader, Councillor Crompton, would be acting in the absence of the Leader until such time as the appointment of Leader of the Council was approved by Full Council.

Meeting ended at 16:00

This meeting was webcast live and is available to view on

<ps://www.youtube.com/watch?v=l7BjyyuVEts>

## REPORT TO CABINET

22 July 2020

<b>Subject:</b>	<b>Review of Corporate Office Accommodation Requirements – 1 Providence Place, West Bromwich</b>
<b>Presenting Cabinet Member:</b>	<b>Cllr Danny Millard - Cabinet Member for Inclusive Economic Growth</b>
<b>Director:</b>	<b>Executive Director of Neighbourhoods – Alison Knight Interim Director – Regeneration and Growth – Tammy Stokes</b>
<b>Key Decision:</b>	Yes
<b>Cabinet Member Approval and Date:</b>	Cllr Danny Millard – Cabinet Member for Inclusive Economy.
<b>Director Approval:</b>	Alison Knight
<b>Reason for Urgency:</b>	To enable other time limited option(s) to be considered should Providence Place be declared surplus to requirements
<b>Exempt Information Ref:</b>	Exemption provisions do not apply
<b>Ward Councillor (s) Consulted (if applicable):</b>	N/A
<b>Scrutiny Consultation Considered?</b>	The Chair of Budget and Corporate Management Scrutiny Board has been consulted in line with urgent business provisions and has agreed that it should be included on the agenda
<b>Contact Officer(s):</b>	David Harris Service Manager - Strategic Assets & Land <a href="mailto:David_harris@sandwell.gov.uk">David_harris@sandwell.gov.uk</a>

## **DECISION RECOMMENDATIONS**

### **That Cabinet:**

1. Declare 1 Providence Place, West Bromwich surplus to council requirements.
2. Authorise the Executive Director for Neighbourhoods, and the Acting Section 151 Officer to undertake further investigations to identify the most suitable future use of the 1 Providence Place, West Bromwich and submit a further report to Cabinet in due course.

### **1 PURPOSE OF THE REPORT**

- 1.1 This report sets out the detail in respect of the extent of the Council's office estate and how this relates to the organisation's current and projected future needs.
- 1.2 This report sets out the evidence to suggest that 1 Providence Place can be considered surplus to the Council's operational requirements and that the space currently occupied by the Council could be made available for alternative use.

### **2 IMPLICATION FOR VISION 2030**

- 2.1 The proposals in this report contribute to achieving the Council's ambition as follows: taking key decisions to move forward with changes in the Council's estate by declaring 1 Providence Place surplus to requirements demonstrates the council's commitment to 'getting things done' (Ambition 10) and will enable us to build on the existing Work Place Vision strategy.

### **3 BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 The Council's current office estate extends to some 51,131 m<sup>2</sup> across 16 sites inclusive of Oldbury Council House and 1 Providence Place.
- 3.2 Based on pre COVID19 layouts this estate can accommodate up to some 4,970 workstations.
- 3.3 Research undertaken in 2018 confirmed that the Council had 2,528 full time equivalent office based workers requiring use of a work station.



## **4 THE CURRENT POSITION**

- 4.1 Excluding the office accommodation at 1 Providence Place the remaining Council portfolio is currently calculated to be able to accommodate some 2,526 workstations based on pre COVID19 layouts.
- 4.2 The work already undertaken as part of the Workplace Vision Programme and the first phases of the refurbishment works delivered at Oldbury Council House suggest that a desk ratio of 10 officers to 6 work stations provides ample accommodation to enable the majority of Council services to function at full capacity. Based on this ratio the office estate, excluding the space occupied within 1 Providence Place, can provide sufficient work stations to accommodate some 4,210 full-time equivalent officers.
- 4.3 As a result of COVID19, the Council has been challenged to provide the infrastructure and technology to support enhanced levels of agile working. It is currently envisaged that this status will continue for some time, during this period many work stations are out of commission due to social distancing restrictions. Through the rapid development of new ways of working and the greater flexibility afforded by agile working and working from home, it is anticipated that when social distancing restrictions are finally relaxed the 10 to 6 ratio set out in paragraph 4.2 can be challenged to realise further efficiencies and additional accommodation may also become available for alternative use.
- 4.4 Due to the nature of 1 Providence Place being a modern building in a Town Centre location it is considered to have more capacity for lending itself to an alternative use than other buildings within the estate. Sandwell Council House in Oldbury having been identified as the long term administrative base for the organisation, this is partly due to the investment already committed in connection with the Work Place Vision programme but also because of the accessibility of the Council chamber and annexes. Feasibility work has already been undertaken as part of the Work Place Vision programme pre COVID19 in respect of relocating teams from 1 Providence Place into Sandwell Council House and sufficient capacity has been identified.

## **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 In respect of 1 Providence Place being identified as surplus to operational requirement this proposal has not been subject to any formal consultation previously.
- 5.2 Councillors Millard and Ali have been consulted in respect of the Council's accommodation needs being reviewed.

## **6 ALTERNATIVE OPTIONS**

- 6.1 It is possible to consider the Council's office estate in any number of different ways to reduce the overall footprint, indeed officers are investigating the potential of the Council exiting from any lease agreements in order to make rental savings. The release of 1 Providence Place from the operational portfolio would enable the Council to exit a significant proportion of excess office accommodation through a single relocation exercise.
- 6.2 In terms of pure floor space, it might also be possible to release Sandwell Council House as opposed to 1 Providence Place however due to its age and construction this asset does not lend itself as readily to alternative use and in this scenario the Council would lose the functionality of the Council chamber.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

- 7.1 A cost analysis of Council office accommodation has been conducted which demonstrates that the costs of holding the space within 1 Providence Place are higher than those in relation to other office assets with a pre COVID19 annual cost of circa. £1,325 per work station. This compares to an annual holding costs assessed for Sandwell Council House at £1,168 per work station.
- 7.2 If the 1 Providence Place asset can be considered surplus to operational requirements and relocation is progressed consideration will need to be given to the most appropriate alternative use or occupation for the office space identified for vacation. The remainder of the 1 Providence Place building which is currently occupied by BT under a commercial lease, may also become available shortly (Spring/Summer 2021) as a result of BT moving all their office operations to Snow Hill, Birmingham. This may afford further flexibility in respect of potential alternative uses for the building and its surrounds.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 8.1 Prior to the progression of any disposal proposals, subject to the nature of these proposals it is necessary to formally declare the 1 Providence Place asset surplus to Council requirements.

## **9 EQUALITY IMPACT ASSESSMENT**

- 9.1 There are no equality impact implications of the proposals.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

10.1 There are no data protection implications of the proposals

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

11.1 There are no obvious crime and disorder risks.

## **12 SUSTAINABILITY OF PROPOSALS**

12.1 The sustainability of the council's asset profile and the Council's ability to keep all buildings operational within agreed budget parameters is dependent upon an overall reduction in the size of the portfolio.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE).**

13.1 There are no health and wellbeing implications of the report.

## **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 Should the 1 Providence Place asset be considered surplus to the Council's needs as office space for Council officers, this has operational and financial implications in terms of the Council's office estate more generally should the intention be to accommodate the displaced office workers into these assets. The favoured relocation venue being Sandwell Council House in Oldbury.

14.2 In terms of financial implications these will vary depending upon the re-use of the building, there will be initial revenue savings associated with releasing the space. The financial considerations will differ dependent upon the period taken to re-purpose the space, minimising this period will be essential in order to reduce holding costs.

14.3 The Facilities Management team currently engaged with the management of the building can be redeployed to improve and enhance the service provision across the remainder of the estate.

## **15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 In order to make efficiencies across the Council's office accommodation estate and make better utilisation of the opportunities that might exist should assets be made available for alternative use it is recommended to consider the 1 Providence Place asset surplus to operational requirements.

15.2 To enable the Council occupied space within 1 Providence Place to become available it is recommended to move those services currently based in the building to Sandwell Council House to make use of the workstations potentially available within this asset and reduce the oversupply of office space across the portfolio.

16 **BACKGROUND PAPERS**

16.1 None


17 **APPENDICES:**

None

**Tammy Stokes**  
**Interim Director – Regeneration and Growth**

## REPORT TO CABINET

22 July 2020

<b>Subject:</b>	<b>Schools Capital Programme 2020/21-22/23</b>
<b>Presenting Cabinet Member:</b>	<b>Councillor Joyce Underhill - Cabinet Member for Best Start in Life Councillor Ali – Cabinet Member for Resources and Core Services</b>
<b>Director:</b>	<b>Lesley Hagger, Executive Director of Children’s Services Chris Ward, Director – Education, Skills and Employment Rebecca Maher – Head of Finance</b>
<b>Contribution towards Vision 2030:</b>	
<b>Key Decision:</b>	Yes
<b>Cabinet Member Approval and Date:</b>	Councillor Joyce Underhill - Cabinet Member for Best Start in Life: 3 July 2020 Councillor Wasim Ali – Cabinet Member for Resources and Core Services:
<b>Director Approval:</b>	Lesley Hagger, Executive Director of Children’s Services: 3 July 2020 Chris Ward, Director – Education, Skills and Employment: 3 July 2020 Rebecca Maher – Head of Finance: 1 July 2020
<b>Reason for Urgency:</b>	Urgency provisions do not apply
<b>Exempt Information Ref:</b>	No exemption applies
<b>Ward Councillor (s) Consulted (if applicable):</b>	It is not necessary to consult ward councillors
<b>Scrutiny Consultation Considered?</b>	Scrutiny Consultation has not been undertaken
<b>Contact Officer(s):</b>	Martyn Roberts, School Place Planning and Capital Manager, Education Support Services Email: <a href="mailto:martyn_roberts@sandwell.gov.uk">martyn_roberts@sandwell.gov.uk</a>

**That, pending the outcome of the capital appraisal process the following actions are recommended to Cabinet:**

- 1.1 approve the allocation of £9,762,376 from the Department of Education's (DfE) Basic Need allocation to fund the following proposed projects as part of the Schools Capital Programme 2020/21-2022/23:-
  - Bristnall Hall Academy, Bristnall Hall Lane, Oldbury B68 9PA (150 places)
  - Q3 Academy Langley, Moat Road, Oldbury, B68 8ED (390 places)
  - West Bromwich Collegiate Academy, Kelvin Way, West Bromwich, B70 7LE (450 places).
- 1.2 in connection with 1.1, approve the allocation of £8,192,624 from the council's School Condition balances to enable works to be completed.
- 1.3 approve a further £1.5m of the School Condition allocation to be used to support cyclical maintenance.
- 1.4 subject to 1.1, 1.2, 1.3 and 1.6, authorise the Director – Education, Skills and Employment to award a contract to Willmott Dixon Construction Limited to deliver the construction works, following a compliant procurement exercise, in conjunction with the Section 151 Officer, and in consultation with the Cabinet Member for Best Start in Life, subject to meeting the criteria as set out in paragraph 7.5 of the report.
- 1.5 subject to 1.1, 1.2, 1.3, 1.4 and 1.6, the Director of Law and Governance and Monitoring Officer enter into any legal agreements on terms agreed by the Director – Education, Skills and Employment as required, to allow building works to be completed on all proposed sites.
- 1.6 require in connection with 1.1 and 1.2 above, that the following actions are implemented to reduce any risk to the council:-
  - Maintain project programmes for each scheme within the Schools Capital Programme to ensure that effective project monitoring can be undertaken to aid the timely delivery of each project;
  - Ensure that corporate Risk Registers are maintained for all projects and ensure all risks are identified and can be adequately mitigated;

- Regular financial monitoring updates on individual projects should be provided to the Cabinet Member for Resources and Core Services, highlighting variations of spend against original estimated costs. Remaining funds should be returned to the unallocated Schools Capital Programme;
- Ensure that the Council enters into such form of legal agreements as required to allow extension works on all proposed sites;
- In connection with School Condition, ensure that repair / maintenance work for schools is undertaken following an analysis of pre-determined criteria and that records are maintained to demonstrate the priority need of each school.; and
- Post project evaluation should include specific outcomes, along with benchmarking of final costs to ensure value for money is achieved.

## **1 PURPOSE OF THE REPORT**

- 1.1 This report seeks approval to allocate a total of £19.46m from the council's balances of Basic Need and School Condition allocations received from the Department for Education's (DfE), to fund the next phase of the Schools Capital Programme 2019/20-2021/22.
- 1.2 Planned works will enable the completion of building works at Bristnall Hall Academy, Q3 Academy Langley and West Bromwich Collegiate Academy, and ongoing cyclical maintenance at maintained schools.
- 1.3 Projects at Q3 Academy Langley and Bristnall Hall Academy are further supported by the investment of a total of £1.3m investment from each Academy sponsor.

## **2 IMPLICATION FOR THE VISION 2030**

- 2.1 All works will contribute significantly towards ambition 4 of the council's Vision for 2030 'Raising the quality of schools "Our children benefit from the best start in life and a high quality education throughout their school careers with outstanding support from their teachers and families" '.

### 3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The DfE confirmed an allocation of £8,900,000 Basic Need capital funding to the Authority in April 2020.
- 3.2 Cabinet Decision No. 27/20(2), 'Schools Capital Programme 2020/21 – 2022/23', approved the carry forward of £533,376 of basic need balance from May 2020.
- 3.3 It is currently projected that an additional 3,300 places will be required in secondary schools by September 2025. These projects will provide 990 of 3,300 places.
- 3.4 Whilst the unprecedented growth in the birth rate experienced over recent years has started to ease, the Borough continues to receive a high demand for school places, primarily due to increased migration and retention rates.
- 3.5 The Schools Capital Programme aligns to service needs so that the council is able to meet its statutory responsibility of ensuring every child in Sandwell has access to a good school place by seeking to build on its commitment to expand successful and popular schools.
- 3.6 It is proposed to meet the estimated capital cost for the projects of £20,755,000 through existing available Basic Need and School Condition balances, and agreed sponsor contributions:

	£
Basic Need Allocation (April 2020)	8,900,000
Basic Need Balance carry forward	533,376
Re-investment of Project Contingency	329,000
School Condition balance	8,192,624
Sub-Total	17,955,000
Sponsor contributions	1,300,000
Total	19,255,000
Cyclical Maintenance:	
School Condition allocation 2020/21	1,500,000
Total funding	20,755,000



- 3.7 Cabinet are requested to approve allocation of the capital funding to enable the proposed projects to be included within the Schools Capital Programme 2020/21 – 2022/23. Full financial appraisal are being undertaken by Strategic Finance for each Basic Need capital project, and any additional action points raised as a result of the appraisals will be actioned to mitigate any risk to the council.
- 3.8 An Equality Impact Assessment (EIA) initial screening has been undertaken. The screening identified that there will no adverse impact on people or groups with protected characteristics as a result of the proposals contained within the report. A full EIA is not therefore required. However, it has revealed that as the council has a statutory duty to provide a sufficient number of school places for all children in Sandwell, all groups are potentially affected by the policy of expansion. This proposal demonstrates that this is uniformly applied in response to where pupil demand is expected although size and type of expansion is restrictive as it is dependent on the availability of government capital funding.

#### **4 THE CURRENT POSITION**

- 4.1 In March 2020 the DfE announced the Authority's School Condition allocation for 2020/21 in the sum of £2,804,593.
- 4.2 The Department further announced a Basic Need funding allocation in April 2020 of £8.9m to provide funding for projects required upto September 2022.
- 4.3 Decision No. 27/20 by Cabinet at its meeting on 6 May 2020 approved commencement of the three projects at Bristnall Hall Academy, Q3 Academy Oldbury and West Bromwich Collegiate Academy, which have now started on site, and when complete will provide 990 secondary school places for September 2021.
- 4.4 The advanced Enabling Works package has provided the Authority with the ability to complete the projects by next September, without adding any further impact upon pupil's education following the Covid 19 pandemic.

#### **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 Where necessary, consultation will be undertaken by the respective Academy Trust and the Authority for the prospective pupil intake. Consultees include the Regional Schools Commissioner, local community, parents/carers and pupils.

5.2 In partnership with the main framework contractor, Willmott Dixon Construction Limited, the Authority will expect that a regular resident information sheet will be published to advise the local community on the progress with the development stage of the expansion project to avoid traffic congestion and allay any local concerns from residents.

## 6 ALTERNATIVE OPTIONS

6.1 There are no alternative options. Main construction works have commenced on site in accordance with Cabinet Decision No. 27/20 and if works are not completed on time there will be an insufficient number of secondary places to meet demand in September 2021.

## 7 STRATEGIC RESOURCE IMPLICATIONS

7.1 The estimated cost of the identified new work to be funded is £19.46 million and is allocated as follows:

Project	Contractor	Design	F&E	Total
	£000's	£000's	£000's	£000's
Bristnall Hall Academy	4,499	0	200	4,699
Q3 Academy Langley	6,915	0	680	7,595
West Bromwich Collegiate Academy	6,218	0	743	6,961
Programme Contingency (@5%)	0		0	0
<b>Sub total</b>	<b>17,632</b>	<b>0</b>	<b>1,623</b>	<b>19,255</b>
School Condition	1,500	0	0	1,500
<b>Sub total</b>	<b>19,132</b>	<b>0</b>	<b>1,623</b>	<b>20,755</b>
Less Sponsor Contributions				1,300
<b>Total</b>				<b>19,455</b>

7.2 The direct allocation of Basic Need funding received from the DfE is based on the annual School Capacity return submitted to the Department. Total Basic Need funding currently available to the Authority to fund the Schools Capital Programme is £9.7m. A balance of £9.7m of School Condition is available to support the capital works.

School Condition funding continues to be allocated on a yearly basis and is based on the number of maintained schools the council remains responsible for. School Condition allocation for 2020/21 has been confirmed as £2,804,593. The resources are not ring fenced and there is no time limit to expend.

Over recent years capital funding allocations by Central Government have primarily focussed upon the provision of new school places through Basic Need, but limited in respect to condition spend for the existing school estate. The government announced after the second round of its Priority Schools Building Programme in 2014, that it could not confirm whether there would be a further round of the programme. A third round hasn't been held, but neither has a replacement condition programme.

A proportion of the annual School Condition funding has been retained each year in order that the Authority can plan to rebuild those schools in worst condition. There are a number of schools identified as a high priority for upgrade due to poor condition. However, to assist cashflow for Basic Need priorities, and until the next Basic Need capital announcement, it is proposed to re-direct School Condition balances to support construction of the three major expansion projects subject to this report.

Through the use of the DfE's current methodology for Basic Need allocations, it is anticipated that in excess of £10m will be granted to the Authority in the next capital announcement to support continuing provision of new school places. The Government has not confirmed when the next annual announcement will be made. Once that announcement is received, the £8.192m School Condition balance will be reinstated.

7.3 A total available budget of £19.46 million is therefore available, and made up as follows:

	£000's
* Unallocated / Re-investment of Basic Need resources	9,762
School Condition Balances	9,698
	19,460

7.4 To ensure a sufficient supply of places there is a need to continue to fund expansion of secondary schools to match projected demand.

- 7.5 A procurement exercise(s) has been carried out through the Construction West Midlands framework to identify the most suitable and value for money supplier / suppliers for the projects. The procurement approach has followed the council's Procurement and Contract Procedure Rules to ensure that UK and EU legislation is adhered to, and value for money is achieved. In order to ensure a streamlined process, this report requests delegated authority to the relevant Chief Officer, the Director – Education, Skills and Employment to award the main construction contract to Willmott Dixon Construction Limited, in conjunction with the Section 151 Officer, and in consultation with the Cabinet Member for Best Start in Life.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 8.1 In accordance with the Education Act 1996 the council has a statutory duty to ensure there are sufficient schools available for the children of Sandwell. Any school organisation changes arising out of the development of the project will be subject to the relevant statutory processes.
- 8.2 The council shall ensure that any procurement of contracts necessary for this proposal are undertaken in accordance with the public procurement rules, the Council's Procurement and Contract Procedure Rules and Standing Order Regulations.
- 8.3 **Bristnall Hall Academy**  
As part of its academy conversion in 2012 the Trust were granted an under-lease. An agreement will be entered into to provide the Authority, constructors and sub-contractures free access/egress to complete the new development.

Q3 Academy Langley and West Bromwich Collegiate Academy will be granted a lease as per Free School regulations at the end of the 12 month defect period for the completed buildings.

## **9 EQUALITY IMPACT ASSESSMENT**

- 9.1 An Equality Impact Assessment (EIA) initial screening has been undertaken. The screening identified that there will be no adverse impact on people or groups with protected characteristics as a result of the proposals contained within the report. A full EIA is not therefore required.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

- 10.1 A data protection impact assessment is not required for this proposal – all material is maintained in accordance with the council’s data protection policy.

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

- 11.1 The Corporate Risk Management Strategy (CRMS) has been complied with – to identify and assess the significant risks associated with this decision/project. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks.

Based on the information provided, it is the officers’ opinion that for the significant risks that have been identified, arrangements are in place to manage and mitigate these effectively.

If this report is not agreed, then the council will risk having an insufficient level of school places which is contrary to the council’s statutory responsibility. If there is an insufficiency of school places this will have a detrimental impact on children’s future access to school places within Sandwell and the council’s reputation will be detrimentally affected.

The council’s strategic risk register currently includes a red risk around school place planning: SR040 - If the LA is unable to exert sufficient strategic control over school place planning and the direction of capital investment, then it will be unable to deliver on its statutory duties. The recommendations above if approved, will assist in the continued mitigation of this risk.

An appropriate project management structure is in place, and the School Organisation Programme Board meets on a regular basis.

Plans are in place to mitigate key programme risks:

- The financial downturn and competing capital pressures:
  - Projects rely heavily on DfE allocations and are not reliant on capital receipts;
- Government policy changes could reduce future capital allocations:
  - Phased programme approvals, avoiding unfinanced commitments; and
- Failure to accurately anticipate the changing pattern of demand for school places:
  - Pupil place planning strategy in place;

- School Organisation Programme Board to drive the delivery of Sandwell's pupil place planning strategy.
- Failure to complete on time;
  - temporary arrangements within existing building in agreement with the schools
  - Project programme and School Organisation Programme Board to drive completion.

11.2 Project documentation has been prepared, including a project plan and project risk register, to ensure effective management. The project is subject to risk analysis and project risk monitoring.

## **12 SUSTAINABILITY OF PROPOSALS**

12.1 Following completion of the school developments each Academy Trust will become directly responsible for all costs associated with the general upkeep, maintenance and outgoings for the new school developments.

12.2 The capital funding will form part of the Authority's approved Schools Capital Programme using its Basic Need allocation received from the DfE.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

13.1 The major project proposals will build upon established Academy provision, where strong links at popular and oversubscribed schools have been developed with the local community, opening up facilities for use, and building upon successful engagement activities established within the Multi Academy Trust.

## **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 The freehold interest in each site is to be held either by Sandwell Land and Property Limited or Sandwell Metropolitan Borough Council, with the grant of a leaseback to the Authority for education purposes.

14.2 For Academy sites the proposed works fall within established and proposed Under-Leasehold arrangements. Separate, additional provision will be made for free access / egress to complete the new school developments.

14.3 There will be no overall impact on the council's Asset Management Plan or register as the council will retain a long leasehold interest in the land.

## **15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 15.1 This report seeks Cabinet approval to allocate in total, £17.96m from Basic Need and School Condition balances to support construction works at:
- Bristnall Hall Academy
  - Q3 Academy Langley
  - West Bromwich Collegiate Academy
- 15.2 In light of the coronavirus pandemic the government has cancelled a range of annual returns submitted by Local Authorities, including the annual School Capacity return. The return is used to inform future capital planning and Basic Need funding allocations. For cashflow purposes it is proposed to temporarily re-direct existing School Condition balances to support these Basic Need works, and then reimburse the School Condition balance upon the next Basic Need funding allocation. The Authority is working with the DfE to project what level of funding can be expected in the next allocation round.
- 15.3 It is currently projected that up to 2025 at least an additional 32 forms of entry will be required in the secondary school sector across the Borough. Focus for the Schools Capital Programme has turned to solutions to provide those additional places, including expansion of existing secondary schools.
- 15.4 School Condition:  
Following confirmation of School Condition funding for maintained schools Cabinet are recommended to approve the allocation of £1.5m School Condition to fund lifecycle works for maintained schools through the School Repair Account.

## **16 BACKGROUND PAPERS**

- 16.1 None

17 **APPENDICES:**  
None

**Lesley Hagger**  
**Executive Director of Children's Services**

**Chris Ward**  
**Director – Education, Skills and Employment**

**Rebecca Maher**  
**Head of Finance / Deputy Section 151 Officer**



# Equality Impact Assessment Template

Please complete this template using the [Equality Impact Assessment Guidance document](#)

**Version 3: January 2013**

Title of proposal	Schools Capital Programme 2020-23
Directorate and Service Area	Education, Skills and Employment Directorate, Education Support Services
Name and title of Lead Officer completing this EIA	Martyn Roberts School Place Planning and Capital Manager
Contact Details	<a href="mailto:martyn_roberts@sandwell.gov.uk">martyn_roberts@sandwell.gov.uk</a> 0121 569 8341
Names and titles of other officers involved in completing this EIA	Sue Moore Group Head Education Support Services
Partners involved with the EIA where jointly completed	
Date EIA completed	29 June 2020
Date EIA signed off or agreed by Director or Executive Director	
Name of Director or Executive Director signing off EIA	
Date EIA considered by Cabinet Member	

**See [Equality Impact Assessment Guidance](#) for key prompts that must be addressed for all questions**

**1. The purpose of the proposal or decision required  
(Please provide as much information as possible)**

The report seeks approval to fund through the Schools Capital Programme 2020-23, construction works to either expand or complete three secondary schools following approval of the initial enabling works packages at the Cabinet on 6 May 2020. Once complete the proposed works will ensure the LA can meet its statutory responsibility of providing sufficient high-quality school places.

**2. Evidence used/considered**

Birth and migration data is used to project future pupil numbers by ward and town as they prepare to enter primary and secondary school. Together with data which is maintained on pupil numbers on roll in schools, this information forms a key component of the pupil place planning strategy.

**3. Consultation**

As the council holds a statutory duty to ensure the provision of sufficient school places across the borough all schools are regularly briefed and consulted upon the projected demand for new places, and areas where these need to be provided. Where schools have agreed to consider expansion, the Governing Board or Academy Trust have undertaken or will be undertaking a consultation exercise prior to making their final decision to expand.

**4. Assess likely impact**

Please give an outline of the overall impact if possible.

An assessment of the proposals contained in the report has identified that there is likely to be no adverse impact on people or groups with protected characteristics.

**Please complete the table below at 4a to identify the likely impact on specific protected characteristics**

#### 4a. Use the table to show:

- Where you think that the strategy, project or policy could have a negative impact on any of the equality strands (protected characteristics), that is it could disadvantage them or if there is no impact, please note the evidence and/or reasons for this.
- Where you think that the strategy, project or policy could have a positive impact on any of the groups or contribute to promoting equality, equal opportunities or improving relationships within equality characteristics.

Protected Characteristic	Positive Impact ✓	Negative Impact ✓	No Impact ✓	Reason and evidence (Provide details of specific groups affected even for no impact and where negative impact has been identified what mitigating actions can we take?)
Age			✓	The proposals are aged orientated to meet the needs of the project for a secondary school setting.
Disability			✓	All new capital projects are required to meet both prevailing Building Regulations and SEND requirements to ensure facilities are fully accessible.
Gender reassignment			✓	Not applicable to capital project.
Marriage and civil partnership			✓	Not applicable to capital project.
Pregnancy and maternity			✓	Not applicable to capital project.

Race			✓	Not applicable to capital project.
Religion or belief			✓	New capital projects will consider the cultural and religious profile of a school and provide facilities inclusive for all.
Sex			✓	Not applicable to capital project.
Sexual orientation			✓	Not applicable to capital project.
Other				

Does this EIA require a full impact assessment? Yes  No

If there are no adverse impacts or any issues of concern or you can adequately explain or justify them, then you do not need to go any further. You have completed the screening stage. You must, however, complete sections 7 and 9 and publish the EIA as it stands.

If you have answered yes to the above, please complete the questions below referring to the guidance document.

**5. What actions can be taken to mitigate any adverse impacts?**

**6. As a result of the EIA what decision or actions are being proposed in relation to the original proposals?**

**7. Monitoring arrangements**

**8. Action planning**

You may wish to use the action plan template below

Question no. (ref)	Action required	Lead officer/ person responsible	Target date	Progress

## 9. Publish the EIA

### Where can I get additional information, advice and guidance?

In the first instance, please consult the accompanying guide “Equality Impact Assessment Guidance”

#### **Practical advice, guidance and support**

Help and advice on undertaking an EIA, using the electronic EIA toolkit or receiving training related to equalities legislation and EIAs is available to **all managers** across the council from officers within Improvement and Efficiency. The officers within in Improvement and Efficiency will also provide overview quality assurance checks on completed EIA documents.


**Please contact:**

Kashmir Singh - 0121 569 3828



## REPORT TO CABINET

22 July 2020

<b>Subject:</b>	<b>2019/20 Financial Outturn</b>
<b>Presenting Cabinet Member:</b>	<b>Councillor Wasim Ali - Cabinet Member for Resources and Core Council Services</b>
<b>Director:</b>	<b>Rebecca Maher – Head of Finance/Acting S151 Officer</b>
<b>Contribution towards Vision 2030:</b>	
<b>Key Decision:</b>	Yes
<b>Cabinet Member Approval and Date:</b>	Councillor Wasim Ali 03/07/2020
<b>Director Approval:</b>	Rebecca Maher 03/07/2020
<b>Reason for Urgency:</b>	Urgency provisions do not apply
<b>Exempt Information Ref:</b>	Exemption provisions do not apply
<b>Ward Councillor (s) Consulted (if applicable):</b>	Ward Councillors have not been consulted
<b>Scrutiny Consultation Considered?</b>	Budget and Corporate Scrutiny Management Board
<b>Contact Officer(s):</b>	Clare Sandland - Service Manager

### DECISION RECOMMENDATIONS

**That Cabinet:**

1. Refers the proposals arising from the 2019/20 directorate outturn reports for each directorate/service area (Appendices F to L), Schools Outturn (Appendix N), Housing Revenue Account (Appendix M), the Council's capital outturn (Appendix D), Treasury Management outturn (Appendix O) and Key Performance Indicators (Appendix E) to the Budget and Corporate Scrutiny Management Board for consideration.
2. Approve that the following surpluses be carried forward as requested:

	(Surplus) / Deficit
	£'000
Corporate Management Resources	0
Adult Social Care	(7)
Regeneration & Growth	(658)
Housing & Communities	13
Children's Services	(567)
<b>Total Net Service Expenditure (excluding Public Health)</b>	<b>(1,548)</b>

The Regeneration and Growth deficit of £0.013m will be funded by Housing and Communities, leaving a surplus of £0.554m to be carried forward for that directorate. All carry forwards are requested to be used in financial year 2020/21, other than Adult Social Care, which is to be used in financial year 2021/22.

3. Approve adding the Public Health surplus of £0.292m to the Public Health Grant Reserve.
4. Approve the Revenue Contribution to Capital Outlay (RCCO) of £1.009m from the Resources Directorate for the Technology Modernisation Programme (reflected in the figures above).

## 1 PURPOSE OF THE REPORT

- 1.1 This report provides details of the Council wide financial outturn for the 2019/20 financial year.

## 2 IMPLICATION FOR VISION 2030

- 2.1 Each of the Council's 10 ambitions are engaged across this Report; the Council's financial status helps to underpin the Council's Vision 2030 and associated aspirations.

### 3 BACKGROUND AND MAIN CONSIDERATIONS

#### Directorate Outturn

- 3.1 At a directorate level, excluding Public Health and the HRA, the outturn for 2019/20 was a surplus of £1.548m which is broken down in the table below:

	(Surplus) / Deficit £'000
Corporate Management Resources	0
Adult Social Care	(7)
Regeneration & Growth	(658)
Housing & Communities	13
Children's Services	(567)
<b>Total Net Service Expenditure (excluding Public Health)</b>	<b>(1,548)</b>

- 3.2 Including, Public Health and Central Items, the outturn for 2019/20 was a surplus of £1.813m.
- 3.3 However, in common with many other Councils, Sandwell continues to experience an increase in demand for our children's social care services that has resulted in a year-end deficit of £4.332m for Sandwell Children's Trust (SCT). This deficit takes into account the £5.000m of additional resources allocated to SCT as part of Quarter 3 budget monitoring. It is also £1.309m higher than the year end deficit forecast in their Medium-Term Financial Strategy. No additional resources are requested to fund this deficit as SCT have confirmed their commitment to delivering a balanced budget over the medium term, including recovery of this deficit.
- 3.4 Whilst it is positive that directorates have been able to manage within budgets during 2019/20, there are some budget pressures which have been offset by one-off funding and will need to be addressed during 2020/21. Examples of these are:
- SEND Transport £2.700m
  - Property Maintenance Account £1.200m
  - Technology Modernisation Programme £0.540m

The current circumstances relating to Covid-19 have meant that resources have been diverted away from work to address these pressures and therefore it is likely that some, or all, will not be reduced fully by the end of 2020/21.

- 3.5 It is important to note that due to the timing of the COVID19 pandemic the impact on the financial outturn of the Council for 2019/20 has been minimal. However, there will be a significant financial impact across multiple directorates in 2020/21 (and subsequent years), which will be identified and quantified through quarterly budget monitoring processes and reporting.

### **Central Items**

- 3.6 The Council has a number of budgets that are held centrally. The nature of these budgets means that they are not within any specific Directorate's control. These central items ended the year in a deficit of £0.027m, which will be funded from balances.

### **Use of Reserves**

- 3.7 At the end of 2018/19, a total of £27.075m was held in earmarked reserves. £18.939m was added to these reserves during 2019/20 leaving a remaining balance of £46.014m at the end of the financial year. The main reasons for the large increase to reserves are the establishment of a Public Health Grant reserve (£4.842m), and the receipt of COVID 19 Emergency Grant income late in March, which was required to be moved to an earmarked reserve (£12.369m).

### **Severance Payments**

- 3.1 During 2019/20 costs of £4.595m were incurred by the Council relating to the exiting of 57 employees (excluding schools). Schools terminated the contracts of 85 employees during 2019/20, incurring costs of £0.796m.
- 3.2 In 2018/19 a provision of £3.311m was created for employees approved as planned leavers as at 31 March 2019. Of this £2.803m was utilised; £0.409m (relating to 6 employees) has been re-provided for. The remaining unutilised provision of £0.099m was released back to services. Costs of £1.792m, not included in the 2018/19 provision have been incurred. £0.763m of this has been funded by Directorates and £1.029m from the Council's Corporate Resources.
- 3.3 An additional £0.011m was added to the 6 employees who were re-provided for, giving a total provision for their exit packages of £0.420m. Outstanding costs of £0.224m relating to 2 employees who left the Council during 2019/20 have been added to the provision, as well as £1.151m for a further 11 employees who are due to leave the Council during 2020/21 and 2021/22. Therefore, a total provision of £1.795m has been created as at 31st March 2020.

## **Capital**

3.4 Capital expenditure of £121.998m was incurred during 2019/20.

3.5 The majority of this was spent as follows:

- £2.186m Various ICT projects
- £39.076m New schools/school refurbishments
- £4.313m Disabled Facilities Grant
- £8.846m Various Highways related schemes
- £11.324m Sandwell Aquatic Centre for the 2022 Commonwealth Games
- £50.769m Housing Revenue Account

## **General Fund Balance**

3.6 The General Fund balance at the end of 2019/20 was £42.061m. This includes £8.641m of target carry forwards, £20.941m of earmarked central items and £1.009m for a Revenue Contribution to Capital Outlay (RCCO), leaving a free balance of £11.470m which equates to 4.59% of net General Fund expenditure.

## **4 THE CURRENT POSITION**

4.1 The summary statement included at Appendix A details the actual outturn for the Council against the allocated budget for the year.

4.2 Individual outturn reports for each directorate, the Housing Revenue Account and the Individual Schools Budget can be found at Appendices F to N.

## **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

5.1 There is no requirement to formally consult customers or stakeholders.

## **6 ALTERNATIVE OPTIONS**

6.1 There is no alternative option with regard to the Council's financial status.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

7.1 Resource implications are contained within the body of the report.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 8.1 In response to the unprecedented situation relating to COVID19 and the need to reduce the pressure on authorities to comply with legal deadlines, the Government have introduced The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020. These Regulations provide authorities with additional time to complete the audit of their accounts for 2019/20. These Regulations apply only in relation to annual accounts relating to the 2019/20 financial year. For Sandwell MBC the deadline to publish unaudited accounts has moved from 31 May 2020 to 31 August 2020, with the deadline for publishing audited accounts moving from 31 July 2020 to 30 November 2020.

## **9 EQUALITY IMPACT ASSESSMENT**

- 9.1 There is no requirement to conduct an Equality Impact Assessment.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

- 10.1 Any information used to compile this report is subject to information governance legislation and is managed in accordance with the Council's policies and protocols. A Data Protection Impact Assessment is not required.

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

- 11.1 There no requirement to carry out a Crime and Disorder and Risk Assessment.

## **12 SUSTAINABILITY OF PROPOSALS**

- 12.1 This information is contained within the main body of this report and the appendices.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

- 13.1 This information is contained within the main body of this report and the appendices.

## **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

- 14.1 This information is contained within the main body of this report and the appendices.

## **15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 15.1 Sandwell MBC continues to manage its' finances effectively in the age of austerity and additional COVID 19 pressures. It is recommended that the contents of this report be referred to the Budget & Corporate Scrutiny Management Board for consideration and that the requested carry forwards be approved.

## **16 BACKGROUND PAPERS**

- 16.1 Council Budget Report 2019/20.  
16.2 Cabinet Budget Monitoring Reports 2019/20.

## **17 APPENDICES:**

Appendix A – Revenue Outturn Summary  
Appendix B – Central Items Summary  
Appendix C – Earmarked Reserves  
Appendix D – Capital Monitoring  
Appendix E - Key Performance Indicators  
Appendix F – Corporate Management Financial Outturn  
Appendix G – Resources Financial Outturn  
Appendix H – Adult Social Care Financial Outturn  
Appendix I - Regeneration & Growth Financial Outturn  
Appendix J – Housing & Communities Financial Outturn  
Appendix K – Children’s Services Financial Outturn  
Appendix L – Public Health Financial Outturn  
Appendix M – Housing Revenue Account Financial Outturn  
Appendix N – Individual Schools Budgets Financial Outturn  
Appendix O – Treasury Management Outturn

**Rebecca Maher**  
**Head of Finance/Acting S151 Officer**

Appendix A Revenue Outturn Summary

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	RCCO	Revised Outturn	Variance (Under) / Over Spend	Comments
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Corporate Management Resources	915	0	915	990	(29)	(46)	0	915	0	
Adult Social Care	14,815	2,159	16,974	19,616	(504)	(3,154)	1,009	16,967	(7)	
Regeneration & Growth	81,281	6,738	88,019	87,468	(107)	0	0	87,361	(658)	
Housing & Communities	21,200	1,206	22,406	22,629	190	(400)	0	22,419	13	
Children's Services	17,954	428	18,382	17,876	146	(207)	0	17,815	(567)	
	97,628	30	97,658	97,680	(76)	(275)	0	97,329	(329)	
<b>Total Net Service Expenditure (excluding Public Health)</b>	<b>233,793</b>	<b>10,561</b>	<b>244,354</b>	<b>246,259</b>	<b>(380)</b>	<b>(4,082)</b>	<b>1,009</b>	<b>242,806</b>	<b>(1,548)</b>	
Public Health - Ringfenced Grant	97	0	97	(85)	(3)	(106)	0	(195)	(292)	
<b>Total Net Expenditure (including Public Health)</b>	<b>233,890</b>	<b>10,561</b>	<b>244,451</b>	<b>246,174</b>	<b>(383)</b>	<b>(4,189)</b>	<b>1,009</b>	<b>242,611</b>	<b>(1,840)</b>	
<b>Non Service Income &amp; Expenditure:</b>										
Central Items	26,154	0	26,154	13,721	12,723	(263)	0	26,181	27	
<b>Total Net Expenditure (including Public Health &amp; Central Items)</b>	<b>260,044</b>	<b>10,561</b>	<b>270,605</b>	<b>259,895</b>	<b>12,340</b>	<b>(4,452)</b>	<b>1,009</b>	<b>268,792</b>	<b>(1,813)</b>	
Individual Schools Budgets (ISB)	0	0	0	2,702	681	0	0	3,383	3,383	
Housing Revenue Account (HRA)	(31,062)	0	(31,062)	(33,581)	1,077	(918)	669	(32,753)	(1,691)	
<b>Total Net Expenditure (including Public Health, Central Items, ISB &amp; HRA)</b>	<b>228,982</b>	<b>10,561</b>	<b>239,543</b>	<b>229,016</b>	<b>14,098</b>	<b>(5,370)</b>	<b>1,678</b>	<b>239,422</b>	<b>(121)</b>	



Appendix B Central Items Summary

Regeneration & Growth	Annual Budget	Actual Outturn	Use of (Cont to) Earmarked Reserves	Use of Corporate Resources	Variance (Surplus) / Deficit
	£000	£000	£000	£000	£000
Carbon Reduction - Energy Efficiency	300	186	0	0	(114)
<b>Total</b>	<b>300</b>	<b>186</b>	<b>0</b>	<b>0</b>	<b>(114)</b>

Children's Services	Annual Budget	Actual Outturn	Use of (Cont to) Earmarked Reserves	Use of Corporate Resources	Variance (Surplus) / Deficit
	£000	£000	£000	£000	£000
BSF Central Item	400	400	0	0	0
<b>Total</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>

Housing & Communities	Annual Budget	Actual Outturn	Use of (Cont to) Earmarked Reserves	Use of Corporate Resources	Variance (Surplus) / Deficit
	£000	£000	£000	£000	£000
Waste Partnership	26,700	25,296	1,385	0	(19)
<b>Total</b>	<b>26,700</b>	<b>25,296</b>	<b>1,385</b>	<b>0</b>	<b>(19)</b>

Resources	Annual Budget	Actual Outturn	Use of (Cont to) Earmarked Reserves	Use of Corporate Resources	Variance (Surplus) / Deficit
	£000	£000	£000	£000	£000
Local Authority Subscriptions	104	107	0	0	3
W'ton: WMCC & WMRE	45	37	0	0	(8)
Joint Committee Servicing	0	0	0	0	0
External Audit Fee	144	227	0	0	83
New Homes Bonus Grant	(2,923)	(2,923)	0	0	0
Business Rates Compensation Grant	(14,827)	(15,336)	0	0	(509)
Savings Target	(425)	0	0	0	425
Insurance	(395)	819	(1,031)	0	183
Bank Charges	225	250	0	0	25
Airport Rent Income	(100)	(106)	0	0	(6)
Apprenticeship Levy	480	439	0	0	(41)
No Recourse to Public Funds	231	296	0	(65)	0
Past Service Pension Costs	8,600	8,012	0	0	(588)
Local Welfare Provision	0	198	0	(198)	0
Housing Benefits	1,361	1,361	0	0	0
Pensions General	4,559	4,579	0	0	20
Coroners	336	428	0	0	92
Members Allowances	1,377	1,351	0	0	(26)
Public Law Fees	366	957	0	0	591
Special Events	25	17	0	0	(8)
Templink	(429)	(505)	0	0	(76)
COVID 19 Grant	0	(12,369)	12,369	0	0
<b>Total</b>	<b>(1,246)</b>	<b>(12,161)</b>	<b>11,338</b>	<b>(263)</b>	<b>160</b>

<b>GRAND TOTAL</b>	<b>26,154</b>	<b>13,721</b>	<b>12,723</b>	<b>(263)</b>	<b>27</b>
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## Appendix C Earmarked Reserves

Earmarked Reserve	Balance as at 31 March 2019 £000	Use of / (Contribution to) Reserves in 2019/20 £000	Remaining Balance 31 March 2020 £000
<b><u>Corporate Management</u></b>			
Brexit Funding	105	29	76
<b><u>Adult Social Care</u></b>			
Taxi Licensing Operational	105	0	105
Adult Social Care Reserve	1,047	0	1,047
Integrated Care Record	301	107	194
<b><u>Children's Services/ISB</u></b>			
Regeneration and Economy	186	76	110
BSF FM Sinking Fund	2,506	(195)	2,701
BSF PFI Sinking Fund	3,745	(485)	4,230
<b><u>Housing &amp; Communities</u></b>			
Physical Activity Board	48	24	24
Sinking Fund - Portway Lifestyle Centre	516	(70)	586
Private Sector Landlord	142	0	142
Dartmouth Park HLF	318	0	318
Commonwealth Games - UoW	0	(100)	100
Serco Waste	0	(1,385)	1,385
<b><u>Public Health</u></b>			
Learning for Public Health	320	3	317
Public Health Grant Reserve	0	(4,842)	4,842
<b><u>Regeneration &amp; Growth</u></b>			
West Midlands Regional Research	287	0	287
Sinking Fund RBC Building	432	(40)	472
Sinking Fund Central 6th Building	770	(150)	920
<b><u>Resources</u></b>			
Insurance Reserve	8,091	1,031	7,060
Grants Irregularities Reserve	1,031	0	1,031
E-Business Financial Suite	2,625	441	2,184
P.O.C.A. (Proceeds of Crime)	29	0	29
Sandwell Children's Trust	770	63	707
COVID Emergency Funding	0	(12,369)	12,369
<b><u>Housing Revenue Account</u></b>			
Welfare Reform Reserve	3,701	(1,077)	4,778
<b>Total</b>	<b>27,075</b>	<b>(18,939)</b>	<b>46,014</b>

## SANDWELL METROPOLITAN BOROUGH COUNCIL

## CAPITAL MONITORING 2019/2020 - PERIOD 12 MARCH

SUMMARY	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend £	Total Forecast Expenditure £	
<b>MARCH 2019/20</b>	£	£	£	£	£	£	£	£	£	£
Corporate Management	9,000	0	(5,477)	3,523	0	3,523	3,523.00	0	3,523	0
Resources	1,751,000	0	434,707	2,185,707	0	2,185,707	2,185,707.38	0	2,185,707	0
Adults Social Care	11,261,000	0	(10,881,527)	379,473	4,347,143	4,726,617	4,726,616.56	0	4,726,617	0
Regeneration & Growth	2,434,000	4,538,502	(2,650,497)	4,322,005	7,925,488	12,247,494	12,247,493.78	0	12,247,494	0
Housing & Communities	6,452,000	(359,272)	(3,365,717)	2,727,011	10,262,034	12,989,045	12,989,045.17	0	12,989,045	0
Childrens Services	81,000	0	(81,000)	0	39,075,855	39,075,855	39,075,854.95	0	39,075,855	0
Housing Revenue Account (HRA)	70,250,000	14,529,600	(39,092,000)	45,687,600	5,117,500	50,805,100	50,769,284.23	0	50,769,284	(35,816)
<b>GRAND TOTAL</b>	<b>92,238,000</b>	<b>18,708,830</b>	<b>(55,641,510)</b>	<b>55,305,320</b>	<b>66,728,021</b>	<b>122,033,341</b>	<b>121,997,525.07</b>	<b>0</b>	<b>121,997,525</b>	<b>(35,816)</b>

	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend £	Total Forecast Expenditure £	
<b>Corporate Management</b>	£	£	£	£	£	£	£	£	£	£
<b>Thematic Pots</b>										
3rd Floor Providence Place	9,000	0	(5,477)	3,523	0	3,523	3,523.00	0	3,523	0
<b>Total Corporate Management</b>	<b>9,000</b>	<b>0</b>	<b>(5,477)</b>	<b>3,523</b>	<b>0</b>	<b>3,523</b>	<b>3,523.00</b>	<b>0</b>	<b>3,523</b>	<b>0</b>

	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend £	Total Forecast Expenditure £	
<b>Resources</b>	£	£	£	£	£	£	£	£	£	£
<b>Main Programme</b>										
Sandwell Business Services : Development	44,000	0	(27,668)	16,332	0	16,332	16,332.16	0	16,332	0
ICT End User Computing 2	1,640,000	0	529,375	2,169,375	0	2,169,375	2,169,375.22	0	2,169,375	0
Sandwell Valley Catering Facility	2,000	0	(2,000)	0	0	0	-	0	0	0
<b>Prudential Borrowing</b>										
Public Realm - Living Landscapes - Dartmouth Park	15,000	0	(15,000)	0	0	0	-	0	0	0
<b>Thematic Pot Allocations</b>										
Health & Safety	50,000	0	(50,000)	0	0	0	-	0	0	0
<b>Grants / Self Financing</b>										
Public Realm - General	0	0	0	0	0	0	-	0	0	0
<b>Total Resources</b>	<b>1,751,000</b>	<b>0</b>	<b>434,707</b>	<b>2,185,707</b>	<b>0</b>	<b>2,185,707</b>	<b>2,185,707.38</b>	<b>0</b>	<b>2,185,707</b>	<b>0</b>

	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend £	Total Forecast Expenditure £	
<b>Adult Social Care</b>	£	£	£	£	£	£	£	£	£	£
<b>Main Programme</b>										
New Social Care & Health Centre - Rowley Regis	662,000	0	(317,884)	344,116	0	344,116	344,116.01	0	344,116	0
Vulnerable Home Owners Improvements - HMRA Receipts	384,000	0	(372,806)	11,194	0	11,194	11,194.03	0	11,194	0
Empty Properties	712,000	0	(703,797)	8,203	0	8,203	8,203.12	0	8,203	0
Housing Stock Condition Survey - Private Sector	29,000	0	(29,000)	0	0	0	-	0	0	0
Swift Impress System (Earmarked Revenue Balance)	287,000	0	(271,040)	15,960	0	15,960	15,960.00	0	15,960	0
New Social Care & Health Centre - Rowley Regis	6,000,000	0	(6,000,000)	0	0	0	-	0	0	0
<b>Prudential Borrowing</b>										
New Social Care & Health Centre - Rowley Regis	3,177,000	0	(3,177,000)	0	0	0	-	0	0	0
<b>Thematic Pot Allocations</b>										
Thematic - Disability Day	9,000	0	(9,000)	0	0	0	-	0	0	0
10 St Michaels Street	1,000	0	(1,000)	0	0	0	-	0	0	0
<b>Grants / Self Financing</b>										
AIS Implementation	0	0	0	0	0	0	-	0	0	0
Non Residential Assessments (NRCS)	0	0	0	0	0	0	-	0	0	0
Webrosta Replacement	0	0	0	0	0	0	-	0	0	0
Mobile & Agile Working	0	0	0	0	0	0	-	0	0	0
NHS Number Integration (Upload to SWIFT)	0	0	0	0	0	0	-	0	0	0
Lone Worker Alert & Monitoring	0	0	0	0	0	0	-	0	0	0
Information Point	0	0	0	0	0	0	-	0	0	0
ASC System Development	0	0	0	43	0	0	-	0	0	0

Mental Health Integration	0	0	0	0	0	0	-	0	0	0
ILC Alterations	0	0	0	0	0	0	-	0	0	0
Campus Closure	0	0	0	0	0	0	-	0	0	0
New Social Care & Health Centre - Rowley Regis	0	0	0	0	0	0	-	0	0	0
Autism Innovation Fund Capital Grant	0	0	0	0	0	0	-	0	0	0
ASC Community Capacity Grant	0	0	0	0	0	0	-	0	0	0
ASC Capital Grant 2015/16	0	0	0	0	0	0	-	0	0	0
Grants: Private Sector (Disabled Facilities Grant) Mandatory	0	0	0	0	4,313,231	4,313,231	4,313,230.61	0	4,313,231	0
Contaminated Land - Landfill Gas	0	0	0	0	4,277	4,277	4,277.00	0	4,277	0
Air Quality Monitoring	0	0	0	0	21,486	21,486	21,485.79	0	21,486	0
Warm Homes Healthy People	0	0	0	0	0	0	-	0	0	0
Vulnerable Home Owners Improvements - Kick Start	0	0	0	0	8,150	8,150	8,150.00	0	8,150	0
<b>Total Adult Social Care</b>	<b>11,261,000</b>	<b>0</b>	<b>(10,881,527)</b>	<b>379,473</b>	<b>4,347,143</b>	<b>4,726,617</b>	<b>4,726,616.56</b>	<b>0</b>	<b>4,726,617</b>	<b>0</b>

	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend	Total Forecast Expenditure	
	£	£	£	£	£	£	£	£	£	£
<b>Regeneration &amp; Growth</b>										
<b>Main Programme</b>										
West Bromwich Car Parking	581,000	0	(581,000)	0	0	0	-	0	0	0
Section 106 Monies - Lyng Lane	15,000	0	(1,504)	13,496	0	13,496	13,495.69	0	13,496	0
Reservoirs Act	31,000	0	(22,377)	8,623	0	8,623	8,622.93	0	8,623	0
Birchley Island - 10% Local Contribution	0	0	0	0	0	0	-	0	0	0
College Relocation of Car Parking Costs	14,000	0	(14,000)	0	0	0	-	0	0	0
West Bromwich Town Square Development	6,000	0	(6,000)	0	0	0	-	0	0	0
SOHO Foundary	21,000	0	(21,000)	0	0	0	-	0	0	0
Living Landscapes - Green Bridge P1	16,000	0	(16,000)	0	0	0	-	0	0	0
Living Landscapes - Green Bridge P2	15,000	0	(15,000)	0	0	0	-	0	0	0
BSF Schools for the Future	105,000	0	0	105,000	0	105,000	105,000.00	0	105,000	0
Property Refurbishment - WPV	739,000	0	0	739,000	0	739,000	739,000.00	0	739,000	0
Access Fund	508,000	0	(40,847)	467,153	0	467,153	467,153.10	0	467,153	0
Birchley Island - (Corporate RCCO)	138,000	0	0	138,000	100,000	238,000	238,000.00	0	238,000	0
Bear Junction Upgrade (Earmarked balances)	10,000	0	(10,000)	0	0	0	-	0	0	0
Brindley II - (Earmarked Reserve)	21,000	0	(21,000)	0	0	0	-	0	0	0
Temporary Transit Site - Gypsy (Earmarked Balances 16/17 Outturn)	5,000	0	(5,000)	0	0	0	-	0	0	0
Smethwick Council House Boiler Replacement (Theme PMA)	4,000	0	(4,000)	0	0	0	-	0	0	0
Street Lighting SOX to LED Conversion	185,000	1,015,000	(416,656)	783,344	0	783,344	783,344.25	0	783,344	0
Multi Storey Car Park Demolition	0	9,712	0	9,712	0	9,712	9,711.99	0	9,712	0
Shafesbury House Demolition	0	21,078	0	21,078	0	21,078	21,077.94	0	21,078	0
Crosswells Road Demolition	0	300,268	0	300,268	0	300,268	300,268.34	0	300,268	0
Smethwick Sports Hall Demolition	0	309,444	0	309,444	0	309,444	309,443.84	0	309,444	0
<b>RCCO</b>										
Property Refurbishment -WPV	0	2,888,000	(1,461,113)	1,426,887	0	1,426,887	1,426,887.26	0	1,426,887	0
<b>Prudential Borrowing</b>										
Hill Top Demolition	3,000	(3,000)	0	0	0	0	-	0	0	0
1 Providence Place	2,000	(2,000)	0	0	0	0	-	0	0	0
<b>Thematic Pot Allocations</b>										
Idox Public Access & Consultee Access Modules	7,000	0	(7,000)	0	0	0	-	0	0	0
H&S Compliance with Construction	8,000	0	(8,000)	0	0	0	-	0	0	0
<b>Grants / Self Financing</b>										
Major Schemes - Salaries Design Land in Advance	0	0	0	0	220,000	220,000	220,000.00	0	220,000	0
Major Route Signing	0	0	0	0	60,000	60,000	60,000.00	0	60,000	0
Local Safety Schemes	0	0	0	0	150,000	150,000	150,000.00	0	150,000	0
Local Area Safety Schemes	0	0	0	0	115,000	115,000	115,000.00	0	115,000	0
Traffic Initiated Schemes (Traffic Calming)	0	0	0	0	100,000	100,000	100,000.00	0	100,000	0
Measures to encourage Cycling	0	0	0	0	125,000	125,000	125,000.00	0	125,000	0
Measures to encourage Walking	0	0	0	0	125,000	125,000	125,000.00	0	125,000	0
Child Safety - Safe Routes to School	0	0	0	0	125,000	125,000	125,000.00	0	125,000	0
Traffic & Demand Management Measures	0	0	0	0	100,000	100,000	100,000.00	0	100,000	0
Major Scheme Contributions	0	0	0	0	357,000	357,000	357,000.00	0	357,000	0
Estimated & Provisional	0	0	0	0	0	0	-	0	0	0
Structural Maintenance Roads	0	0	0	0	2,474,000	2,474,000	2,474,000.00	0	2,474,000	0
Structural Maintenance Bridges	0	0	0	0	516,000	516,000	516,000.00	0	516,000	0
Street Lighting - Maintenance Block	0	0	0	0	130,000	130,000	130,000.00	0	130,000	0
Incentive Fund	0	0	0	0	0	0	-	0	0	0
Pothole Fund	0	0	0	0	158,300	158,300	158,300.00	0	158,300	0
Additional Highway Maintenance Funding	0	0	0	0	1,422,000	1,422,000	1,422,000.00	0	1,422,000	0
Flood & Coastal Erosion Risk Management Grant - Thimblemill Broo	0	0	0	0	0	0	-	0	0	0
Woods Lane Re-Development	0	0	0	0	110,699	110,699	110,699.00	0	110,699	0
Children's Trust Accommodation Works (DFE Funded)	0	0	0	0	0	0	-	0	0	0
BSF Schools for the Future	0	0	0	0	0	0	-	0	0	0
Mobile Working	0	0	0	44	0	0	-	0	0	0

<b>Section 106</b>										
Roway Lane Development	0	0	0	0	0	0	-	0	0	0
A41 Expressway / A4031 All Saints Way Junction - Tesco 106	0	0	0	0	865,702	865,702	865,702.21	0	865,702	0
Carters Green Public Realm	0	0	0	0	671,787	671,787	671,787.23	0	671,787	0
Construction of homes and sports facilities - Churchfields school	0	0	0	0	0	0	-	0	0	0
Affordable Housing	0	0	0	0	0	0	-	0	0	0
Spon Lane, West Bromwich - Highways Contribution	0	0	0	0	0	0	-	0	0	0
TESCO - Planning / Env. Health Contribution	0	0	0	0	0	0	-	0	0	0
Sandwell Rd - Public Realm / Highways Contribution	0	0	0	0	0	0	-	0	0	0
Ashes Road Oldbury Contribution	0	0	0	0	0	0	-	0	0	0
Upper Church Lane Tipton Contribution	0	0	0	0	0	0	-	0	0	0
<b>Regional Housing Board Allocations</b>										
General - Carrington Road Shops Demolition	0	0	0	0	0	0	-	0	0	0
School / Carrington Road	0	0	0	0	0	0	-	0	0	0
Queslade Bungalows Demolition	0	0	0	0	0	0	-	0	0	0
New Build / Supported Housing	0	0	0	0	0	0	-	0	0	0
<b>Total Regeneration &amp; Growth</b>	<b>2,434,000</b>	<b>4,538,502</b>	<b>(2,650,497)</b>	<b>4,322,005</b>	<b>7,925,488</b>	<b>12,247,494</b>	<b>12,247,493.78</b>	<b>0</b>	<b>12,247,494</b>	<b>0</b>

	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend £	Total Forecast Expenditure £	
	£	£	£	£	£	£	£	£	£	£
<b>Housing &amp; Communities</b>										
<b>Main Programme</b>										
Environmental Improvements To Neighbourhoods (Grot Spots)	105,000	0	(91,901)	13,099	0	13,099	13,098.86	0	13,099	0
Charlemont Community Centre Wigmore	37,000	0	(37,000)	0	0	0	-	0	0	0
Public Access Computers - Libraries	196,000	0	(129,944)	66,056	0	66,056	66,056.39	0	66,056	0
Libraries Management System	4,000	0	(4,000)	0	0	0	-	0	0	0
Blackheath Library - Fit Out Costs	0	293,000	(267,899)	25,101	0	25,101	25,101.17	0	25,101	0
Manor House - Phase 2	12,000	0	(12,000)	0	0	0	-	0	0	0
Lightwoods House & Park (16/17 outturn report)	40,000	0	0	40,000	0	40,000	40,000.00	0	40,000	0
Sandwell Aquatic's Centre - Main Programme	300,000	0	(59,930)	240,070	0	240,070	240,069.76	0	240,070	0
Self Service Customer Portal (Corporate £600k / HRA £440k)	382,000	0	(298,606)	83,394	0	83,394	83,394.25	0	83,394	0
West Smethwick Park (HLF Match Funding) - centrally earmarked by	491,000	0	(271,769)	219,231	0	219,231	219,231.39	0	219,231	0
Aquatic Centre - Commonwealth Games 2022 (RTB Receipts)	0	0	0	0	0	0	-	0	0	0
Oak House Museum Roof Repairs (Earmarked Balances 16/17 outturn)	10,000	0	(10,000)	0	0	0	-	0	0	0
<b>Prudential Borrowing</b>										
The Public - conversion to college	341,000	0	(341,000)	0	0	0	-	0	0	0
Lightwoods Park	85,000	0	(43,764)	41,236	0	41,236	41,236.28	0	41,236	0
Aquatic Centre - Commonwealth Games 2022	2,912,000	0	(1,760,905)	1,151,095	0	1,151,095	1,151,094.96	0	1,151,095	0
Acquisition of Vehicles - Prudential	1,500,000	(652,272)	0	847,728	0	847,728	847,727.72	0	847,728	0
<b>Thematic Pot Allocations</b>										
Forge Mill Farm	2,000	0	(2,000)	0	0	0	-	0	0	0
Lightwoods House Roof Works	35,000	0	(35,000)	0	0	0	-	0	0	0
<b>Grants / Self Financing</b>										
Haden Hill Leisure Centre - Roofing	0	0	0	0	60,000	60,000	60,000.00	0	60,000	0
Libraries Management System	0	0	0	0	4,000	4,000	4,000.00	0	4,000	0
Manor House Conservation Plan	0	0	0	0	7,081	7,081	7,080.86	0	7,081	0
Dartmouth Park - HLF	0	0	0	0	0	0	-	0	0	0
West Smethwick Park HLF	0	0	0	0	0	0	-	0	0	0
Oakhouse Barns Restoration Project	0	0	0	0	0	0	-	0	0	0
Sandwell Valley High Ropes (Insurance Receipt £169k)	0	0	0	0	5,137	5,137	5,137.40	0	5,137	0
Youth Centre, Queens Way, Oldbury	0	0	0	0	0	0	-	0	0	0
Sandwell Aquatics Centre (DCMS)	0	0	0	0	2,992,972	2,992,972	2,992,972.39	0	2,992,972	0
Sandwell Aquatics Centre (LEP Funding)	0	0	0	0	5,000,000	5,000,000	5,000,000.00	0	5,000,000	0
Sandwell Aquatics Centre (Sport England)	0	0	0	0	1,940,000	1,940,000	1,940,000.00	0	1,940,000	0
Sandwell Aquatics Centre (Sandwell Leisure Trust)	0	0	0	0	0	0	-	0	0	0
<b>Section 106</b>										
Section 106 Accounts - Cultural	0	0	0	0	252,844	252,844	252,843.74	0	252,844	0
<b>Total Housing &amp; Communities</b>	<b>6,452,000</b>	<b>(359,272)</b>	<b>(3,365,717)</b>	<b>2,727,011</b>	<b>10,262,034</b>	<b>12,989,045</b>	<b>12,989,045.17</b>	<b>0</b>	<b>12,989,045</b>	<b>0</b>

	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend £	Total Forecast Expenditure £	
	£	£	£	£	£	£	£	£	£	£
<b>Childrens Services</b>										
<b>Supported Borrowing</b>										
BSF ICT Element	80,000	0	(80,000)	0	0	0	-	0	0	0
<b>Thematic Allocations</b>										
Edmond Cottage Extension	1,000	0	(1,000)	0	0	0	-	0	0	0
FCC Refurbishment of cottages	0	0	0	0	0	0	-	0	0	0
<b>Grants / Self Financing</b>										
Playpathfinder	0	0	0	0	0	0	-	0	0	0
Plas Gwynant (OFGEM Energy)	0	0	0	45	18,022	18,022	18,021.87	0	18,022	0

<b>Schools Capital Programme Schemes (Basic Need Grant/Maintenance)</b>										
New School Kelvin Way - West Bromwich Collegiate Academy	0	0	0	0	5,620,165	5,620,165	5,620,164.70	0	5,620,165	0
West Bromwich Collegiate Academy - Phase 2	0	0	0	0	120,000	120,000	120,000.00	0	120,000	0
Q3 Langley Phase 2	0	0	0	0	3,953,361	3,953,361	3,953,361.46	0	3,953,361	0
Q3 Langley Phase 3	0	0	0	0	131,000	131,000	131,000.00	0	131,000	0
Shireland Collegiate Academy	0	0	0	0	2,019,352	2,019,352	2,019,352.23	0	2,019,352	0
George Salter Academy	0	0	0	0	3,007,375	3,007,375	3,007,375.10	0	3,007,375	0
St Matthews CE	0	0	0	0	3,690,604	3,690,604	3,690,603.66	0	3,690,604	0
School Condition - LifeCycle property maintenance	0	0	0	0	5,789,768	5,789,768	5,789,767.97	0	5,789,768	0
Priory Primary Expansion	0	0	0	0	40,530	40,530	40,530.38	0	40,530	0
Annie Lennard Infant	0	0	0	0	7,707	7,707	7,707.21	0	7,707	0
Ormiston Sandwell Community Academy - retention	0	0	0	0	225	225	224.55	0	225	0
New Oldbury Primary - Lightwoods	0	0	0	0	94,080	94,080	94,079.78	0	94,080	0
Hargate Primary	0	0	0	0	7,440	7,440	7,439.60	0	7,440	0
RSA Academy	0	0	0	0	373,000	373,000	372,999.53	0	373,000	0
Victoria Park Academy	0	0	0	0	30,357	30,357	30,357.12	0	30,357	0
All Saints CE Primary	0	0	0	0	24	24	23.57	0	24	0
Great Bridge Primary	0	0	0	0	332	332	331.84	0	332	0
Shireland Hall Primary - PCP	0	0	0	0	0	0	-	0	0	0
Feasibility Work Expansion of Secondary	0	0	0	0	43,606	43,606	43,606.28	0	43,606	0
Tipton Green Junior School - Flood	0	0	0	0	15,636	15,636	15,636.20	0	15,636	0
Bristnall Hall Academy	0	0	0	0	206,911	206,911	206,911.16	0	206,911	0
St Michaels	0	0	0	0	30,655	30,655	30,655.09	0	30,655	0
Old Park/Wood Green Junior	0	0	0	0	19,984	19,984	19,983.75	0	19,984	0
Rood End Bulge Class	0	0	0	0	58,139	58,139	58,139.45	0	58,139	0
St Gregor's	0	0	0	0	3,183	3,183	3,182.57	0	3,183	0
Moorlands	0	0	0	0	11,394	11,394	11,394.33	0	11,394	0
Joseph Turner	0	0	0	0	12,444	12,444	12,443.69	0	12,444	0
Temporary Expansions	0	0	0	0	1,038	1,038	1,037.80	0	1,038	0
Perryfields - Purchase Mobile Classrooms - Portakabin	0	0	0	0	738,750	738,750	738,750.00	0	738,750	0
School Kitchen Repairs	0	0	0	0	196	196	196.17	0	196	0
Hollies Refurbishment	0	0	0	0	50,000	50,000	50,000.00	0	50,000	0
Ingestre Hall - Boiler Replacement	0	0	0	0	6,685	6,685	6,685.17	0	6,685	0
SRES Development Plan	0	0	0	0	6,052	6,052	6,051.81	0	6,052	0
Shireland High Tech Primary	0	0	0	0	5,790	5,790	5,789.92	0	5,790	0
Crocketts Community Primary	0	0	0	0	3,938	3,938	3,938.27	0	3,938	0
Shenstone Lodge School	0	0	0	0	3,456	3,456	3,456.29	0	3,456	0
Sacred Heart Primary	0	0	0	0	3,331	3,331	3,330.93	0	3,331	0
Yew Tree Primary	0	0	0	0	2,509	2,509	2,508.87	0	2,509	0
Christ Church CE Primary	0	0	0	0	2,506	2,506	2,505.91	0	2,506	0
School Demolition Thorne Road	0	0	0	0	977	977	977.19	0	977	0
Schools Capital Feasibility Works	0	0	0	0	503	503	502.95	0	503	0
Additional Secondary Places 2020	0	0	0	0	175	175	175.45	0	175	0
Blackheath Primary	0	0	0	0	101	101	101.44	0	101	0
Primary Bulge Class - Rowley	0	0	0	0	90	90	90.12	0	90	0
Holy Trinity CE Primary	0	0	0	0	20	20	19.91	0	20	0
Causeway Green Primary Flooding	0	0	0	0	16	16	16.25	0	16	0
<b>Other Self-Financing schemes</b>										
Devolved Formula Capital	0	0	0	0	1,231,896	1,231,896	1,231,896.25	0	1,231,896	0
Devolved Formula Capital - School Contribution	0	0	0	0	927,703	927,703	927,702.60	0	927,703	0
Devolved Formula Capital - PRU's	0	0	0	0	41,562	41,562	41,562.01	0	41,562	0
BSF Oldbury	0	0	0	0	0	0	-	0	0	0
Two Years Old Entitlement - Early Years Capital	0	0	0	0	0	0	-	0	0	0
Orchard Building Work/ Primrose Caretaker House	0	0	0	0	39,573	39,573	39,572.54	0	39,573	0
EVOLVE Funding	0	0	0	0	816,919	816,919	816,918.92	0	816,919	0
Healthy Pupils Capital Fund	0	0	0	0	39,024	39,024	39,024.44	0	39,024	0
PSBP - Abbey Infants School (DfE Funded)	0	0	0	0	3,797,751	3,797,751	3,797,750.65	0	3,797,751	0
PSBP - Yew Tree Primary School (DfE Funded)	0	0	0	0	6,050,000	6,050,000	6,050,000.00	0	6,050,000	0
<b>Total Childrens Services</b>	<b>81,000</b>	<b>0</b>	<b>(81,000)</b>	<b>0</b>	<b>39,075,855</b>	<b>39,075,855</b>	<b>39,075,854.95</b>	<b>0</b>	<b>39,075,855</b>	<b>0</b>

	Original Budget 2019/20 (Main Programme)	Additional Approvals / Adjustments	Re-Profile to Future Years	Revised Budget 2019/20 (Main Programme)	Self Financing	Total Budget 2019/20	2019/20			(Surplus) / Deficit for the Year
							Actual Spend to Date	Remaining Spend	Total Forecast Expenditure	
<b>Housing Revenue Account (HRA)</b>										
<b>Prudential Borrowing - New Build (inc. HCA Grant)</b>	0	0	0	0	0	0	-	0	0	0
Moor Lane Extra Care	6,110,000	0	(5,193,000)	917,000	2,936,250	3,853,250	3,853,000.21	0	3,853,000	(250)
Carrisbrooke Close	1,001,000	0	(172,000)	829,000	456,250	1,285,250	1,284,862.29	0	1,284,862	(388)
West Road	7,981,000	0	(3,576,000)	4,405,000	12,000	4,417,000	4,416,799.80	0	4,416,800	(200)
Strathmore Road	7,661,000	0	(2,705,000)	4,956,000	1,713,000	6,669,000	6,668,707.14	0	6,668,707	(293)
Reservoir Road	0	354,000	0	354,000	0	354,000	354,600.17	0	354,600	600
Bull Street / Albion Road	0	14,000	0	14,000	0	14,000	13,900.50	0	13,901	(100)
<b>Prudential Borrowing - New Build (1-4-1 Receipts)</b>										
Metis Developments	3,543,000	(3,543,000)	0	0	0	0	-	0	0	0
1-4-1 Replacement Professional Fees	0	112,000	0	46 112,000	0	112,000	112,053.47	0	112,053	53

Kier Housing - Kent Close, Tibbington	25,000	0	(25,000)	0	0	0	-	0	0	0
Oxford Road Extra Care - New Build	1,138,000	(356,000)	(514,000)	268,000	0	268,000	267,770.18	0	267,770	(230)
Brindley 2	121,000	(117,000)	0	4,000	0	4,000	4,787.28	0	4,787	787
Churchvale	521,000	3,329,000	(3,716,000)	134,000	0	134,000	133,961.36	0	133,961	(39)
Friardale Close Bungalows	0	1,540,000	(1,442,000)	98,000	0	98,000	97,505.31	0	97,505	(495)
Brittania	0	1,330,000	(1,203,000)	127,000	0	127,000	126,766.04	0	126,766	(234)
RTB Buy Backs	0	1,332,000	0	1,332,000	0	1,332,000	1,332,338.94	0	1,332,339	339
1-4-1 Property Purchases	0	3,328,000	0	3,328,000	0	3,328,000	3,328,723.97	0	3,328,724	724
<b>Prudential Borrowing - High Rise</b>										
High Rise	5,321,000	0	(5,321,000)	0	0	0	-	0	0	0
The Crofts	83,000	0	(83,000)	0	0	0	-	0	0	0
Charlemont Farm	14,000	0	(14,000)	0	0	0	-	0	0	0
Kynaston House	132,000	0	(132,000)	0	0	0	-	0	0	0
Lion Farm	394,000	192,000	(37,000)	549,000	0	549,000	548,341.28	0	548,341	(659)
Beaconview	46,000	0	(46,000)	0	0	0	-	0	0	0
Nelson House	308,000	0	(304,000)	4,000	0	4,000	3,488.46	0	3,488	(512)
Darley House	16,000	50,000	0	66,000	0	66,000	66,743.00	0	66,743	743
Alfred Gunn House	6,068,000	0	(5,760,000)	308,000	0	308,000	308,118.31	0	308,118	118
Emergency Cladding Works	0	191,000	0	191,000	0	191,000	191,616.55	0	191,617	617
Mountford House (Lifts)	65,000	0	(51,000)	14,000	0	14,000	13,929.54	0	13,930	(70)
High Rise General	1,882,000	(433,000)	(1,312,000)	137,000	0	137,000	137,171.61	0	137,172	172
<b>Prudential Borrowing - Other</b>										
Internal Refurbishment	852,000	(852,000)	0	0	0	0	-	0	0	0
Boiler Replacement	743,000	3,004,000	(1,605,000)	2,142,000	0	2,142,000	2,141,161.30	0	2,141,161	(839)
Sandfield House	52,000	100,000	(10,000)	142,000	0	142,000	141,705.21	0	141,705	(295)
ECO Projects	250,000	1,000,000	(1,250,000)	0	0	0	-	0	0	0
Adaptations for Disabled	0	3,926,000	(385,000)	3,541,000	0	3,541,000	3,541,028.78	0	3,541,029	29
Estate Improvements	0	362,000	(100,000)	262,000	0	262,000	261,799.34	0	261,799	(201)
Property Conversions	0	307,000	0	307,000	0	307,000	307,335.97	0	307,336	336
Replacement of CO2 and Smoke Detectors	0	255,000	0	255,000	0	255,000	254,612.64	0	254,613	(387)
<b>RTB Receipts - Allowable Debt</b>										
Boiler Replacement	1,500,000	(1,500,000)	0	0	0	0	-	0	0	0
<b>RTB Receipts - 1-4-1 Replacement</b>										
Brindley 2	0	0	0	0	0	0	-	0	0	0
1-4-1 Replacement Professional Fees	0	48,000	0	48,000	0	48,000	48,022.91	0	48,023	23
Oxford Road Extra Care - New Build	50,000	356,000	(291,000)	115,000	0	115,000	114,758.65	0	114,759	(241)
Churchvale	224,000	1,426,000	(1,593,000)	57,000	0	57,000	57,412.01	0	57,412	412
Friardale Close Bungalows	0	660,000	(618,000)	42,000	0	42,000	41,787.99	0	41,788	(212)
Brittania	0	570,000	(516,000)	54,000	0	54,000	54,328.30	0	54,328	328
RTB Buy Backs	0	571,000	0	571,000	0	571,000	571,002.41	0	571,002	2
Alfred Gunn House	0	41,000	0	41,000	0	41,000	40,832.10	0	40,832	(168)
1-4-1 Property Purchases	0	1,426,600	0	1,426,600	0	1,426,600	1,426,595.99	0	1,426,596	(4)
<b>RCCO : MRA/Ringfenced Approvals</b>										
Internal Refurbishment	12,184,000	951,000	0	13,135,000	0	13,135,000	13,135,341.39	0	13,135,341	341
Single to Double Glazing & Composite Doors	0	499,000	0	499,000	0	499,000	499,071.47	0	499,071	71
Boiler Replacement	2,000,000	(4,000)	0	1,996,000	0	1,996,000	1,995,871.42	0	1,995,871	(129)
<b>RCCO - Other</b>										
Adaptions for Disabled	3,926,000	(3,926,000)	0	0	0	0	-	0	0	0
Boiler Replacement	1,500,000	(1,500,000)	0	0	0	0	-	0	0	0
ECO Projects	1,000,000	(1,000,000)	0	0	0	0	-	0	0	0
Estate Improvements	400,000	(400,000)	0	0	0	0	-	0	0	0
Property Conversions	122,000	(122,000)	0	0	0	0	-	0	0	0
Replacement of CO2 & Smoke Detectors	267,000	(267,000)	0	0	0	0	-	0	0	0
Applewood Grove Conversion	0	1,076,000	0	1,076,000	0	1,076,000	1,076,612.99	0	1,076,613	613
Greenwood Avenue Conversion	0	250,000	(233,000)	17,000	0	17,000	17,262.61	0	17,263	263
Greenford House (additional flats)	0	100,000	(97,000)	3,000	0	3,000	2,656.90	0	2,657	(343)
Kenrick House (additional flats)	0	40,000	(38,000)	2,000	0	2,000	2,184.30	0	2,184	184
Ex Neighbourhood Offices New Build - Hilton Road	0	0	0	0	0	0	(8,584.68)	0	(8,585)	(8,585)
Ex Neighbourhood Offices New Build - Monmouth Drive	0	0	0	0	0	0	(28,170.81)	0	(28,171)	(28,171)
Riverside PFI	0	669,000	0	669,000	0	669,000	669,068.72	0	669,069	69
Workplace Vision	0	573,000	0	573,000	0	573,000	573,400.91	0	573,401	401
ICT Strategy Costs	0	567,000	0	567,000	0	567,000	567,000.00	0	567,000	0
CCTV Expansions	750,000	0	(750,000)	0	0	0	-	0	0	0
<b>Total Housing Revenue Account (HRA)</b>	<b>70,250,000</b>	<b>14,529,600</b>	<b>(39,092,000)</b>	<b>45,687,600</b>	<b>5,117,500</b>	<b>50,805,100</b>	<b>50,769,284.23</b>	<b>0</b>	<b>50,769,284</b>	<b>(35,816)</b>

**Key Financial Outturn Performance Indicators at Quarter 4 2019/20**

**Appendix E**

Key Performance Indicator		2019/20	Change from 2018/19	2018/19	Commentary
<b>1</b>	<b>Revenue Collection Performance</b>				
1.1	<b>Council Tax Collection Rate</b>	98%	↓	99%	Estimated - A higher figure is beneficial in improving the Council's cash flow and also reducing administration costs. Awaiting Out-turn of QRC 4
1.2	<b>Business Rates Collection Rate</b>	98%	↔	98%	Estimated - A higher figure is beneficial in improving the Council's cash flow and also reducing administration costs. Awaiting Out-turn of QRC 4
<b>1.3</b>	<b>General Debtors</b>				
	1.3.2 Collection Rate	86%	↑	85%	
	1.3.3 Average No. of Days to receive payment	73	↓	72	A lower figure is beneficial to the Council in relation to improved cash flow and reduced administration costs.
	1.3.4 Credit Notes Raised as a % of Total Customers	5%	↑	4%	A lower figure helps to save time in dealing with customer queries and reduces the cost of administration.
	1.3.5 Proportion of Debt > 90 days old from income	53%	↑	54%	A lower figure helps to improve the council's cash flow.
<b>1.4</b>	<b>Housing Rents</b>				
	1.4.1 Value of Rent Debit to Date (£m)	118	↔	118	The annual rent debit remained the same as the previous year.
	1.4.2 Collection Rate	95%	↓	96%	The cumulative impact of Welfare Reform, specifically the roll out of Universal Credit continues to hamper collection rates. This is further compounded by the current restrictions placed on social housing landlords on taking enforcement action to recover rent arrears. Although the Coronavirus Act 2020 did not come into force until 26 March 2020, Sandwell was one of the first Local Authorities adopting the stance of no enforcement action, on 13 March 2020.
<b>2</b>	<b>Accounts Payable</b>				
2.1	Proportion of Payments made by Electronic means (BACS & Bank Transfers)	93%	↔	93%	A higher figure is beneficial in terms of reducing administration costs and improved processes. Suppliers of goods and services receive prompt payment of invoices and therefore improved cash flow.



**Corporate Management Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

## **Revenue**

### **1. Overview**

The financial outturn for Corporate Management is breakeven position, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	1,535	0	1,535	2,158	(285)	1,873	338
Gross Income	(620)	0	(620)	(1,168)	210	(958)	(338)
<b>Net Expenditure</b>	<b>915</b>	<b>0</b>	<b>915</b>	<b>990</b>	<b>(75)</b>	<b>915</b>	<b>0</b>
Revenue Contribution to Capital (RCCO)							0
<b>Adjusted Net Variance After RCCO</b>							<b>0</b>

Further details of the outturn position can be found in Appendices F1 & F2.

### **2. Available Resources**

The total budget available to the directorate was £0.915m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>954</b>
Target Adjustments -	
Capital Charges Adjustment	<b>(39)</b>
<b>Revised Target Budget Resources</b>	<b>915</b>

The following additional specific grants have been received by the directorate since the previously reported monitoring:

- £0.341m was received from MHCLG as there had been a surplus balance on the Central Government Business Rate Levy, which was redistributed to Local Authorities.

### 3. Virements within the Directorate

There have been no virements over £0.250m between sub divisions of the directorate since the previously reported monitoring.

### 4. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an over spend of £0.810m, the variance between this and the actual outturn is an under spend of £0.810m. The table below explains the reason for this variance:

Reasons for variation from projected outturn @ Q3	£000
Unanticipated income received from MHCLG due to surplus on Central Government Business Rates Levy Account	(341)
Reduction in write off of prior year balances held on SMBC Balance Sheet	(438)
Call on Earmarked Balances	(31)
<b>Total</b>	<b>(810)</b>

The 2020/21 budgets were approved by Cabinet on 19 February 2020 no adjustments are needed to reflect the 2019/20 outturn.

### 5. Central Items

The directorate has no responsibility for the management of Central Items therefore, there is no Appendix F2 for this service.

### 6. Earmarked Reserves

The directorate has set aside sums totalling £0.105m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has used £0.029m of earmarked reserves during the current year leaving the following balance remaining:

Earmarked Reserve	Balance as at 31 March 2019 £'000	Use of / (Contribution to) in 2019/20 £'000	Remaining Balance 31 March 2020 £'000
Brexit Funding	105	29	76
<b>Total</b>	<b>105</b>	<b>29</b>	<b>76</b>

## **7. Severance Payments**

There were no severance payment costs or provisions for the Corporate Management directorate.

## **8. Use of Corporate Resources**

Expenditure of £0.046m incurred by Corporate Management will be met from corporate resources. This is to cover the cost of termination costs for former SMBC staff transferred to SIPS (£0.015m) and the overspend resulting from prior year write offs (£0.031m).

## **Capital**

### **9. Overview**

Corporate Management is responsible for the delivery of one capital scheme which is detailed in Appendix F5. The projected 2019/20 outturn for this scheme was £0.009m as reported within the Period 9 monitoring to Cabinet on 26 February 2020. The actual outturn is £0.004m resulting in a surplus variance of £0.005m. This £0.005m will be carried forward into 2020/21 to be spent on office improvement works.

### **Virements**

There have been no virements between capital schemes during the period.

### **Section 106 Monies**

Corporate Management has no responsibility for Section 106 monies, there is no Appendix F6 for this service.

#### **Contact**

Clare Sandland  
Service Manager - Finance  
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Corporate Management					Appendix F1 Directorate Outturn			
Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Chief Executive	265	0	265	320	(29)	(15)	276	11
Combined Authority	1,222	0	1,222	1,210	0	0	1,210	(12)
Corporate Management	(572)	0	(572)	(540)	0	(31)	(571)	1
<b>Total Net Expenditure</b>	<b>915</b>	<b>0</b>	<b>915</b>	<b>990</b>	<b>(29)</b>	<b>(46)</b>	<b>915</b>	<b>0</b>
Revenue Contribution to Capital (RCCO)								0
<b>Adjusted Net Variance After RCCO</b>								<b>0</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	190	0	190	244	0	(15)	229	39
Premises	0	0	0	0	0	0	0	0
Transport	10	0	10	4	0	0	4	(6)
Supplies & Services	1,287	0	1,287	1,704	(81)	(31)	1,592	305
Third Party Payments	0	0	0	158	(158)	0	0	0
Transfer Payments	0	0	0	0	0	0	0	0
Capital Charges	48	0	48	48	0	0	48	0
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>1,535</b>	<b>0</b>	<b>1,535</b>	<b>2,158</b>	<b>(239)</b>	<b>(46)</b>	<b>1,873</b>	<b>338</b>
Specific Grants	0	0	0	(551)	210	0	(341)	(341)
Other Grants & Contributions	0	0	0	0	0	0	0	0
Fees & Charges	0	0	0	0	0	0	0	0
Recharges in Target	(620)	0	(620)	(617)	0	0	(617)	3
Other Income	0	0	0	0	0	0	0	0
<b>Gross Income</b>	<b>(620)</b>	<b>0</b>	<b>(620)</b>	<b>(1,168)</b>	<b>210</b>	<b>0</b>	<b>(958)</b>	<b>(338)</b>
<b>Total Net Expenditure</b>	<b>915</b>	<b>0</b>	<b>915</b>	<b>990</b>	<b>(29)</b>	<b>(46)</b>	<b>915</b>	<b>0</b>

Corporate Management		Appendix F2 Directorate Outturn							
		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Chief Executive</b>	Employees	190	0	190	244		(15)	229	39
This service area covers the salary and costs associated with the role of Chief Executive	Premises	0	0	0	0			0	0
	Transport	10	0	10	4			4	(6)
	Supplies & Services	65	0	65	124	(81)		43	(22)
	Third Party Payments	0	0	0	158	(158)		0	0
	Transfer Payments	0	0	0	0			0	0
	Capital Charges	0	0	0	0			0	0
	Capital Financing	0	0	0	0			0	0
	<b>Total Gross Expenditure</b>	<b>265</b>	<b>0</b>	<b>265</b>	<b>530</b>	<b>(239)</b>	<b>(15)</b>	<b>276</b>	<b>11</b>
	Specific Grants	0	0	0	(210)	210		0	0
	Other Grants & Contributions	0	0	0	0			0	0
	Fees & Charges	0	0	0	0			0	0
	Recharge Income	0	0	0	0			0	0
	Other Income	0	0	0	0			0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(210)</b>	<b>210</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Expenditure</b>	<b>265</b>	<b>0</b>	<b>265</b>	<b>320</b>	<b>(29)</b>	<b>(15)</b>	<b>276</b>	<b>11</b>	
<b>Combined Authority</b>	Employees	0	0	0	0			0	0
This service is responsible for the costs associated with the West Midlands Combined Authority.	Premises	0	0	0	0			0	0
	Transport	0	0	0	0			0	0
	Supplies & Services	1,222	0	1,222	1,210			1,210	(12)
	Third Party Payments	0	0	0	0			0	0
	Transfer Payments	0	0	0	0			0	0
	Capital Charges	0	0	0	0			0	0
	Capital Financing	0	0	0	0			0	0
	<b>Total Gross Expenditure</b>	<b>1,222</b>	<b>0</b>	<b>1,222</b>	<b>1,210</b>	<b>0</b>	<b>0</b>	<b>1,210</b>	<b>(12)</b>
	Specific Grants	0	0	0	0			0	0
	Other Grants & Contributions	0	0	0	0			0	0
	Fees & Charges	0	0	0	0			0	0
	Recharge Income	0	0	0	0			0	0
	Other Income	0	0	0	0			0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Expenditure</b>	<b>1,222</b>	<b>0</b>	<b>1,222</b>	<b>1,210</b>	<b>0</b>	<b>0</b>	<b>1,210</b>	<b>(12)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Corporate Management</b>	Employees	0	0	0	0			0	0
This service is responsible for the functions of the Council that do not specifically align to any individual directorate.	Premises	0	0	0	0			0	0
	Transport	0	0	0	0			0	0
	Supplies & Services	0	0	0	370		(31)	339	339
	Third Party Payments	0	0	0	0			0	0
	Transfer Payments	0	0	0	0			0	0
	Capital Charges	48	0	48	48			48	0
	Capital Financing	0	0	0	0			0	0
	<b>Total Gross Expenditure</b>	<b>48</b>	<b>0</b>	<b>48</b>	<b>418</b>	<b>0</b>	<b>(31)</b>	<b>387</b>	<b>339</b>
	Specific Grants	0	0	0	(341)			(341)	(341)
	Other Grants & Contributions	0	0	0	0			0	0
	Fees & Charges	0	0	0	0			0	0
	Recharge Income	(620)	0	(620)	(617)			(617)	3
	Other Income	0	0	0	0			0	0
	<b>Total Gross Income</b>	<b>(620)</b>	<b>0</b>	<b>(620)</b>	<b>(958)</b>	<b>0</b>	<b>0</b>	<b>(958)</b>	<b>(338)</b>
	<b>Net Expenditure</b>	<b>(572)</b>	<b>0</b>	<b>(572)</b>	<b>(540)</b>	<b>0</b>	<b>(31)</b>	<b>(571)</b>	<b>1</b>

Corporate Management	Appendix F3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Sandwell Contribution to Combined Authority	611	611	0
Sandwell Contribution to Business Rates	599	611	(12)
Growth of the Combined Authority			
Operational Services	18	18	0
Catering	8	8	0
Conference Expense	14	37	(23)
Subscriptions	3	2	1
Grant Payments	81	0	81
Other Supplies & Services	370	0	370
<b>Total Supplies &amp; Services</b>	<b>1,704</b>	<b>1,287</b>	<b>417</b>
<b>Specific Grants</b>			
Levy Account Surplus Grant	(341)	0	(341)
Brexit Funding	(210)	0	(210)
<b>Total Specific Grants</b>	<b>(551)</b>	<b>0</b>	<b>(551)</b>



Corporate Management				Appendix F5 - Capital				
	Revised 2019/20 Budget as @ Period 9			Actual Outturn 2019/20 £'000	(Surplus) / Deficit for the Year £'000	Variance Analysis		
	Main Programme £'000	Self Financing £'000	Total £'000			New Approvals / Adjustments £'000	Re-Profiling £'000	Over / (Under) Spending £'000
	<b>Thematic Capital Pot</b>							
3rd Floor Providence Place	9	0	9	4	(5)	0	(5)	0
<b>Total Corporate Management</b>	<b>9</b>	<b>0</b>	<b>9</b>	<b>4</b>	<b>(5)</b>	<b>0</b>	<b>(5)</b>	<b>0</b>

**Resources Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

**Revenue**

**1. Overview**

The financial outturn for Resources before the Revenue Contribution to Capital Outlay (RCCO) is an under spend of £1.016m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	37,382	2,159	39,541	44,096	(3,658)	40,438	897
Gross Income	(22,567)	0	(22,567)	(24,480)	0	(24,480)	(1,913)
<b>Net Expenditure</b>	<b>14,815</b>	<b>2,159</b>	<b>16,974</b>	<b>19,616</b>	<b>(3,658)</b>	<b>15,958</b>	<b>(1,016)</b>
Revenue Contribution to Capital (RCCO)							1,009
<b>Adjusted Net Variance After RCCO</b>							<b>(7)</b>

Further details of the outturn position can be found in Appendices G1 & G2.

The following table outlines the main reasons for the variance of £1.016m:

Reasons for (Under) / Over Spend	£'000
<b>Directorate</b> - Unachievable income target and additional spend for LGA HR Consultant off set by additional HRA contribution.	54
<b>Service Improvement &amp; Communications</b> - Severance provision for 2020/21 and additional capital sums offset by savings against part time staff in full time posts, maternity leave and an additional HRA contribution.	470
<b>Finance</b> - Cost of review of SLAP audit, review of PFI accounting, severance provision for 2020/21 and reduction in PRU income offset by a delay in appointments, lower insurance recharge and additional contributions from HRA and apprenticeship levy.	(81)
<b>Revenue &amp; Benefits &amp; ICT</b> - Savings from vacant posts being held by services as they plan for future restructure due to UC introduction and future savings, the delay to the TMP programme (agreed at Cabinet to transfer to RCCO), contract savings in ICT and unutilised carry forward from 2018/19 offset by pressures in additional support required from Northgate due to vacancies not being filled, increase in provision for HB Debt held in IWorld and a reduction in Managed Print recharges.	(1,382)
<b>Law &amp; Governance</b> - Additional income from burials & cremations, unplanned European & General Elections and external legal recharges used to offset pressures to the legal traded income shortfall, use of external counsel fees, use of agency staff until permanent staff were recruited into the new Legal structure and essential maintenance / repair work within Cemeteries & Crematoria.	544
<b>Human Resources</b> - Over achievement of fees & charges including Payroll Services, Occupational Health & SEBS (Sandwell Employee Benefits Service), Learning & Development training put on hold including the council wide Management Training programme and vacancies relating to the Transactional Team restructure (payroll) offset by costs for severance payments and additional capital sums.	(621)
<b>Total</b>	<b>(1,016)</b>

It is requested that the Resources directorate make a £1.009m Revenue Contribution to Capital Outlay for the implementation of Sandwell's Technology Modernisation Programme (TMP).

The remaining net under spend of £0.007m is requested to be carried forward to financial year 2020/21.

## 2. Available Resources

The total budget available to the directorate was £16.974m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>17,623</b>
Target Adjustments -	
Capital Charges Adjustment	<b>211</b>
Transfer of Budget to Resources Central Items	<b>(860)</b>
<b>Revised Target Budget Resources</b>	<b>16,974</b>

There have been five additional specific grants received by the directorate since the previously reported monitoring;

- DWP new burdens income for pensions strategy computer system upgrading £0.001m;
- DWP new burdens income for verifying earnings and pensions £0.002m;
- DWP UC Severe Disability Premium £0.008m;
- DWP new burdens income for Brownfield register and PIP LA/SMBC £0.002m;
- COVID Emergency Funding (Tranche 1) from MHCLG of £12.495m, the balance of which has been moved into an earmarked reserve.

## 3. Virements within the Directorate

There has been one virement of over £0.250m between sub divisions within the directorate since the previously reported monitoring:

<b>Q4 budget virements</b>	<b>Debit £'000</b>	<b>Credit £'000</b>
Housing Benefits - Central Item	860	
Revenues & Benefits & ICT Supplies and Services		860
<b>Total</b>	<b>860</b>	<b>860</b>

## 4. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an overspend of £0.685m, the variance between this and the

actual outturn is an under spend of £1.701m. The following table explains the reasons for this variance:

Reasons for variation from projected outturn @ Q3	£000
<b>Directorate</b> - Additional contribution from HRA	(36)
<b>Service Improvement &amp; Communications</b> - Severance provision and additional capital costs partially offset by additional income for advertising	466
<b>Finance</b> - Additional spend on SLaP, Audit & VAT support	23
<b>Revenue &amp; Benefits &amp; ICT</b> - Additional income received from Housing Benefit recovered costs for outstanding Council Tax, NNDR and Housing Benefits, additional contract savings within ICT, unutilised c/fwd for Agilisys TMP (RCCO) and the delay in the purchase of kiosks offsets an increase in Provision for HB Debt held in lworld	(859)
<b>Law &amp; Governance</b> - Additional counsel fees and the digitalisation of records offset by additional IER grant money, less work carried out in cemeteries and Q3 projected over spend to be funded (approved by cabinet)	(1,007)
<b>Human Resources</b> - Severance provision offset by a reduction in the training & development plan, an over achievement of income within Sandwell Employee Benefits Scheme and additional contribution from HRA	(288)
<b>Total</b>	<b>(1,701)</b>

The 2020/21 budgets were approved by Cabinet on 19 February 2020, these now need to be adjusted to reflect the 2019/20 outturn. The 2020/21 budget for Resources therefore needs to be increased by £0.007m.

## 5. Central Items

The directorate has responsibility for the management of Central Items that are detailed in Appendix G4.

The actual outturn for these items is an over spend of £0.160m.

The main reasons for this variance are as follows:

Reasons for (Under) / Over spend - Central Items	£'000
Savings target not achieved	429
New auditor fees are higher and additional audits have been carried out (SLaP and Housing Benefit)	83
Actual grant higher than provisional budget after 2018/19 accounts submitted	(509)
Increase in insurance reserve	183
Unused Apprenticeship Levy	(41)
Pension costs estimated / calculated 3 yrs ago and discount applied. Has been recalculated for next 3 yrs.	(588)
More autopsies/investigations completed	92
Court costs / tests in relation to Looked After Children	591
Over achieved income from agency staff	(76)
Other minor variations	(4)
<b>Total</b>	<b>160</b>

## 6. Earmarked Reserves

The directorate has set aside sums totalling £12.546m in previous years as earmarked reserves for use on specific activities in current and future years. In 2019/20 it is requested that a new earmarked reserve is created following the receipt of the COVID Emergency Funding from MHCLG. The amount received for this in 2019/20 is £12.495m with a sum of £0.126m being called upon before the end of the financial year. The directorate has used £1.535m of other earmarked reserves during the year leaving the following balances remaining:

Earmarked Reserve	Balance as at 31 March 2019 £'000	Use of / (Contribution to) in 2019/20 £'000	Remaining Balance 31 March 2020 £'000
Insurance Reserve	8,091	1,031	7,060
Grants Irregularities Reserve	1,031	0	1,031
E-Business Financial Suite	2,625	441	2,184
P.O.C.A (Proceeds of Crime)	29	0	29
Sandwell Children's Trust	770	63	707
COVID Emergency Funding	0	(12,369)	12,369
<b>Total</b>	<b>12,546</b>	<b>(10,834)</b>	<b>23,380</b>

## 7. Severance Payments

In 2018/19 a provision of £1.092m was created for severance payment costs, of which £0.953m has been utilised during 2019/20.

Severance payment costs of £1.229m, not included in the provision, have been incurred with further net costs of £1.067m expected. £0.885m of these costs will be met from corporate resources, with the remaining £1.404m being funded from the directorate.

The table below summarises the position:

	Actual Costs Incurred 2019/20 £'000	Provision Created 2018/19		New Provision Created 2019/20		Net cost to service 2019/20 £'000
		Utilised £'000	Unutilised £'000	Outstanding Severance Payments £'000	Future Severance Payments £'000	
Costs provided for in 2018/19	953	953	139	132		(7)
Costs not provided for in 2018/19	1,229			170	897	2,296
<b>Total</b>	<b>2,182</b>	<b>953</b>	<b>139</b>	<b>302</b>	<b>897</b>	<b>2,289</b>
<b>Funded by:</b>						
Directorate						1,404
Corporate Resources						885

## 8. Use of Corporate Resources

Expenditure of £3.154m incurred by Resources will be met from corporate resources. This is to cover the cost of:

- the second year of the Microsoft Enterprise Agreement (£0.818m);
- Fraud Investigations (£0.024m);
- Redundancy costs relating to the Legal Services restructure (£0.885m);
- Additional costs of a second monitoring officer (£0.112m);
- The Quarter 3 overspend projected by the Directorate as approved by Cabinet (£0.685m);
- The Digital Transformation team (£0.270m) and;
- The Graduate Leader Scheme (£0.360m).

Further expenditure of £0.263m incurred within central items will be funded by corporate resources, this relates to NRPF (0.065m) and the Local Welfare Provision (£0.198m)

## **Capital**

### **Overview**

Resources is responsible for the delivery of a number of capital schemes which are detailed in Appendix G5. The projected 2019/20 outturn for these schemes was £1.886m as reported within the Period 9 monitoring to Cabinet on 26<sup>th</sup> February 2020. The actual outturn is £2.186m resulting in a deficit variance of £0.300m. The main reason for the variance above £0.100m is detailed below:

- ICT End User Computing 2 – £0.330m deficit – This relates to End User Computing and the replacement of laptop, tablet & thin client devices, including works associated with Agilysys the Cloud and IT digital transformation. Rollout will continue in 2020-21.

### **Virements**

There have been no virements between capital schemes during the period.

### **Section 106 Monies**

Resources has no responsibility for Section 106 monies, there is no Appendix G6 for this service.

### **Contact**

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Resources						Appendix G1 Directorate Outturn		
Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Directorate	345	97	442	496	0	0	496	54
Communications & Service Improvement	1,183	37	1,220	1,690	0	0	1,690	470
Finance	3,370	105	3,475	3,923	(504)	(25)	3,394	(81)
Revenues & Benefits & ICT	6,627	1,508	8,135	7,841	0	(1,088)	6,753	(1,382)
Law and Governance	(178)	215	37	2,262	0	(1,681)	581	544
Human Resources	3,468	197	3,665	3,404	0	(360)	3,044	(621)
<b>Total Net Expenditure</b>	<b>14,815</b>	<b>2,159</b>	<b>16,974</b>	<b>19,616</b>	<b>(504)</b>	<b>(3,154)</b>	<b>15,958</b>	<b>(1,016)</b>
<b>Revenue Contribution to Capital (RCCO)</b>							1,009	1,009
<b>Adjusted Net Variance After RCCO</b>								<b>(7)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	27,163	607	27,770	30,321	0	(1,603)	28,718	948
Premises	630	0	630	693	0	0	693	63
Transport	122	0	122	99	0	(2)	97	(25)
Supplies & Services	6,744	1,552	8,296	10,175	(504)	(1,519)	8,152	(144)
Third Party Payments	1,043	0	1,043	1,127	0	(30)	1,097	54
Transfer Payments	0	0	0	1	0	0	1	1
Capital Charges	1,680	0	1,680	1,680	0	0	1,680	0
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>37,382</b>	<b>2,159</b>	<b>39,541</b>	<b>44,096</b>	<b>(504)</b>	<b>(3,154)</b>	<b>40,438</b>	<b>897</b>
Specific Grants	(2,598)	0	(2,598)	(2,667)	0	0	(2,667)	(69)
Other Grants & Contributions	(918)	0	(918)	(1,228)	0	0	(1,228)	(310)
Fees & Charges	(10,457)	0	(10,457)	(12,101)	0	0	(12,101)	(1,644)
Recharges in Target	(8,594)	0	(8,594)	(8,484)	0	0	(8,484)	110
Other Income	0	0	0	0	0	0	0	0
<b>Gross Income</b>	<b>(22,567)</b>	<b>0</b>	<b>(22,567)</b>	<b>(24,480)</b>	<b>0</b>	<b>0</b>	<b>(24,480)</b>	<b>(1,913)</b>
<b>Total Net Expenditure</b>	<b>14,815</b>	<b>2,159</b>	<b>16,974</b>	<b>19,616</b>	<b>(504)</b>	<b>(3,154)</b>	<b>15,958</b>	<b>(1,016)</b>

Resources		Appendix G2 Directorate Outturn							
		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Directorate</b>	Employees	487	97	584	568	0	0	568	(16)
Resources directorate consists of five distinct areas providing a range of functions both front facing and back office. • Communications and Service Improvement • Revenues and Benefits and ICT • Law and Governance • Human Resources	Premises	0	0	0	0	0	0	0	0
	Transport	3	0	3	0	0	0	0	(3)
	Supplies & Services	13	0	13	59	0	0	59	46
	Third Party Payments	0	0	0	3	0	0	3	3
	Transfer Payments	0	0	0	0	0	0	0	0
	Capital Charges	0	0	0	0	0	0	0	0
	Capital Financing	0	0	0	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>503</b>	<b>97</b>	<b>600</b>	<b>630</b>	<b>0</b>	<b>0</b>	<b>630</b>	<b>30</b>
	Specific Grants	0	0	0	0	0	0	0	0
	Other Grants & Contributions	0	0	0	0	0	0	0	0
	Fees & Charges	(44)	0	(44)	(8)	0	0	(8)	36
	Recharge Income	(114)	0	(114)	(126)	0	0	(126)	(12)
	Other Income	0	0	0	0	0	0	0	0
<b>Total Gross Income</b>	<b>(158)</b>	<b>0</b>	<b>(158)</b>	<b>(134)</b>	<b>0</b>	<b>0</b>	<b>(134)</b>	<b>24</b>	
<b>Net Expenditure</b>	<b>345</b>	<b>97</b>	<b>442</b>	<b>496</b>	<b>0</b>	<b>0</b>	<b>496</b>	<b>54</b>	
<b>Communications &amp; Service Improvement</b>	Employees	1,385	37	1,422	1,901	0	0	1,901	479
The Communications team is made up of two divisions, who deliver a wide range of excellent services to all the communities of Sandwell: • Communications • Service Improvements	Premises	0	0	0	0	0	0	0	0
	Transport	4	0	4	1	0	0	1	(3)
	Supplies & Services	160	0	160	162	0	0	162	2
	Third Party Payments	0	0	0	0	0	0	0	0
	Transfer Payments	0	0	0	0	0	0	0	0
	Capital Charges	1	0	1	1	0	0	1	0
	Capital Financing	0	0	0	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>1,550</b>	<b>37</b>	<b>1,587</b>	<b>2,065</b>	<b>0</b>	<b>0</b>	<b>2,065</b>	<b>478</b>
	Specific Grants	0	0	0	0	0	0	0	0
	Other Grants & Contributions	0	0	0	0	0	0	0	0
	Fees & Charges	(24)	0	(24)	(27)	0	0	(27)	(3)
	Recharge Income	(343)	0	(343)	(348)	0	0	(348)	(5)
	Other Income	0	0	0	0	0	0	0	0
<b>Total Gross Income</b>	<b>(367)</b>	<b>0</b>	<b>(367)</b>	<b>(375)</b>	<b>0</b>	<b>0</b>	<b>(375)</b>	<b>(8)</b>	
<b>Net Expenditure</b>	<b>1,183</b>	<b>37</b>	<b>1,220</b>	<b>1,690</b>	<b>0</b>	<b>0</b>	<b>1,690</b>	<b>470</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Finance</b>  Finance Services comprises three areas, all of which are vital in ensuring the financial stability of the council. The three areas are : - • Finance, incorporating (1) Financial Reporting & Systems and (2) Financial Management • Audit, Fraud and Risk • Procurement	Employees	4,748	105	4,853	4,743	0	0	4,743	(110)
	Premises	0	0	0	(1)	0	0	(1)	(1)
	Transport	11	0	11	5	0	0	5	(6)
	Supplies & Services	432	0	432	1,036	(504)	(25)	507	75
	Third Party Payments	0	0	0	0	0	0	0	0
	Transfer Payments	0	0	0	0	0	0	0	0
	Capital Charges	0	0	0	0	0	0	0	0
	Capital Financing	0	0	0	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>5,191</b>	<b>105</b>	<b>5,296</b>	<b>5,783</b>	<b>(504)</b>	<b>(25)</b>	<b>5,254</b>	<b>(42)</b>
	Specific Grants	0	0	0	0	0	0	0	0
	Other Grants & Contributions	0	0	0	(1)	0	0	(1)	(1)
	Fees & Charges	(519)	0	(519)	(502)	0	0	(502)	17
	Recharge Income	(1,302)	0	(1,302)	(1,357)	0	0	(1,357)	(55)
	Other Income	0	0	0	0	0	0	0	0
<b>Total Gross Income</b>	<b>(1,821)</b>	<b>0</b>	<b>(1,821)</b>	<b>(1,860)</b>	<b>0</b>	<b>0</b>	<b>(1,860)</b>	<b>(39)</b>	
<b>Net Expenditure</b>	<b>3,370</b>	<b>105</b>	<b>3,475</b>	<b>3,923</b>	<b>(504)</b>	<b>(25)</b>	<b>3,394</b>	<b>(81)</b>	
<b>Revenues &amp; Benefits &amp; ICT</b>  Revenues and Benefits provide the following services: • The billing and collection of Council Tax and Non Domestic Rates • General debt recovery • Cashier services • Administration of Housing Benefit, Local Council Tax Reduction, Discretionary Housing Payments and Local Welfare Provision. Information and	Employees	9,843	101	9,944	10,238	0	(247)	9,991	47
	Premises	10	0	10	14	0	0	14	4
	Transport	19	0	19	17	0	(2)	15	(4)
	Supplies & Services	2,885	1,407	4,292	4,397	0	(809)	3,588	(704)
	Third Party Payments	1,031	0	1,031	1,130	0	(30)	1,100	69
	Transfer Payments	0	0	0	0	0	0	0	0
	Capital Charges	1,545	0	1,545	1,545	0	0	1,545	0
	Capital Financing	0	0	0	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>15,333</b>	<b>1,508</b>	<b>16,841</b>	<b>17,341</b>	<b>0</b>	<b>(1,088)</b>	<b>16,253</b>	<b>(588)</b>
	Specific Grants	(2,598)	0	(2,598)	(2,667)	0	0	(2,667)	(69)
	Other Grants & Contributions	(918)	0	(918)	(1,210)	0	0	(1,210)	(292)
	Fees & Charges	(2,076)	0	(2,076)	(2,365)	0	0	(2,365)	(289)
	Recharge Income	(3,114)	0	(3,114)	(3,258)	0	0	(3,258)	(144)
	Other Income	0	0	0	0	0	0	0	0
<b>Total Gross Income</b>	<b>(8,706)</b>	<b>0</b>	<b>(8,706)</b>	<b>(9,500)</b>	<b>0</b>	<b>0</b>	<b>(9,500)</b>	<b>(794)</b>	
<b>Net Expenditure</b>	<b>6,627</b>	<b>1,508</b>	<b>8,135</b>	<b>7,841</b>	<b>0</b>	<b>(1,088)</b>	<b>6,753</b>	<b>(1,382)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Law and Governance</b>	Employees	6,349	70	6,419	7,872	0	(996)	6,876	457
The Law and Governance Directorate comprises of three thematic areas, delivering a wide range of excellent services to Elected Members and all Council services.	Premises	620	0	620	679	0	0	679	59
	Transport	84	0	84	65	0	0	65	(19)
	Supplies & Services	1,175	145	1,320	2,695	0	(685)	2,010	690
	Third Party Payments	12	0	12	(6)	0	0	(6)	(18)
	Transfer Payments	0	0	0	0	0	0	0	0
	Capital Charges	134	0	134	134	0	0	134	0
	Capital Financing	0	0	0	0	0	0	0	0
Thematic areas:	<b>Total Gross Expenditure</b>	<b>8,374</b>	<b>215</b>	<b>8,589</b>	<b>11,439</b>	<b>0</b>	<b>(1,681)</b>	<b>9,758</b>	<b>1,169</b>
Legal and Assurance Services,	Specific Grants	0	0	0	0	0	0	0	0
Registration Services	Other Grants & Contributions	0	0	0	0	0	0	0	0
Democracy Services	Fees & Charges	(6,226)	0	(6,226)	(7,396)	0	0	(7,396)	(1,170)
	Recharge Income	(2,326)	0	(2,326)	(1,781)	0	0	(1,781)	545
	Other Income	0	0	0	0	0	0	0	0
	<b>Total Gross Income</b>	<b>(8,552)</b>	<b>0</b>	<b>(8,552)</b>	<b>(9,177)</b>	<b>0</b>	<b>0</b>	<b>(9,177)</b>	<b>(625)</b>
	<b>Net Expenditure</b>	<b>(178)</b>	<b>215</b>	<b>37</b>	<b>2,262</b>	<b>0</b>	<b>(1,681)</b>	<b>581</b>	<b>544</b>
<b>Human Resources</b>	Employees	4,351	197	4,548	4,999	0	(360)	4,639	91
Human Resources comprise three divisions, delivering a wide range of excellent services to the council:	Premises	0	0	0	1	0	0	1	1
	Transport	1	0	1	11	0	0	11	10
	Supplies & Services	2,079	0	2,079	1,826	0	0	1,826	(253)
	Third Party Payments	0	0	0	0	0	0	0	0
	Transfer Payments	0	0	0	1	0	0	1	1
• Head of Service which comprises, Learning & Development, Advisory and Resourcing/OH & Employee Benefits Scheme	Capital Charges	0	0	0	0	0	0	0	0
	Capital Financing	0	0	0	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>6,431</b>	<b>197</b>	<b>6,628</b>	<b>6,838</b>	<b>0</b>	<b>(360)</b>	<b>6,478</b>	<b>(150)</b>
	Specific Grants	0	0	0	0	0	0	0	0
	Other Grants & Contributions	0	0	0	(17)	0	0	(17)	(17)
• Business partners & Policy	Fees & Charges	(1,568)	0	(1,568)	(1,803)	0	0	(1,803)	(235)
	Recharge Income	(1,395)	0	(1,395)	(1,614)	0	0	(1,614)	(219)
• Transactional (payroll and all its functions)	Other Income	0	0	0	0	0	0	0	0
	<b>Total Gross Income</b>	<b>(2,963)</b>	<b>0</b>	<b>(2,963)</b>	<b>(3,434)</b>	<b>0</b>	<b>0</b>	<b>(3,434)</b>	<b>(471)</b>
	<b>Net Expenditure</b>	<b>3,468</b>	<b>197</b>	<b>3,665</b>	<b>3,404</b>	<b>0</b>	<b>(360)</b>	<b>3,044</b>	<b>(621)</b>

Resources	Appendix G3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Equipment and Furniture	53	58	(5)
Materials & Consumables	180	205	(25)
Catering	44	51	(7)
Protective Clothing	8	5	3
Printing/Stationery	736	444	292
Operational Charges	11	13	(2)
Professional Fees & Charges	1,351	765	586
ICT	4,447	4,464	(17)
Legal	923	134	789
Architects	10	0	10
Cash Collections	29	36	(7)
Waste Disposal	5	44	(39)
Maintenance Work	54	0	54
Telephone/Postage	274	377	(103)
Advertising	191	228	(37)
Conferences/Seminar Expenses	22	23	(1)
Facilities	18	8	10
Licences	119	97	22
Insurance - Premiums	5	0	5
Civic Events	22	11	11
Grants	53	51	2
Subscriptions	154	93	61
Bereavement Services	337	212	125
Consultancy	88	30	58
Contribution to Internal Services	48	0	48
General Recharges	45	19	26
Highways Consultancy/Works	35	0	35
Occupational Health	83	92	(9)
Employee Benefit Scheme	820	801	19
Council Tax	8	32	(24)
Other Supplies & Services	2	3	(1)
<b>Total Supplies &amp; Services</b>	<b>10,175</b>	<b>8,296</b>	<b>1,879</b>
<b>Specific Grants</b>			
Housing Subsidy - Benefit Administration Grant	(1,297)	(1,294)	(3)
Council Tax Administration Grant	(565)	(565)	0
NNDR Admin grant for cost of collection 2018-19	(434)	(434)	0
New Burdens Verify Earnings and Pension ale	(46)	0	(46)
UC Funding - Management Activities 19-20	(29)	(29)	(0)
UC Funding - Hsg expertise & Complex cases	(13)	(13)	0
UC Funding - Natural Migration 19-20	(53)	(53)	0
UC Funding - Debt Migration 19-20	(20)	(20)	0
Administering Welfare Reform	(183)	(183)	(0)
Admin of Housing Benefit Fraud Referrals 19-20	(4)	(4)	(0)
Business Rates Relief - New Burdens	(9)	0	(9)
Pensions Strategy Computer System Uprating	(1)	(1)	(0)
Verify Earnings and Pension 2a	(2)	(2)	(0)
UC Severe Disability Premium	(8)	0	(8)
Brownfield register and PIP LA/SMBC	(2)	0	(2)
<b>Total Specific Grants</b>	<b>(2,667)</b>	<b>(2,598)</b>	<b>(69)</b>
<b>Other Income</b>			
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>

Resources			Appendix G4 Central Items		
Central Item Description	Annual Budget £'000	Actual Outturn £'000	(Use of) / Contribution to £'000	(Use of) Corporate Resources £'000	Variance (Under) / Over Spend £'000
Local Authority Subscriptions	104	107			3
W'ton: WMCC & WMRE	45	37			(8)
Joint Committee Servicing	0	0			0
External Audit Fee	144	227			83
New Homes Bonus Grant	(2,923)	(2,923)			0
Business Rates Compensation Grant	(14,827)	(15,336)			(509)
Savings Target	(425)	0			425
Insurance	(395)	819	(1,031)		183
Bank Charges	225	250			25
Airport Rent Income	(100)	(106)			(6)
Apprenticeship Levy	480	439			(41)
No Recourse to Public Funds	231	296		(65)	0
Past Service Pension Costs	8,600	8,012			(588)
Local Welfare Provision	0	198		(198)	0
Housing Benefits	1,361	1,361			0
Pensions General	4,559	4,579			20
Coroners	336	428			92
Members Allowances	1,377	1,351			(26)
Public Law Fees	366	957			591
Special Events	25	17			(8)
Templink	(429)	(505)			(76)
Coronavirus	0	(12,369)	12,369		0
<b>Total</b>	<b>(1,246)</b>	<b>(12,161)</b>	<b>11,338</b>	<b>(263)</b>	<b>160</b>
<b>Subjective Analysis</b>					
Employees	21,530	19,406			(2,124)
Premises	221	228			7
Transport	1	10			9
Supplies & Services	5,300	7,147	(1,157)	(198)	492
Third Party Payments	0	249			249
Transfer Payments	121,084	96,086		(65)	(25,063)
Capital Charges	0	0			0
<b>Gross Expenditure</b>	<b>148,136</b>	<b>123,126</b>	<b>(1,157)</b>	<b>(263)</b>	<b>(26,430)</b>
Specific Grants	(138,287)	(126,030)	12,495		24,752
Other Grants & Contributions	(4,156)	(4,861)			(705)
Fees & Charges	(1,760)	(1,568)			192
Recharges in Target	(5,164)	(2,779)			2,385
Other Income	(15)	(49)			(34)
<b>Gross Income</b>	<b>(149,382)</b>	<b>(135,287)</b>	<b>12,495</b>	<b>0</b>	<b>26,590</b>
<b>Total Net Expenditure</b>	<b>(1,246)</b>	<b>(12,161)</b>	<b>11,338</b>	<b>(263)</b>	<b>160</b>

Resources	Appendix G5 - Capital				
	Revised 2019/20 Budget as @ Period 9			Actual Outturn 2019/20	(Surplus) / Deficit for the Year
	Main Programme	Self Financing	Total		
£'000	£'000	£'000	£'000	£'000	
<b>Main Programme</b>					
Sandwell Business Services - Development	44	0	44	16	(28)
ICT End User Computing 2	1,840	0	1,840	2,170	330
Sandwell Valley Catering Facility	2	0	2	0	(2)
<b>Total Resources</b>	<b>1,886</b>	<b>0</b>	<b>1,886</b>	<b>2,186</b>	<b>300</b>





**Adult Social Care Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

## Revenue

### 1. Overview

The financial outturn for Adult Social Care is an under spend of £0.658m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	195,174	6,738	201,912	202,497	(107)	202,390	478
Gross Income	(113,893)	0	(113,893)	(115,029)	0	(115,029)	(1,136)
<b>Net Expenditure</b>	<b>81,281</b>	<b>6,738</b>	<b>88,019</b>	<b>87,468</b>	<b>(107)</b>	<b>87,361</b>	<b>(658)</b>
Revenue Contribution to Capital (RCCO)							0
<b>Adjusted Net Variance After RCCO</b>							<b>(658)</b>

Further details of the outturn position can be found in Appendices H1 & H2. The table below outlines the main reasons for the variance of £0.658m:

Reasons for (Under) / Over Spend	£'000
<b>Management Team</b> - historic underspends brought forward to defer savings in 2019/20 and reduced employee costs from a vacant directors post for part of the year	(749)
<b>Business Management</b> - vacancies, income from the CCG to fund Health Direct payments and increased income from Appointeeship services.	(380)
<b>Social Work &amp; Therapy</b> - vacancies partially off set by pressures on safeguarding assessments (Dols)	(365)
<b>External Placements</b> - additional expenditure on placements which is partly offset by additional income from social care charging.	2,338
<b>Integrated Hub</b> - Employee vacancies and associate reduction in transport and supplies and services costs	(1,073)
<b>Direct Services</b> - vacancies, increased partner income for complex support within LD day services and the resolution of a historic utilities dispute	(415)
<b>Commissioning</b> - cost of a time limited best value review team, offset by net under spends on a range of contracted services.	(78)
<b>Regulatory Services &amp; Transformation</b> - reduced Taxi licensing income partially offset by vacancies within the service	64
<b>Total</b>	<b>(658)</b>

The net under spend is requested to be treated as follows:

<b>Requested Treatment</b>	<b>£'000</b>
Carry forward to 2021/22 to assist in the management of financial risks associated with potential slippage in the delivery of savings reflected within the approved 2020-23 budget strategy.	658
<b>Total</b>	<b>658</b>

## **2. Available Resources**

The total budget available to the directorate was £88.019m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>89,023</b>
Target Adjustments -	
Capital Charges Adjustment	<b>(1,004)</b>
<b>Revised Target Budget Resources</b>	<b>88,019</b>

There have been no additional specific grants received by the directorate since the previously reported monitoring.

## **3. Virements within the Directorate**

There have been no virements of over £0.250m between sub divisions within the directorate since the previously reported monitoring.

## **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was a deficit of £0.427m, the variance between this and the actual outturn is an under spend of £1.085m. The following table explains the reasons for this variance:

Reasons for variation from projected outturn @ Q3	£000
Direct Services - ongoing vacancies, a reduction in costs associated with the relocation of the community equipment stores and increase continuing health care funding of LD day service users.	(389)
Regulatory Services - ongoing vacancies anticipated to be filled by year end, increase in income and general lower than anticipated supplies and services spend across the service	(515)
Business Management - Increase in Appointeeship income	(81)
Commissioning - Reduced activity levels within Supporting People contracts and reduction in the forecast over spend on carers services.	(381)
External Placements - reduction in anticipated income from service users.	92
Social Work & Therapy - Increase in Dols expenditure, purchase of PPE and increased telephone charges.	184
other	5
<b>Total</b>	<b>(1,085)</b>

The 2020/21 budgets were approved by Cabinet on 19 February 2020 and there are no adjustments required to reflect the 2019/20 outturn.

## 5. Central Items

The directorate has no responsibility for the management of Central Items and therefore there is no Appendix H4 for Adult Social Care.

## 6. Earmarked Reserves

The directorate has set aside sums totalling £1.453m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has used £0.107m of earmarked reserves during the current year leaving the following balances remaining:

Earmarked Reserve	Balance as at 31 March 2019 £'000	Use of / (Contribution to) in 2019/20 £'000	Remaining Balance 31 March 2020 £'000
Taxi Licensing Operational	105	0	105
Adult Social Care Reserve	1,047	0	1,047
Integrated Care Record	301	107	194
<b>Total</b>	<b>1,453</b>	<b>107</b>	<b>1,346</b>

## 7. Severance Payments

In 2018/19 a provision of £0.147m was created for severance payment costs, of which £0.098m has been utilised during 2019/20.

Severance payment costs of £0.036m, not included in the provision, have been incurred with no further costs expected. The £0.036m is being funded from the directorate.

The table below summarises the position:

	Actual Costs Incurred 2019/20 £'000	Provision Created 2018/19		New Provision Created 2019/20		Net cost to service 2019/20 £'000
		Utilised £'000	Unutilised £'000	Outstanding Severance Payments £'000	Future Severance Payments £'000	
Costs provided for in 2018/19	98	98	49	49		0
Costs not provided for in 2018/19	36			0	0	36
<b>Total</b>	<b>134</b>	<b>98</b>	<b>49</b>	<b>49</b>	<b>0</b>	<b>36</b>
<b>Funded by:</b>						
Directorate						36
Corporate Resources						0

## 8. Use of Corporate Resources

Adult Social Care is not utilising corporate resources in 2019/20.

## Capital

### Overview

Adult Social Care is responsible for the delivery of a number of capital schemes which are detailed in Appendix H5. The projected 2019/20 outturn for these schemes was £6.110m as reported within the Period 9 monitoring to Cabinet on 26<sup>th</sup> February 2020. The actual outturn is £4.727m resulting in a surplus variance of £1.383m. The main reasons for the variances above £0.100m are detailed below:

- Vulnerable Home Owners Improvements HMRA Receipts - £0.373m surplus – slippage of resources into 2020/21 to continue works, more focus on disabled adaptations below in 2019/20.
- New Social Care & Health Centre, Rowley Regis - £1.427m surplus – slippage of resources into 2020/21 to continue the scheme. The submitted tenders for the project were significantly higher than

anticipated and the project was paused for a refresh of the project appraisal and the identification of alternative funding sources.

- Empty Properties - £0.192m surplus – slippage of resources into 2020/21 to continue works associated with Empty Properties, mainly in relation to Barclay Road.
- Swift Impress System - £0.271m surplus – slippage of resources into 2020/21 to continue works on Swift. The implementation of phase 3 (mobile working / customer portal) was paused pending a service restructure and the refresh of IT equipment.
- Grants Private Sector (Disabled Facilities Grant) Mandatory - £1.313m deficit – the programme of works associated with disabled adaptations at various private premises within the Borough has been accelerated in 2019/20, more disabled adaptations were completed than originally planned at Period 9.
- Vulnerable Home Owners Improvements – Kick Start - £0.386m surplus – slippage of resources into 2020/21 to continue works, more focus on disabled adaptations above in 2019/20.

### **Virements**

There have been no virements between capital schemes during the period.

### **Section 106 Monies**

Resources has no responsibility for Section 106 monies, there is no Appendix H6 for this service.

### **Contact**

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Adult Social Care				Appendix H1 Adult Social Care Outturn				
Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Management Team	(3,723)	6,028	2,305	1,556	0	0	1,556	(749)
Business Management	3,697	60	3,757	3,377	0	0	3,377	(380)
Social Work & Therapy	4,318	500	4,818	4,453	0	0	4,453	(365)
External Placements	62,818	0	62,818	65,156	0	0	65,156	2,338
Integrated Hub	1,204	0	1,204	131	0	0	131	(1,073)
Direct Services	5,715	0	5,715	5,300	0	0	5,300	(415)
Commissioning	4,066	0	4,066	3,988	0	0	3,988	(78)
Better Care Fund	0	0	0	107	(107)	0	0	0
Regulated Services & Transformation	3,186	150	3,336	3,400	0	0	3,400	64
<b>Total Net Expenditure</b>	<b>81,281</b>	<b>6,738</b>	<b>88,019</b>	<b>87,468</b>	<b>(107)</b>	<b>0</b>	<b>87,361</b>	<b>(658)</b>
<b>Revenue Contribution to Capital (RCCO)</b>								<b>0</b>
<b>Adjusted Net Variance After RCCO</b>								<b>(658)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	32,064	0	32,064	35,074	0	0	35,074	3,010
Premises	1,441	0	1,441	565	0	0	565	(876)
Transport	717	0	717	626	0	0	626	(91)
Supplies & Services	41,697	6,738	48,435	47,425	(107)	0	47,318	(1,117)
Third Party Payments	103,077	0	103,077	104,718	0	0	104,718	1,641
Transfer Payments	10,926	0	10,926	8,837	0	0	8,837	(2,089)
Capital Charges	5,252	0	5,252	5,252	0	0	5,252	0
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>195,174</b>	<b>6,738</b>	<b>201,912</b>	<b>202,497</b>	<b>(107)</b>	<b>0</b>	<b>202,390</b>	<b>478</b>
Specific Grants	(24,935)	0	(24,935)	(24,907)	0	0	(24,907)	28
Other Grants & Contributions	(30,389)	0	(30,389)	(32,122)	0	0	(32,122)	(1,733)
Fees & Charges	(16,513)	0	(16,513)	(16,636)	0	0	(16,636)	(123)
Recharges in Target	(37,717)	0	(37,717)	(37,025)	0	0	(37,025)	692
Other Income	(4,339)	0	(4,339)	(4,339)	0	0	(4,339)	0
<b>Gross Income</b>	<b>(113,893)</b>	<b>0</b>	<b>(113,893)</b>	<b>(115,029)</b>	<b>0</b>	<b>0</b>	<b>(115,029)</b>	<b>(1,136)</b>
<b>Total Net Expenditure</b>	<b>81,281</b>	<b>6,738</b>	<b>88,019</b>	<b>87,468</b>	<b>(107)</b>	<b>0</b>	<b>87,361</b>	<b>(658)</b>



Adult Social Care		Appendix H2 Adult Social Care Outturn							
		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Management Team</b>	Employees	(4,208)		(4,208)	1,068			1,068	5,276
The management teams includes the staffing budgets for Directors and Service Mangers. The service is faced with a significant funding gap which is being partly managed by the application of time-limited resources from historic under spends; the budgetary impact of these issues are reflected within this area.	Premises				1			1	1
	Transport	2		2	3			3	1
	Supplies & Services	208	6,028	6,236	209			209	(6,027)
	Third Party Payments				0			0	0
	Transfer Payments				0			0	0
	Capital Charges	435		435	435			435	0
	Capital Financing				0			0	0
	<b>Total Gross Expenditure</b>	<b>(3,563)</b>	<b>6,028</b>	<b>2,465</b>	<b>1,716</b>	<b>0</b>	<b>0</b>	<b>1,716</b>	<b>(749)</b>
	Specific Grants				0			0	0
	Other Grants & Contributions	(160)		(160)	(160)			(160)	0
	Fees & Charges			0	0			0	0
	Recharge Income			0	0			0	0
	Other Income			0	0			0	0
<b>Total Gross Income</b>	<b>(160)</b>	<b>0</b>	<b>(160)</b>	<b>(160)</b>	<b>0</b>	<b>0</b>	<b>(160)</b>	<b>0</b>	
<b>Net Expenditure</b>	<b>(3,723)</b>	<b>6,028</b>	<b>2,305</b>	<b>1,556</b>	<b>0</b>	<b>0</b>	<b>1,556</b>	<b>(749)</b>	
<b>Business Management</b>	Employees	3,727		3,727	3,597			3,597	(130)
Business Management includes service wide business support, the ASC system administration and a range of financially orientated services which deal with payments, social care charging and safeguarding vulnerable people's assets.	Premises			0	2			2	2
	Transport	9		9	3			3	(6)
	Supplies & Services	488	60	548	561			561	13
	Third Party Payments			0	4			4	4
	Transfer Payments			0	0			0	0
	Capital Charges			0	0			0	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>4,224</b>	<b>60</b>	<b>4,284</b>	<b>4,167</b>	<b>0</b>	<b>0</b>	<b>4,167</b>	<b>(117)</b>
	Specific Grants	(112)		(112)	(115)			(115)	(3)
	Other Grants & Contributions			0	(106)			(106)	(106)
	Fees & Charges	(249)		(249)	(430)			(430)	(181)
	Recharge Income	(166)		(166)	(139)			(139)	27
	Other Income			0	0			0	0
<b>Total Gross Income</b>	<b>(527)</b>	<b>0</b>	<b>(527)</b>	<b>(790)</b>	<b>0</b>	<b>0</b>	<b>(790)</b>	<b>(263)</b>	
<b>Net Expenditure</b>	<b>3,697</b>	<b>60</b>	<b>3,757</b>	<b>3,377</b>	<b>0</b>	<b>0</b>	<b>3,377</b>	<b>(380)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Social Work &amp; Therapy</b>	Employees	10,140		10,140	9,276			9,276	(864)
The community and mental health social work teams, the ASC enquiry service, therapy services and private sector housing improvement team.	Premises	488		488	59			59	(429)
	Transport	86		86	52			52	(34)
	Supplies & Services	545	500	1,045	1,247			1,247	202
	Third Party Payments			0	0			0	0
	Transfer Payments			0	2			2	2
	Capital Charges	4,621		4,621	4,621			4,621	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>15,880</b>	<b>500</b>	<b>16,380</b>	<b>15,257</b>	<b>0</b>	<b>0</b>	<b>15,257</b>	<b>(1,123)</b>
	Specific Grants	(39)		(39)	(39)			(39)	0
	Other Grants & Contributions	(58)		(58)	(29)			(29)	29
	Fees & Charges	(72)		(72)	(101)			(101)	(29)
	Recharge Income	(7,075)		(7,075)	(6,317)			(6,317)	758
	Other Income	(4,318)		(4,318)	(4,318)			(4,318)	0
<b>Total Gross Income</b>	<b>(11,562)</b>	<b>0</b>	<b>(11,562)</b>	<b>(10,804)</b>	<b>0</b>	<b>0</b>	<b>(10,804)</b>	<b>758</b>	
<b>Net Expenditure</b>	<b>4,318</b>	<b>500</b>	<b>4,818</b>	<b>4,453</b>	<b>0</b>	<b>0</b>	<b>4,453</b>	<b>(365)</b>	
<b>External Placements</b>	Employees			0	0			0	0
Externally commissioned packages of care and support for adults with assessed care needs and income from social care charging	Premises			0	0			0	0
	Transport	61		61	131			131	70
	Supplies & Services	238		238	267			267	29
	Third Party Payments	82,646		82,646	88,522			88,522	5,876
	Transfer Payments	10,786		10,786	8,514			8,514	(2,272)
	Capital Charges			0	0			0	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>93,731</b>	<b>0</b>	<b>93,731</b>	<b>97,434</b>	<b>0</b>	<b>0</b>	<b>97,434</b>	<b>3,703</b>
	Specific Grants	(2,249)		(2,249)	(2,217)			(2,217)	32
	Other Grants & Contributions	(4,668)		(4,668)	(5,975)			(5,975)	(1,307)
	Fees & Charges	(13,561)		(13,561)	(13,625)			(13,625)	(64)
	Recharge Income	(10,435)		(10,435)	(10,461)			(10,461)	(26)
	Other Income			0	0			0	0
<b>Total Gross Income</b>	<b>(30,913)</b>	<b>0</b>	<b>(30,913)</b>	<b>(32,278)</b>	<b>0</b>	<b>0</b>	<b>(32,278)</b>	<b>(1,365)</b>	
<b>Net Expenditure</b>	<b>62,818</b>	<b>0</b>	<b>62,818</b>	<b>65,156</b>	<b>0</b>	<b>0</b>	<b>65,156</b>	<b>2,338</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Integrated Hub</b>	Employees	7,060		7,060	6,229			6,229	(831)
The social work team supporting hospital discharges and the Short Term Assessment & Reablement Team (STAR) which provides time limited support for people in their own home following a stay in hospital.	Premises	150		150	149			149	(1)
	Transport	114		114	52			52	(62)
	Supplies & Services	224		224	134			134	(90)
	Third Party Payments			0	0			0	0
	Transfer Payments			0	3			3	3
	Capital Charges			0	0			0	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>7,548</b>	<b>0</b>	<b>7,548</b>	<b>6,567</b>	<b>0</b>	<b>0</b>	<b>6,567</b>	<b>(981)</b>
	Specific Grants			0	0			0	0
	Other Grants & Contributions			0	(92)			(92)	(92)
	Fees & Charges			0	0			0	0
	Recharge Income	(6,344)		(6,344)	(6,344)			(6,344)	0
	Other Income			0	0			0	0
<b>Total Gross Income</b>	<b>(6,344)</b>	<b>0</b>	<b>(6,344)</b>	<b>(6,436)</b>	<b>0</b>	<b>0</b>	<b>(6,436)</b>	<b>(92)</b>	
<b>Net Expenditure</b>	<b>1,204</b>	<b>0</b>	<b>1,204</b>	<b>131</b>	<b>0</b>	<b>0</b>	<b>131</b>	<b>(1,073)</b>	
<b>Direct Services</b>	Employees	8,039		8,039	7,888			7,888	(151)
A range of directly provided care services, community meals and the prevention equipment store.	Premises	692		692	256			256	(436)
	Transport	161		161	122			122	(39)
	Supplies & Services	1,740		1,740	2,220			2,220	480
	Third Party Payments	48		48	53			53	5
	Transfer Payments			0	0			0	0
	Capital Charges	150		150	150			150	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>10,830</b>	<b>0</b>	<b>10,830</b>	<b>10,689</b>	<b>0</b>	<b>0</b>	<b>10,689</b>	<b>(141)</b>
	Specific Grants			0	0			0	0
	Other Grants & Contributions	(135)		(135)	(315)			(315)	(180)
	Fees & Charges	(860)		(860)	(964)			(964)	(104)
	Recharge Income	(4,120)		(4,120)	(4,110)			(4,110)	10
	Other Income			0	0			0	0
<b>Total Gross Income</b>	<b>(5,115)</b>	<b>0</b>	<b>(5,115)</b>	<b>(5,389)</b>	<b>0</b>	<b>0</b>	<b>(5,389)</b>	<b>(274)</b>	
<b>Net Expenditure</b>	<b>5,715</b>	<b>0</b>	<b>5,715</b>	<b>5,300</b>	<b>0</b>	<b>0</b>	<b>5,300</b>	<b>(415)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Commissioning</b> The commissioning team and the budgets for a range of commissioned activity including carers and voluntary sector grants.	Employees	1,373		1,373	1,555			1,555	182
	Premises			0	2			2	2
	Transport	6		6	1			1	(5)
	Supplies & Services	2,956		2,956	2,840			2,840	(116)
	Third Party Payments	2,060		2,060	1,855			1,855	(205)
	Transfer Payments	140		140	318			318	178
	Capital Charges	9		9	9			9	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>6,544</b>	<b>0</b>	<b>6,544</b>	<b>6,580</b>	<b>0</b>	<b>0</b>	<b>6,580</b>	<b>36</b>
	Specific Grants	(106)		(106)	(107)			(107)	(1)
	Other Grants & Contributions			0	(74)			(74)	(74)
	Fees & Charges	(7)		(7)	(9)			(9)	(2)
	Recharge Income	(2,365)		(2,365)	(2,402)			(2,402)	(37)
	Other Income			0	0			0	0
<b>Total Gross Income</b>	<b>(2,478)</b>	<b>0</b>	<b>(2,478)</b>	<b>(2,592)</b>	<b>0</b>	<b>0</b>	<b>(2,592)</b>	<b>(114)</b>	
<b>Net Expenditure</b>	<b>4,066</b>	<b>0</b>	<b>4,066</b>	<b>3,988</b>	<b>0</b>	<b>0</b>	<b>3,988</b>	<b>(78)</b>	
<b>Better Care Fund</b> A Pool Budget hosted by the local authority and managed in partnership with the Sandwell & West Birmingham CCG. The main focus is the management of patient flow through the promotion of independence, hospital avoidance and timely discharge.	Employees	875		875	518			518	(357)
	Premises	28		28	10			10	(18)
	Transport			0	1			1	1
	Supplies & Services	34,771	0	34,771	39,292	(107)		39,185	4,414
	Third Party Payments	18,323		18,323	14,284			14,284	(4,039)
	Transfer Payments			0	0			0	0
	Capital Charges			0	0			0	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>53,997</b>	<b>0</b>	<b>53,997</b>	<b>54,105</b>	<b>(107)</b>	<b>0</b>	<b>53,998</b>	<b>1</b>
	Specific Grants	(22,345)		(22,345)	(22,345)			(22,345)	0
	Other Grants & Contributions	(25,368)		(25,368)	(25,369)			(25,369)	(1)
	Fees & Charges			0	0			0	0
	Recharge Income	(6,284)		(6,284)	(6,284)			(6,284)	0
	Other Income			0	0			0	0
<b>Total Gross Income</b>	<b>(53,997)</b>	<b>0</b>	<b>(53,997)</b>	<b>(53,998)</b>	<b>0</b>	<b>0</b>	<b>(53,998)</b>	<b>(1)</b>	
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>107</b>	<b>(107)</b>	<b>0</b>	<b>0</b>	<b>0</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Regulated Services &amp; Transformation</b> Support to service transformation projects throughout the directorate and a range of advice, inspection and enforcement services to maintain and improve the safety of people who live and work within Sandwell.	Employees	5,058		5,058	4,943			4,943	(115)
	Premises	83		83	86			86	3
	Transport	278		278	261			261	(17)
	Supplies & Services	527	150	677	655			655	(22)
	Third Party Payments			0	0			0	0
	Transfer Payments			0	0			0	0
	Capital Charges	37		37	37			37	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>5,983</b>	<b>150</b>	<b>6,133</b>	<b>5,982</b>	<b>0</b>	<b>0</b>	<b>5,982</b>	<b>(151)</b>
	Specific Grants	(84)		(84)	(84)			(84)	0
	Other Grants & Contributions			0	(2)			(2)	(2)
	Fees & Charges	(1,764)		(1,764)	(1,507)			(1,507)	257
	Recharge Income	(928)		(928)	(968)			(968)	(40)
	Other Income	(21)		(21)	(21)			(21)	0
	<b>Total Gross Income</b>	<b>(2,797)</b>	<b>0</b>	<b>(2,797)</b>	<b>(2,582)</b>	<b>0</b>	<b>0</b>	<b>(2,582)</b>	<b>215</b>
<b>Net Expenditure</b>	<b>3,186</b>	<b>150</b>	<b>3,336</b>	<b>3,400</b>	<b>0</b>	<b>0</b>	<b>3,400</b>	<b>64</b>	

<b>Adult Social Care</b>	<b>Appendix H3 - Sub Analysis</b>		
	<b>Actual Outturn</b>	<b>Total Budget</b>	<b>Variance (Under) / Over Spend</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Supplies and Services</b>			
Better Care Fund Pool Budget	39,165	34,771	4,394
Budget reprofiling between years	0	6,238	(6,238)
Voluntary Sector Grants	2,691	2,892	(201)
Purchase of Equipment (including Community Equipment store)	1,857	1,455	402
Depreciation of Liberty Safeguarding (Dols)	802	608	194
ICT	660	416	244
Professional Services (Medical, Legal, Architects, Training)	749	578	171
Printing & Stationery	256	366	(110)
Internal recharging within ASC	463	354	109
Phones & Postage	205	274	(70)
Catering (including Community meals)	226	233	(7)
Cleaning & Medical Waste Removal	115	133	(18)
Advertising & Publicity	11	41	(29)
Hire of community venues	36	34	1
Subscriptions	51	25	25
Conference Expenses	8	12	(4)
Translation Services	15	3	12
Other supplies & services	9	1	8
Integrated Care Records funded by reserves	107	0	107
<b>Total Supplies &amp; Services</b>	<b>47,425</b>	<b>48,435</b>	<b>(1,010)</b>
<b>Specific Grants</b>			
Improved Better Care Fund (iBCF)	(20,497)	(20,497)	0
Winter Pressures Grant	(1,848)	(1,848)	0
Adult Social Care Support Grant	(1,155)	(1,155)	0
Independent Living Fund	(1,025)	(1,058)	33
Local Reform & Community Voices Grant	(261)	(256)	(5)
Controlling Migration Funding	(84)	(84)	0
War pensions Scheme disregards	(37)	(37)	0
<b>Total Specific Grants</b>	<b>(24,907)</b>	<b>(24,935)</b>	<b>28</b>
<b>Other Income</b>			
Deferred Charges	(4,339)	(4,339)	0
<b>Total Other Income</b>	<b>(4,339)</b>	<b>(4,339)</b>	<b>0</b>

<b>Adult Social Care</b>				<b>Appendix H5 - Capital</b>	
	<b>Revised 2019/20 Budget as @ Period 9</b>			<b>Actual Outturn 2019/20</b>	<b>(Surplus) / Deficit for the Year</b>
	<b>Main Programme</b>	<b>Self Financing</b>	<b>Total</b>		
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>		
<b><u>Main Programme</u></b>					
Vulnerable Home Owners Improvements - HMRA Receipts	384	0	<b>384</b>	11	<b>(373)</b>
New Social Care & Health Centre - Rowley Regis	1,662	0	<b>1,662</b>	344	<b>(1,318)</b>
Empty Properties	200	0	<b>200</b>	8	<b>(192)</b>
Housing Stock Condition Survey - Private Sector	29	0	<b>29</b>	0	<b>(29)</b>
Swift Impress System (Earmarked Revenue Balance)	287	0	<b>287</b>	16	<b>(271)</b>
<b><u>Grants / Self Financing</u></b>					
New Social Care & Health Centre - Rowley Regis	0	109	<b>109</b>	0	<b>(109)</b>
Grants Private Sector (Disabled Facilities Grant) Mandatory	0	3,000	<b>3,000</b>	4,313	<b>1,313</b>
Contaminated Land Grant	0	15	<b>15</b>	5	<b>(10)</b>
Air Quality Monitoring Grant	0	22	<b>22</b>	22	<b>0</b>
Warm Homes Healthy People	0	8	<b>8</b>	0	<b>(8)</b>
Vulnerable Home Owners Improvements - Kick Start	0	394	<b>394</b>	8	<b>(386)</b>
<b>Total Adult Social Care</b>	<b>2,562</b>	<b>3,548</b>	<b>6,110</b>	<b>4,727</b>	<b>(1,383)</b>

**Regeneration and Growth Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

**Revenue**

**1. Overview**

The financial outturn for Regeneration and Growth is an over spend of £0.013m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	51,554	1,206	52,760	52,910	(210)	52,700	(60)
Gross Income	(30,354)	0	(30,354)	(30,282)	0	(30,282)	72
<b>Net Expenditure</b>	<b>21,200</b>	<b>1,206</b>	<b>22,406</b>	<b>22,629</b>	<b>(210)</b>	<b>22,419</b>	<b>13</b>
Revenue Contribution to Capital (RCCO)							0
<b>Adjusted Net Variance After RCCO</b>							<b>13</b>

Further details of the outturn position can be found in Appendices I1 and I2. The following table outlines the main reasons for the variance:



Reasons for (Under) / Over Spend	£'000
Economic Regeneration - lower than anticipated spend against professional services for projects	(80)
Strategic Policy and transportation - vacancies within area and lower than anticipated spend against projects	(100)
Strategic Policy and transportation - additional income relating to contribution towards the Joint data team and Section 106 interest	(48)
Planning Regeneration - slippage on spend relating to Site investigations and Sandwell Housing Zone	(263)
Development Management - costs associated with digitisation and planning appeals	130
Development Management - vacancies within area	(77)
Development Management & Building Consultancy - additional income from planning applications	(154)
Facilities Management - renegotiated lease and higher than anticipated rental income	(451)
Urban Design and Building Services - higher than anticipated spend relating to PMA	1,222
Markets and Street Trading - loss of income due to lower stall rentals and higher security costs	272
Corporate Landlord - slippage on high priority works that require completion	(168)
Highways Maintenance - higher than anticipated operational costs associated with high priority infrastructure works and red risk routes	770
Engineers and Highways Consultancy - higher than expected income relating to internal rechargeable jobs	(140)
Car Parking Services inc Bus Lane -higher than anticipated income relating to new initiatives	(160)
Flood Protection	(121)
Management - Contingency held to manage directorate pressures	(451)
Management - vacancies within area	(170)
Other minor issues	2
<b>Total</b>	<b>13</b>

The net over spend is requested to be treated as follows: -

Requested Treatment	£'000
Fund the 2019/20 over spend from the Housing & Communities under spend	(13)
<b>Total</b>	<b>(13)</b>

## 2. Available Resources

The total budget available to the directorate was £22.406m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>22,523</b>
Target Adjustments -	
Capital Charges Adjustment	<b>(117)</b>
<b>Revised Target Budget Resources</b>	<b>22,406</b>

There have been no additional specific grants received by the directorate since the previously reported monitoring.

## 3. Virements within the Directorate

There have been no virements over £0.250m between sub divisions within the directorate since the previously reported monitoring.

## 4. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an under spend of £0.501m, the variance between this and the actual outturn is an over spend of £0.514m. The table below explains the reason for this variance:

Reasons for variation from projected outturn @ Q3	£000
Economic Regeneration -unanticipated receipt of Growing Priority Sectors (Local Growth Deal Funding) and slippage on projects	(69)
Planning Regeneration - delayed completion of planned works for site investigation	(83)
Development Management - increased income from internal building regulation fees	(61)
Building Consultancy - higher planning applications received	(47)
Facilities Management - lower costs associated with Utility bills, building maintenance and expected business rates	(441)
Estate Management and Managed Workspace	109
Urban Design and Building Services - PMA expenditure, including work in progress, was significantly higher in quarter 4	1,418
Corporate Landlord - slippage on high priority works that require completion	(168)
Engineers and Highways Consultancy - higher than expected income relating to internal rechargeable jobs	(152)
Highways Maintenance - increased spend relating to high priority infrastructure work and red risk routes	558
Car Parking Services inc Bus Lane -higher than anticipated income relating to new initiatives was expected to reduce towards end of financial year	(215)
Highways Planning and Development - fewer section 38 schemes adopted than anticipated	99
Management - contingency to manage directorate financial pressures	(435)
<b>Total</b>	<b>514</b>

## 5. Central Items

The directorate has responsibility for the management of Central Items that are detailed in Appendix I4. The actual outturn for these items is an under spend of £0.114m.

The main reason(s) for this variance are outlined below: -

Reasons for (Under) / Over spend - Central Items	£'000
Delay in completion of projects relating to carbon reduction & energy efficiency	(114)
<b>Total</b>	<b>(114)</b>

## 6. Earmarked Reserves

The directorate has set aside sums totalling £1.489m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has contributed £0.190m of earmarked reserves during the current year leaving the following balances remaining:

<b>Earmarked Reserve</b>	<b>Balance as at 31 March 2019 £'000</b>	<b>Use of / (Contribution to) in 2019/20 £'000</b>	<b>Remaining Balance 31 March 2020 £'000</b>
West Midlands Regional Research	287	0	287
Sinking Fund RBC Building	432	(40)	472
Sinking Fund Central 6th Building	770	(150)	920
<b>Total</b>	<b>1,489</b>	<b>(190)</b>	<b>1,679</b>

## 7. Severance Payments

In 2018/19 a provision of £1.029m was created for severance payment costs, of which £0.928m has been utilised during 2019/20.

Severance payment costs of £0.144m, not included in the provision, have been incurred with further costs of £0.210m expected. £0.345m of these costs will be met from corporate resources.

The table below summarises the position:

	<b>Actual Costs Incurred 2019/20 £'000</b>	<b>Provision Created 2018/19</b>		<b>New Provision Created 2019/20</b>		<b>Net cost to service 2019/20 £'000</b>
		<b>Utilised £'000</b>	<b>Unutilised £'000</b>	<b>Outstanding Severance Payments £'000</b>	<b>Future Severance Payments £'000</b>	
Costs provided for in 2018/19	928	928	101	92		(9)
Costs not provided for in 2018/19	144			157	53	354
<b>Total</b>	<b>1,072</b>	<b>928</b>	<b>101</b>	<b>249</b>	<b>53</b>	<b>345</b>
<b>Funded by:</b>						
Directorate						0
Corporate Resources						345

## **8. Use of Corporate Resources**

Expenditure of £0.400m incurred by Regeneration and Growth will be met from corporate resources. This is to cover the cost of severance payments £0.345m and £0.055m for Land Regeneration projects.

## **9. Housing Revenue Account**

Regeneration and Growth has responsibility for managing functions that are required to be charged to the Housing Revenue Account rather than the Council's General Fund. The outturn position on these HRA related directorates are shown within the separate HRA report. Any cross subsidisation between the General Fund and HRA is not permitted.

## **Capital**

### **Overview**

Regeneration & Growth is responsible for the delivery of a number of capital schemes which are detailed in Appendix I5. The projected 2019/20 outturn for these schemes was £11.046m as reported within the Period 9 monitoring to Cabinet on 26<sup>th</sup> February 2020. The actual outturn is £12.247m resulting in a deficit variance of £1.201m. The main reasons for the main variances above £0.100m are detailed below:

- Property Refurbishment - £0.611m surplus – slippage of resources into 2020/21 to continue refurbishment works in relation to the agile working areas mainly at the Sandwell Council House.
- Street Lighting SOX to LED Conversion - £0.417m surplus – slippage of resources into 2020/21 to continue Phase 2 of the SOX to LED conversion scheme across the borough.
- Crosswells Road Depot Demolition - £0.300m deficit – a decision in 2019/20 to capitalise the demolition costs associated with Crosswells Road Depot.
- Smethwick Sports Hall Demolition - £0.309m deficit – a decision in 2019/20 to capitalise the demolition costs associated with Smethwick Sports Hall.

- Additional Highways Maintenance Funding - £1.420m deficit – utilisation of the Department for Transport (DFT) additional monies for Highways Maintenance works in 2019/20.
- Children’s Trust Accommodation Works (DFE) - £0.249m surplus – slippage of resources into 2020/21 to continue any capital works associated with the Children’s Trust.
- Section 106 – A41 Expressway / Carters Green Public Realm - £0.755m deficit – additional S106 monies made available since Period 9 monitoring towards the successful completion of the Carters Green Public Realm scheme.
- Carrington Road Shops Demolition - £0.112m surplus – slippage of resources into 2020/21 to continue works at the Carrington Rd / School Rd site.

### **Virements**

There have been no virements between capital schemes during the period.

### **Section 106 Monies**

Regeneration & Growth has responsibility for Section 106 monies, details are provided in Appendix I6.

### **Contact**

Charlie Davey  
Business Partner - Finance  
0121 569 2310

Regeneration & Growth				Appendix I1 Regeneration & Growth Outturn				
Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Growth and Spatial Planning Service	1,844	214	2,058	1,680	0	(80)	1,600	(458)
Development Planning and Building Control Service	539	0	539	543	0	(119)	424	(114)
Strategic Assets and Land Service	3,634	255	3,889	4,763	190	(201)	4,752	863
Highways Services	14,526	337	14,863	15,205	0	0	15,205	342
Management	659	400	1,059	437	0	0	437	(621)
<b>Total Net Expenditure</b>	<b>21,200</b>	<b>1,206</b>	<b>22,406</b>	<b>22,629</b>	<b>190</b>	<b>(400)</b>	<b>22,419</b>	<b>13</b>
<b>Revenue Contribution to Capital (RCCO)</b>								<b>0</b>
<b>Adjusted Net Variance After RCCO</b>								<b>13</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	13,607	0	13,607	12,911	0	(345)	12,566	(1,041)
Premises	11,175	0	11,175	12,313	190	0	12,503	1,328
Transport	248	0	248	227	0	0	227	(21)
Supplies & Services	16,421	1,206	17,627	17,333	0	(55)	17,278	(349)
Third Party Payments	15	0	15	39	0	0	39	24
Transfer Payments	1	0	1	0	0	0	0	(1)
Capital Charges	10,087	0	10,087	10,087	0	0	10,087	0
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>51,554</b>	<b>1,206</b>	<b>52,760</b>	<b>52,910</b>	<b>190</b>	<b>(400)</b>	<b>52,700</b>	<b>(60)</b>
Specific Grants	(174)	0	(174)	(82)	0	0	(82)	92
Other Grants & Contributions	(920)	0	(920)	(1,109)	0	0	(1,109)	(189)
Fees & Charges	(18,159)	0	(18,159)	(18,089)	0	0	(18,089)	70
Recharges in Target	(11,102)	0	(11,102)	(11,002)	0	0	(11,002)	100
Other Income	0	0	0	0	0	0	0	0
<b>Gross Income</b>	<b>(30,354)</b>	<b>0</b>	<b>(30,354)</b>	<b>(30,282)</b>	<b>0</b>	<b>0</b>	<b>(30,282)</b>	<b>72</b>
<b>Total Net Expenditure</b>	<b>21,200</b>	<b>1,206</b>	<b>22,406</b>	<b>22,629</b>	<b>190</b>	<b>(400)</b>	<b>22,419</b>	<b>13</b>



Regeneration & Growth		Appendix I2 Regeneration & Growth Outturn							
		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Growth and Spatial Planning Service</b> This includes regeneration, strategic policy, transportation, housing and partnerships.	Employees	1,906		1,906	1,690		(25)	1,665	(241)
	Premises	0		0	1			1	1
	Transport	10		10	5			5	(4)
	Supplies & Services	885	214	1,099	758		(55)	703	(395)
	Third Party Payments	0		0	17			17	17
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>2,801</b>	<b>214</b>	<b>3,015</b>	<b>2,471</b>	<b>0</b>	<b>(80)</b>	<b>2,391</b>	<b>(624)</b>
	Specific Grants	(135)		(135)	(18)			(18)	117
	Other Grants & Contributions	(338)		(338)	(359)			(359)	(21)
	Fees & Charges	(65)		(65)	(89)			(89)	(23)
	Recharge Income	(419)		(419)	(326)			(326)	93
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(957)</b>	<b>0</b>	<b>(957)</b>	<b>(791)</b>	<b>0</b>	<b>0</b>	<b>(791)</b>	<b>166</b>	
<b>Net Expenditure</b>	<b>1,844</b>	<b>214</b>	<b>2,058</b>	<b>1,680</b>	<b>0</b>	<b>(80)</b>	<b>1,600</b>	<b>(458)</b>	
<b>Development Planning and Building Control</b> This includes development management, building consultancy, systems and services and land charges.	Employees	1,949		1,949	1,980		(119)	1,861	(87)
	Premises	2		2	11			11	9
	Transport	10		10	11			11	1
	Supplies & Services	249		249	363			363	114
	Third Party Payments	0		0	5			5	5
	Transfer Payments	0		0	0			0	0
	Capital Charges	3		3	3			3	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>2,213</b>	<b>0</b>	<b>2,213</b>	<b>2,372</b>	<b>0</b>	<b>(119)</b>	<b>2,253</b>	<b>40</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	(1,577)		(1,577)	(1,653)			(1,653)	(76)
	Recharge Income	(97)		(97)	(176)			(176)	(79)
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(1,674)</b>	<b>0</b>	<b>(1,674)</b>	<b>(1,829)</b>	<b>0</b>	<b>0</b>	<b>(1,829)</b>	<b>(155)</b>	
<b>Net Expenditure</b>	<b>539</b>	<b>0</b>	<b>539</b>	<b>543</b>	<b>0</b>	<b>(119)</b>	<b>424</b>	<b>(114)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Strategic Assets and Land Service</b> This includes asset management, facilities management, urban design and building services, development and commercial property and markets.	Employees	6,443		6,443	6,373		(201)	6,172	(271)
	Premises	10,387		10,387	11,493	190		11,683	1,297
	Transport	49		49	36			36	(12)
	Supplies & Services	4,064	255	4,319	3,692			3,692	(627)
	Third Party Payments	5		5	17			17	13
	Transfer Payments	1		1	0			0	(1)
	Capital Charges	1,332		1,332	1,332			1,332	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>22,279</b>	<b>255</b>	<b>22,534</b>	<b>22,944</b>	<b>190</b>	<b>(201)</b>	<b>22,933</b>	<b>399</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	(567)		(567)	(751)			(751)	(184)
	Fees & Charges	(11,512)		(11,512)	(10,724)			(10,724)	788
	Recharge Income	(6,566)		(6,566)	(6,706)			(6,706)	(139)
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(18,645)</b>	<b>0</b>	<b>(18,645)</b>	<b>(18,181)</b>	<b>0</b>	<b>0</b>	<b>(18,181)</b>	<b>465</b>	
<b>Net Expenditure</b>	<b>3,634</b>	<b>255</b>	<b>3,889</b>	<b>4,763</b>	<b>190</b>	<b>(201)</b>	<b>4,752</b>	<b>863</b>	
<b>Highways Services</b> This includes car parking, flood protection, highways maintenance, road casualty reduction, highways planning and development, engineers and highways consultancy and traffic management and road safety.	Employees	3,003		3,003	2,687			2,687	(316)
Premises	786		786	808			808	22	
Transport	179		179	173			173	(6)	
Supplies & Services	10,883	337	11,220	12,265			12,265	1,046	
Third Party Payments	0		0	0			0	0	
Transfer Payments	0		0	0			0	0	
Capital Charges	8,753		8,753	8,752			8,752	(0)	
Capital Financing	0		0	0			0	0	
<b>Total Gross Expenditure</b>	<b>23,603</b>	<b>337</b>	<b>23,940</b>	<b>24,686</b>	<b>0</b>	<b>0</b>	<b>24,686</b>	<b>746</b>	
Specific Grants	(39)		(39)	(64)			(64)	(25)	
Other Grants & Contributions	(15)		(15)	0			0	15	
Fees & Charges	(5,004)		(5,004)	(5,623)			(5,623)	(618)	
Recharge Income	(4,020)		(4,020)	(3,794)			(3,794)	226	
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(9,078)</b>	<b>0</b>	<b>(9,078)</b>	<b>(9,481)</b>	<b>0</b>	<b>0</b>	<b>(9,481)</b>	<b>(403)</b>	
<b>Net Expenditure</b>	<b>14,526</b>	<b>337</b>	<b>14,863</b>	<b>15,205</b>	<b>0</b>	<b>0</b>	<b>15,205</b>	<b>342</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Management</b>	Employees	307		307	181			181	(125)
	Premises	0		0	0			0	0
This relates to budgets directly controlled by the Regeneration & Growth director including the contribution to the Black Country Consortium	Transport	0		0	1			1	1
	Supplies & Services	342	400	742	255			255	(487)
	Third Party Payments	10		10	0			0	(10)
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>659</b>	<b>400</b>	<b>1,059</b>	<b>437</b>	<b>0</b>	<b>0</b>	<b>437</b>	<b>(621)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	0		0	0			0	0
Recharge Income	0		0	0			0	0	
Other Income	0		0	0			0	0	
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Net Expenditure</b>	<b>659</b>	<b>400</b>	<b>1,059</b>	<b>437</b>	<b>0</b>	<b>0</b>	<b>437</b>	<b>(621)</b>

Regeneration & Growth		Appendix I3 - Sub Analysis	
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Operational Services	6,708	4,859	1,849
Highways Maintenance	1,783	2,087	(304)
Architects & Building Services	1,708	2,022	(314)
Engineers Fees	1,546	1,005	541
Consultancy	1,217	1,499	(282)
Car Parking Contract	1,190	1,106	83
Professional Services	953	1,070	(117)
Equipment & Furniture	501	402	98
Postages	350	322	29
Subscriptions	215	101	114
Waste Disposal & Hygiene Services	211	133	78
ICT	151	408	(257)
Provision for Bad Debts	126	0	126
Grounds Maintenance	107	100	7
Legal	94	56	38
Materials & Consumable	89	667	(578)
Printing & Stationery	70	95	(25)
Advertising & Publicit	69	130	(61)
Telephones	60	47	13
Other internal recharges	46	66	(20)
Highways Consultancy	37	20	17
Pest Control	23	6	17
Licences	19	16	2
Protective Clothing & Uniforms	15	19	(4)
Catering Provisions	14	21	(7)
Civic Events	13	14	(1)
Grant Payments	4	107	(103)
Conference Expenses	3	6	(2)
Cash Collections	3	2	2
Catering Equipment	3	2	1
Bank Charges & Commiss	2	5	(3)
Hire of Facilities	1	11	(11)
Under spend Brought Forward	0	1,206	(1,206)
Other Supplies & Services	4	17	(13)
<b>Total Supplies &amp; Services</b>	<b>17,333</b>	<b>17,627</b>	<b>(294)</b>
<b>Specific Grants</b>			
Growing Priority Sectors (Local Growth Deal Funding)	(15)	0	(15)
Sandwell Housing Zone- Capacity Funding	(3)	(135)	133
Section 31 Flood Prevention)	(16)	(15)	(1)
Bikeabilty Grant	(48)	(24)	(24)
<b>Total Specific Grants</b>	<b>(82)</b>	<b>(174)</b>	<b>92</b>

Regeneration & Growth				Appendix I4 Central Items	
Central Item Description	Annual Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Variance (Under) / Over Spend £'000
Carbon Reduction - Energy Efficiency	300	186			(114) 0
<b>Total</b>	<b>300</b>	<b>186</b>	<b>0</b>	<b>0</b>	<b>(114)</b>
<b>Subjective Analysis</b>					
Employees					0
Premises		55			55
Transport					0
Supplies & Services	300	131			(169)
Third Party Payments					0
Transfer Payments					0
Capital Charges					0
<b>Gross Expenditure</b>	<b>300</b>	<b>186</b>	<b>0</b>	<b>0</b>	<b>(114)</b>
Specific Grants					0
Other Grants & Contributions					0
Fees & Charges					0
Recharges in Target					0
Other Income					0
<b>Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Net Expenditure</b>	<b>300</b>	<b>186</b>	<b>0</b>	<b>0</b>	<b>(114)</b>

Regeneration & Growth				Appendix I5 - Capital	
	Revised 2019/20 Budget as @ Period 9			Actual Outturn 2019/20 £'000	(Surplus) / Deficit for the Year £'000
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000		
<b><u>Main Programme</u></b>					
West Bromwich Car Parking	1	0	1	0	(1)
Section 106 Monies - Lyng Lane	14	0	14	13	(1)
Reservoirs Act	31	0	31	9	(22)
BSF - Schools for the Future	105	0	105	105	0
Property Refurbishment	2,777	0	2,777	2,166	(611)
Access Fund	508	0	508	467	(41)
Birchley Island	238	0	238	238	0
Street Lighting SOX to LED Conversion	1,200	0	1,200	783	(417)
Multi Storey Car Park Demolition	0	0	0	10	10
Shaftesbury House Demolition	0	0	0	21	21
Crosswells Road Depot Demolition	0	0	0	300	300
Smethwick Sports Hall Demolition	0	0	0	309	309
Brindley II	21	0	21	0	(21)
<b><u>Grants / Self Financing</u></b>					
Local Transport Plan - Direct Grant	0	4,756	4,756	4,756	0
Additional Highways Maintenance Funding	0	2	2	1,422	1,420
Woods Lane Re-Development - Growth Fund	0	120	120	111	(9)
Children's Trust Accomodation Works (DFE)	0	249	249	0	(249)
BSF Schools for the Future	0	74	74	0	(74)
<b><u>Section 106</u></b>					
A41 Expressway / A4031 All Saints Way Junction - Carters Green Public Real	0	782	782	1,537	755
<b><u>Regional Housing Board Allocations</u></b>					
Carrington Rd Shops Demolition	0	112	112	0	(112)
School / Carrington Road	0	35	35	0	(35)
Queslade Bungalows Demolition	0	6	6	0	(6)
New Build / Siupported Housing	0	15	15	0	(15)
<b>Total Regeneration &amp; Growth</b>	<b>4,895</b>	<b>6,151</b>	<b>11,046</b>	<b>12,247</b>	<b>1,201</b>
	102				

Regeneration & Growth		Appendix I6 Section 106 Monitoring		
Scheme	Description of Project	Balance Available @ 01/04/19 £	Outturn for 2019/20 £	Balance Remaining @ 31/03/20 £
Roway Lane Development	Contribution to improvement works at the Fountain Land / Bromford Road junction	48,000	0	48,000
A41 Expressway / A4031 All Saints Way Junction	Contribution from TESCO towards the overall cost of the A41 Expressway / A4031 All Saints Way Junction scheme - Carters Green Public Realm.	866,000	865,702	298
Carters Green Public Realm	Highways Contributions towards Carters Green Public Realm	672,000	671,787	213
Former Churchfields School, All Saints Way, West Bromwich	Erection of 182 dwellings, 3no 100m x 60m football pitches, changing room facilities together with associated road and sewer.	17,000	0	17,000
Land at Alexandra Road and Upper Church Lane, Tipton	Affordable Housing	603,000	0	603,000
High St / Dartmouth St West Bromwich (was Laing but now Taylor Wimpy)	Affordable Housing	12,000	0	12,000
Land at Seymour Road, Oldbury	Affordable Housing	91,000	0	91,000
Land at Summerton Road, Oldbury	Affordable Housing	28,000	0	28,000
Land off Spon Lane West Bromwich DC/08/49057	Highways Contribution	447,000	0	447,000
TESCO - West Bromwich	Planning / Environmental Health contribution	50,000	0	50,000
Sandwell Road West Bromwich DC/09/51649	Public Realm / Highways Contribution	175,000	0	175,000
Ashes Road Oldbury DC/14/57470	Ashes Road Oldbury Contribution	336,000	0	336,000
Rattlechain Oldbury DC/14/57737	Affordable Housing	210,000	0	210,000
Upper Church Lane Tipton DC/09/50926	Planning Contribution	32,000	0	32,000
Land off Mill Street Tipton DC/15/58921	Affordable Housing	290,000	0	290,000
<b>Grand Total</b>		<b>3,877,000</b>	<b>1,537,489</b>	<b>2,339,511</b>

**Housing and Communities Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

**Revenue**

**1. Overview**

The financial outturn for Housing and Communities is an under spend of £0.567m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	36,796	428	37,224	36,217	(161)	36,056	(1,168)
Gross Income	(18,842)	0	(18,842)	(18,341)	100	(18,241)	601
<b>Net Expenditure</b>	<b>17,954</b>	<b>428</b>	<b>18,382</b>	<b>17,876</b>	<b>(61)</b>	<b>17,815</b>	<b>(567)</b>
Revenue Contribution to Capital (RCCO)							0
<b>Adjusted Net Variance After RCCO</b>							<b>(567)</b>

Further details of the outturn position can be found in Appendices J1 and J2. The following table outlines the main reasons for the variance:



Reasons for (Under) / Over Spend	£'000
Homelessness - Rise in number of people needing temporary accommodation and reductions in housing benefit for those in privately rented accommodation	525
Increased use of the Homelessness Grant to fund temporary accommodation	(397)
Housing Management - slippage on delivery of savings for the service area	205
Severance costs funded by the directorate	129
Housing Management Staff vacancies and reduction in hours within service	(258)
Voluntary Sector & Management - insurance costs lower than anticipated	(40)
Garages - lower than anticipated costs relating to repairs and maintenance	(35)
Shop mobility - vacancies within area	(38)
CCTV - contribution from Morrisons Wednesbury towards premises costs	(22)
Travellers - additional rent collected from sites	(20)
Sandwell Valley - additional premises related costs (rates & insurances) and a shortfall in income	290
Lightwoods House - additional income generated from services particularly room hire	(55)
Museums - lower than anticipated costs on equipment and operational services	(47)
Fleet - additional income particularly from Serco maintained vehicles	(185)
Parks mainline - relating to staff vacancies within area	(67)
Green services - income shortfall from rechargeable jobs	39
Customer Services - Staff turnover and vacancies within area	(255)
Contingency held for directorate priorities	(283)
Libraries - pressures against premise costs and income offset by underspend against supplies and services budget	(28)
Other minor issues	(25)
<b>Total</b>	<b>(567)</b>

The net under spend is requested to be treated as follows:

Requested Treatment	£'000
Offset the over spend within Regeneration & Growth	13
Carried forward to 2020/21 to manage the financial risks of slippage against the savings reflected within the approved budget strategy	554
<b>Total</b>	<b>567</b>

## 2. Available Resources

The total budget available to the directorate was £18.382m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>18,609</b>
Target Adjustments -	
Capital Charges Adjustment	<b>(227)</b>
<b>Revised Target Budget Resources</b>	<b>18,382</b>

There have been no additional specific grants received by the directorate since the previously reported monitoring.

### **3. Virements within the Directorate**

There have been no virements of over £0.250m between sub divisions within Housing and Communities since the previously reported monitoring.

### **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an under spend of £0.090m, the variance between this and the actual outturn is £0.477m. The table below explains the reason for this variance:

<b>Reasons for variation from projected outturn @ Q3</b>	<b>£000</b>
Voluntary Sector & Management - insurance/fire safety renewal costs lower than anticipated and increased contribution from Public Health	<b>(110)</b>
Sandwell Valley - projected income pressure higher than initially anticipated	140
Fleet services - higher income due to increased repair costs relating to Serco fleet of vehicles; slippage on work required for repairs on site	<b>(73)</b>
Ancillary Services - rechargeable internal jobs exceeded initial projections	<b>(116)</b>
Directorate contingency not applied	<b>(283)</b>
Green Services - unfilled vacancies and delay in completion of repair works required on site	<b>(89)</b>
Severance Payments funded by the directorate	129
Parks Mainline - lower than anticipated spend against equipment and premises insurance	<b>(74)</b>
<b>Total</b>	<b>(477)</b>

The 2020/21 budgets were approved by Cabinet on 19 February 2020 and these now need to be adjusted to reflect the 2019/20 outturn; the following changes are therefore required:

<b>Changes to 2020/21 Budget</b>	<b>£'000</b>
2019/20 underspend brought forward and held as a directorate contingency	554
<b>Total</b>	<b>554</b>

## **5. Central Items**

The directorate has responsibility for the management of Central Items that are detailed in Appendix J4.

The actual outturn for these items is an under spend of £0.019.

The main reasons for this variance are outlined below:

<b>Reasons for (Under) / Over spend - Central Items</b>	<b>£'000</b>
Contractual rebate on pure recycling volumes	(479)
Performance reductions on contract resulting in lower payments	(700)
Rebate for non SMBC tonnage from Serco for use of W2R	(492)
Increase in the waste tonnage (+1.55%) were lower than initial projections used in the budget.	(208)
Income from third party use of W2R less than expected	347
Lower than anticipated income from bulky waste	128
Creation of reserve to manage future contract fluctuations	1,385
<b>Total</b>	<b>(19)</b>

## **6. Earmarked Reserves**

The directorate has set aside sums totalling £1.024m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has contributed £1.531m of earmarked reserves during the current year leaving the following balances remaining:

<b>Earmarked Reserve</b>	<b>Balance as at 31 March 2019</b>	<b>Use of / (Contribution to) in 2019/20</b>	<b>Remaining Balance 31 March 2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Physical Activity Board	48	24	24
Sinking Fund - Portway Lifestyle Centre	516	(70)	586
Private Sector Landlord	142	0	142
Dartmouth Park HLF	318	0	318
Commonwealth Games - UoW	0	(100)	100
Serco Waste	0	(1,385)	1,385
<b>Total</b>	<b>1,024</b>	<b>(1,531)</b>	<b>2,555</b>

## **7. Severance Payments**

In 2018/19 a provision of £0.416m was created for severance payment costs, of which £0.326m has been utilised during 2019/20.

Severance payment costs of £0.148m, not included in the provision, have been incurred with no further costs expected. £0.128m of these costs will be met from the directorate.

The table below summarises the position:

	Actual Costs Incurred 2019/20	Provision Created 2018/19		New Provision Created 2019/20		Net cost to service 2019/20
		Utilised	Unutilised	Outstanding Severance Payments	Future Severance Payments	
	£'000	£'000	£'000	£'000	£'000	£'000
Costs provided for in 2018/19	326	326	90	70		(20)
Costs not provided for in 2018/19	148			0	0	148
<b>Total</b>	<b>474</b>	<b>326</b>	<b>90</b>	<b>70</b>	<b>0</b>	<b>128</b>
<b>Funded by:</b>						
Directorate						128
Corporate Resources						0

## **8. Use of Corporate Resources**

Expenditure of £0.207m incurred by Housing and Communities will be met from corporate resources. This is to cover the cost of Commonwealth Project Team £0.127m and project costs of £0.080 associated with Land Regeneration.

## **9. Housing Revenue Account**

Housing and Communities has responsibility for managing functions that are required to be charged to the Housing Revenue Account rather than the Council's General Fund. The outturn position on these HRA related directorates are shown within the separate HRA report. Any cross subsidisation between the General Fund and HRA is not permitted.

## **Capital**

### **Overview**

Housing & Communities is responsible for the delivery of a number of capital schemes which are detailed in Appendix J5. The projected 2019/20 outturn for these schemes was £15.975m as reported within the Period 9 monitoring to Cabinet on 26<sup>th</sup> February 2020. The actual outturn is £12.989m resulting in a surplus variance of £2.986m. The main reasons for the main variances above £0.100m are as follows:

- Public Access Computers – Libraries - £0.130m surplus – slippage of resources into 2020/21 to improve public access to computers across the whole library service.
- Self Service Customer Portal - £0.298m surplus – slippage of resources into 2020/21 to continue with works at local council offices around customer self-service.
- West Smethwick Park – HLF Match Funding - £0.272m surplus – slippage of resources into 2020/21 to continue to develop the West Smethwick Park Restoration scheme along with HLF funding secured.
- The Public Conversion to College - £0.341m surplus – slippage of resources into 2020/21 and held in the capital programme for potential future roofing works at the college.
- Aquatic Centre – Commonwealth Games 2022 - £1.761m surplus – a decision by the Department of Culture Media & Sports (DCMS) / Birmingham CC to fund an element of the costs in 2019/20 has allowed us to carry forward more of our own resources into 2020/21 to continue to develop the Sandwell Aquatic Centre ready for the 2022 Commonwealth Games.

- Acquisition of Vehicles - £0.352m surplus – The overall costs in 2019/20 reflects the Council's current vehicle replacement programme.
- Sandwell Aquatic's Centre – DCMS/Birmingham CC - £0.493m deficit – a decision by the Department of Culture Media & Sports (DCMS) / Birmingham CC to fund an element of the costs associated with the Sandwell Aquatic's Centre in 2019/20.

### **Virements**

There have been no virements between capital schemes during the period.

### **Section 106 Monies**

Housing & Communities has responsibility for Section 106 monies, details are provided in Appendix J6.

### **Contact**

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Housing & Communities				Appendix J1 Housing & Communities Outturn				
Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Housing Management	2,575	115	2,690	2,714	0	0	2,714	23
Tourism, Culture & Leisure	10,132	48	10,180	10,454	146	(207)	10,393	213
Commercial Services	3,971	128	4,099	3,863	0	0	3,863	(236)
Business Excellence	1,276	137	1,413	846	0	0	846	(567)
<b>Total Net Expenditure</b>	<b>17,954</b>	<b>428</b>	<b>18,382</b>	<b>17,876</b>	<b>146</b>	<b>(207)</b>	<b>17,815</b>	<b>(567)</b>
<b>Revenue Contribution to Capital (RCCO)</b>								<b>0</b>
<b>Adjusted Net Variance After RCCO</b>								<b>(567)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	15,094	0	15,094	14,322	0	0	14,322	(772)
Premises	2,950	0	2,950	4,013	70	0	4,083	1,132
Transport	2,008	0	2,008	2,177	0	0	2,177	169
Supplies & Services	7,060	428	7,488	5,983	(24)	(207)	5,752	(1,736)
Third Party Payments	4,402	0	4,402	4,440	0	0	4,440	38
Transfer Payments	0	0	0	0	0	0	0	0
Capital Charges	5,282	0	5,282	5,282	0	0	5,282	0
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>36,796</b>	<b>428</b>	<b>37,224</b>	<b>36,217</b>	<b>46</b>	<b>(207)</b>	<b>36,056</b>	<b>(1,168)</b>
Specific Grants	(4,023)	0	(4,023)	(2,870)	0	0	(2,870)	1,153
Other Grants & Contributions	(1,167)	0	(1,167)	(1,541)	100	0	(1,441)	(274)
Fees & Charges	(5,295)	0	(5,295)	(5,183)	0	0	(5,183)	111
Recharges in Target	(8,358)	0	(8,358)	(8,747)	0	0	(8,747)	(389)
Other Income	0	0	0	0	0	0	0	0
<b>Gross Income</b>	<b>(18,842)</b>	<b>0</b>	<b>(18,842)</b>	<b>(18,341)</b>	<b>100</b>	<b>0</b>	<b>(18,241)</b>	<b>601</b>
<b>Total Net Expenditure</b>	<b>17,954</b>	<b>428</b>	<b>18,382</b>	<b>17,876</b>	<b>146</b>	<b>(207)</b>	<b>17,815</b>	<b>(567)</b>



Housing & Communities		Appendix J2 Housing & Communities Outturn							
		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Housing Management</b>	Employees	3,469		3,469	3,388			3,388	(81)
This includes homelessness support, the Welfare Rights Team and the development of relationships with the voluntary and community sector.	Premises	1,279		1,279	2,194			2,194	915
	Transport	23		23	9			9	(14)
	Supplies & Services	3,992	115	4,107	2,360			2,360	(1,746)
	Third Party Payments	0		0	2			2	2
	Transfer Payments	0		0	0			0	0
	Capital Charges	257		257	257			257	(0)
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>9,020</b>	<b>115</b>	<b>9,135</b>	<b>8,210</b>	<b>0</b>	<b>0</b>	<b>8,210</b>	<b>(925)</b>
	Specific Grants	(2,815)		(2,815)	(1,676)			(1,676)	1,139
	Other Grants & Contributions	(1,134)		(1,134)	(1,395)			(1,395)	(261)
	Fees & Charges	(1,318)		(1,318)	(1,155)			(1,155)	164
	Recharge Income	(1,178)		(1,178)	(1,271)			(1,271)	(94)
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(6,445)</b>	<b>0</b>	<b>(6,445)</b>	<b>(5,496)</b>	<b>0</b>	<b>0</b>	<b>(5,496)</b>	<b>949</b>	
<b>Net Expenditure</b>	<b>2,575</b>	<b>115</b>	<b>2,690</b>	<b>2,714</b>	<b>0</b>	<b>0</b>	<b>2,714</b>	<b>23</b>	
<b>Tourism, Culture &amp; Leisure</b>	Employees	4,504		4,504	4,480			4,480	(24)
This includes libraries, museums, Sandwell Valley and PE & Sports including the contractual payments to leisure providers.	Premises	1,177		1,177	1,375	70		1,445	268
	Transport	55		55	44			44	(11)
	Supplies & Services	1,589	48	1,637	1,816	(24)	(207)	1,585	(52)
	Third Party Payments	4,402		4,402	4,438			4,438	36
	Transfer Payments	0		0	(0)			(0)	(0)
	Capital Charges	2,322		2,322	2,322			2,322	(0)
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>14,050</b>	<b>48</b>	<b>14,098</b>	<b>14,475</b>	<b>46</b>	<b>(207)</b>	<b>14,314</b>	<b>216</b>
	Specific Grants	(1,208)		(1,208)	(1,194)			(1,194)	14
	Other Grants & Contributions	(33)		(33)	(106)	100		(6)	27
	Fees & Charges	(1,823)		(1,823)	(1,816)			(1,816)	7
	Recharge Income	(853)		(853)	(905)			(905)	(52)
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(3,918)</b>	<b>0</b>	<b>(3,918)</b>	<b>(4,021)</b>	<b>100</b>	<b>0</b>	<b>(3,921)</b>	<b>(4)</b>	
<b>Net Expenditure</b>	<b>10,132</b>	<b>48</b>	<b>10,180</b>	<b>10,454</b>	<b>146</b>	<b>(207)</b>	<b>10,393</b>	<b>213</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Commercial Services</b>	Employees	4,737		4,737	4,401			4,401	(336)
	Premises	419		419	359			359	(60)
This service maintains the public parks and green spaces, it delivers the grounds maintenance service for the borough, includes the centralised costs of the fleet service for the council and the client side for the waste contract with Serco.	Transport	1,928		1,928	2,120			2,120	192
	Supplies & Services	920	128	1,048	1,213			1,213	166
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	2,660		2,660	2,660			2,660	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>10,664</b>	<b>128</b>	<b>10,792</b>	<b>10,754</b>	<b>0</b>	<b>0</b>	<b>10,754</b>	<b>(38)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	(0)		(0)	(41)			(41)	(40)
	Fees & Charges	(2,030)		(2,030)	(2,093)			(2,093)	(62)
Recharge Income	(4,662)		(4,662)	(4,758)			(4,758)	(96)	
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(6,693)</b>	<b>0</b>	<b>(6,693)</b>	<b>(6,891)</b>	<b>0</b>	<b>0</b>	<b>(6,891)</b>	<b>(199)</b>	
<b>Net Expenditure</b>	<b>3,971</b>	<b>128</b>	<b>4,099</b>	<b>3,863</b>	<b>0</b>	<b>0</b>	<b>3,863</b>	<b>(236)</b>	
<b>Business Excellence</b>	Employees	2,384		2,384	2,052			2,052	(331)
	Premises	75		75	85			85	10
This includes the corporate contact centre and the provision of the One Stop Shop reception service at Oldbury. It includes the local managed town grants and director managed budgets.	Transport	2		2	4			4	2
	Supplies & Services	560	137	697	593			593	(103)
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	43		43	43			43	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>3,063</b>	<b>137</b>	<b>3,200</b>	<b>2,778</b>	<b>0</b>	<b>0</b>	<b>2,778</b>	<b>(422)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	(122)		(122)	(120)			(120)	2
Recharge Income	(1,665)		(1,665)	(1,813)			(1,813)	(147)	
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(1,788)</b>	<b>0</b>	<b>(1,788)</b>	<b>(1,933)</b>	<b>0</b>	<b>0</b>	<b>(1,933)</b>	<b>(145)</b>	
<b>Net Expenditure</b>	<b>1,276</b>	<b>137</b>	<b>1,413</b>	<b>846</b>	<b>0</b>	<b>0</b>	<b>846</b>	<b>(567)</b>	

Housing & Communities	Appendix J3 - Housing & Communities		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Grants	2,429	3,790	(1,361)
Tree Works	445	255	190
Professional Services	505	283	221
Project costs for Commonwealth Games	205	0	205
Materials & Consumable	583	734	(151)
HRA recharges	248	299	(51)
Other Internal Recharges	103	50	53
Operational Services	219	342	(123)
ICT	231	58	172
Equipment & Furniture	177	373	(196)
Legal	169	101	68
Waste Disposal Charge	175	56	119
Civic Events	105	184	(79)
Catering Provisions	99	90	9
Architects	92	32	60
Subscriptions	73	20	53
Consultancy	64	21	43
Telephones	51	77	(25)
Printing & Stationery	100	89	11
Hire of Facilities	22	35	(13)
Protective Clothing & Uniforms	19	32	(13)
Licences	18	0	17
Contract Payments	16	0	16
Bank Charges & Commiss	12	5	7
Tenants expenses	12	0	12
Laundry	12	0	12
Engineers	8	0	8
Cash Collections	8	4	4
Pest Control	5	6	(1)
Catering Equipment	5	5	0
Advertising & Publicity	7	66	(59)
Bereavement Expenses	4	0	4
Conference Expenses	3	6	(3)
Refuse Collection	2	12	(9)
Postages	1	13	(12)
Office Accomodation	0	17	(17)
Surplus brought forward from previous year	0	428	(428)
Provision for Bad Debts	(244)	0	(244)
Other Supplies & Services	0	5	(5)
<b>Total Supplies &amp; Services</b>	<b>5,983</b>	<b>7,488</b>	<b>(1,505)</b>
<b>Specific Grants</b>			
DCLG - Flexible Homelessness Support Grant / New Burdens	(779)	(1,649)	870
DCLG - Controlling Migration	(76)	(76)	(0)
DCLG -Controlling Migration Fund - Sandwell Language Network	(381)	(381)	(0)
DCLG - Controlling Migration Fund - Settling Well	(199)	(199)	0
DEFRA - Natural England Stewardship Grant	(32)	(46)	14
DCLG - Supporting Families Against Youth Crime	(125)	(373)	248
DCLG - Portway Lifestyle Centre - PFI	(1,162)	(1,162)	0
Home Office - Prevent Grant	(115)	(137)	22
<b>Total Specific Grants</b>	<b>(2,870)</b>	<b>(4,023)</b>	<b>1,153</b>

Housing & Communities			Appendix J4 Central Items		
Central Item Description	Annual Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Variance (Under) / Over Spend £'000
Waste Partnership	26,700	25,296	1,385		(19) 0
<b>Total</b>	<b>26,700</b>	<b>25,296</b>	<b>1,385</b>	<b>0</b>	<b>(19)</b>
<b>Subjective Analysis</b>					
Employees					0
Premises					0
Transport					0
Supplies & Services	29,155	27,328	1,385		(442)
Third Party Payments					0
Transfer Payments					0
Capital Charges					0
<b>Gross Expenditure</b>	<b>29,155</b>	<b>27,328</b>	<b>1,385</b>	<b>0</b>	<b>(442)</b>
Specific Grants					0
Other Grants & Contributions	(1,235)	(1,241)			(5)
Fees & Charges	(552)	(77)			476
Recharges in Target	(668)	(714)			(47)
Other Income					0
<b>Gross Income</b>	<b>(2,455)</b>	<b>(2,032)</b>	<b>0</b>	<b>0</b>	<b>423</b>
<b>Total Net Expenditure</b>	<b>26,700</b>	<b>25,296</b>	<b>1,385</b>	<b>0</b>	<b>(19)</b>

Housing & Communities				Appendix J5 - Capital	
	Revised 2019/20 Budget as @ Period 9			Actual Outturn 2019/20 £'000	(Surplus) / Deficit for the Year £'000
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000		
<b>Main Programme</b>					
Environmental Improvements to Neighbourhoods (Gro	105	0	105	13	(92)
Charlemont Community Centre Wigmore	37	0	37	0	(37)
Public Access Computers - Libraries	196	0	196	66	(130)
Blackheath Library - fit out costs	0	0	0	25	25
Libraries Management System	4	0	4	0	(4)
Manor House - Phase 2	12	0	12	0	(12)
Lightwoods House & Park	40	0	40	40	0
Sandwell Aquatic's Centre	300	0	300	240	(60)
Self Service Customer Portal	382	0	382	84	(298)
West Smethwick Park - HLF Match Funding	491	0	491	219	(272)
Oak House Museum Roof Repairs	10	0	10	0	(10)
<b>Prudential Borrowing</b>					
The Public - Conversion to College	341	0	341	0	(341)
Lightwoods Park	85	0	85	41	(44)
Aquatic Centre - Commonwealth Games 2022	2,912	0	2,912	1,151	(1,761)
Acquisition of Vehicles	1,200	0	1,200	848	(352)
<b>Thematic Capital Pot</b>					
Forge Mill Farm	2	0	2	0	(2)
Lightwoods House Roof Works	35	0	35	0	(35)
<b>Grants / Self Financing</b>					
Haden Hill Leisure Centre Roofing	0	0	0	60	60
Libraries Management System	0	4	4	4	0
Manor House Conservation Plan	0	48	48	7	(41)
Dartmouth Park - HLF	0	2	2	0	(2)
West Smethwick Park - HLF	0	80	80	0	(80)
Oak House Barns Restoration Project	0	10	10	0	(10)
Sandwell Valley High Ropes	0	6	6	5	(1)
Youth Centre, Queens Way, Oldbury	0	5	5	0	(5)
Sandwell Aquatic's Centre - DCMS / Birmingham CC	0	2,500	2,500	2,993	493
Sandwell Aquatic's Centre - LEP Funding	0	5,000	5,000	5,000	0
Sandwell Aquatic's Centre - Sport England	0	2,000	2,000	1,940	(60)
<b>Section 106</b>					
Section 106 accounts - Cultural	0	168	168	253	85
<b>Total Housing &amp; Communities</b>	<b>6,152</b>	<b>9,823</b>	<b>15,975</b>	<b>12,989</b>	<b>(2,986)</b>

Housing & Communities		Appendix J6 Section 106 Monitoring		
Scheme	Description of Project	Balance Available @ 01/04/19 £	Outturn for 2019/20 £	Balance Remaining @ 31/03/20 £
Section 106 - Oldbury	Planting scheme to improve welcoming aspect - Oldbury	4,800	4,800	0
Section 106 - Oldbury	Treeworks - Oldbury	2,600	2,600	0
Section 106 - Rowley	Fencing, Steps & Re-Painting of Infrastructure - Rowley	27,300	27,300	0
Section 106 - Tipton	Treeworks - Tipton	6,100	6,100	0
Section 106 - Tipton	Play Provision improvements - Tipton	3,500	3,500	0
Section 106 - Tipton	Play Provision improvements - Tipton	15,700	15,700	0
Section 106 - Tipton	Play Provision improvements - Tipton	29,700	29,700	0
Section 106 - West Bromwich	Scheme being developed with SCIPS including Mill Pool - West Bromwich	54,900	39,044	15,856
Section 106 - West Bromwich	Play Provision Improvements - West Bromwich	14,000	14,000	0
Section 106 - West Bromwich	Improvements to Car Parking Facilities & Skate Board Park - West Bromwich	32,900	32,900	0
Section 106 - West Bromwich	Scheme developed including Entrance & Car Parking - West Bromwich	17,200	17,200	0
Section 106 - West Bromwich	Play Provision improvements - West Bromwich	60,000	60,000	0
<b>Grand Total</b>		<b>268,700</b>	<b>252,844</b>	<b>15,856</b>

**Children's Services Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

## Revenue

### 1. Overview

The financial outturn for Children's Services is an under spend of £0.329m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	121,038	30	121,068	125,601	(351)	125,250	4,183
Gross Income	(23,409)	0	(23,409)	(27,921)	0	(27,921)	(4,512)
<b>Net Expenditure</b>	<b>97,629</b>	<b>30</b>	<b>97,659</b>	<b>97,681</b>	<b>(351)</b>	<b>97,330</b>	<b>(329)</b>
Revenue Contribution to Capital (RCCO)							0
<b>Adjusted Net Variance After RCCO</b>							<b>(329)</b>

Further details of the outturn position can be found in Appendices K1 and K2. The table below outlines the main reasons for the variance of £0.329m:

Reasons for Under Spend	£'000
SEN Transport overspend	2,723
DSG - Early Years grant funding	(2,200)
Fees & Charges income generation	(523)
Unexpected Regional Adoption Agency Refund	(110)
Children's Trust Legal Costs	(89)
Saving on Childrens Centres Contract	(70)
Youth Service - Project delay	(30)
Replacement of SAFL Computer Suite delayed	(30)
<b>Total</b>	<b>(329)</b>

The net under spend is requested to be treated as follows:

Requested Treatment	£'000
Request to Carry Forward to 2020-21 to meet future Directorate needs	329
<b>Total</b>	<b>329</b>

## 2. Available Resources

The total budget available to the directorate was £85.779m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>85,779</b>
Target Adjustments -	
Capital Charges Adjustment	11,880
<b>Revised Target Budget Resources</b>	<b>97,659</b>

There have been no additional specific grants received by the directorate since the previously reported monitoring.

## 3. Virements within the Directorate

No virements of over £0.250m between sub divisions within the directorate have been processed since the previously reported monitoring.

## 4. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an underspend of £0.030m, the variance between this and the actual outturn is an under spend of £0.299m. The following table explains the reason for this variance:

<b>Reasons for variation from projected outturn @ Q3</b>	<b>£000</b>
SEN Transport increased overspend	92
DSG - Previous years	(92)
Residential Services - reduced income	59
Prior Year prudential borrowing costs	55
ESF YEI - grant income from previous years has been received	(71)
Connexions Service - Salary underspend & increased income	(84)
Insurance costs	45
School Improvement - Staffing Savings, additional income	(51)
Children's Centres Contract Less than Anticipated	(70)
Unexpected Regional Adoption Agency Refund	(110)
Historical Cases legal Cost	(89)
Youth Services: Delays in projects	(30)
Attendance service - reduced income	30
Other	17
<b>Total</b>	<b>(299)</b>



The 2020/21 budgets were approved by Cabinet on 19 February 2020 and these now need to be adjusted to reflect the 2019/20 outturn; the following changes are therefore required:

<b>Changes to 2020/21 Budget</b>	<b>£'000</b>
Request for 2019-20 outturn balance to be carried forward	<b>329</b>
<b>Total</b>	<b>329</b>

This carry forward will be used to continue with the projects that have been delayed such as the SAFL computer suite and the Youth Services projects, as well as to utilise some of the budget as part of the Supporting Families against Youth Crime Programme.

Whilst Children's Services balanced SEN transport overspends during 2019/20 by using unspent DSG to support other areas, this won't be possible for 2020/21 onwards as the funding has now been fully allocated. It's therefore important to note that a budget pressure is expected for SEN transport, which will be quantified and identified through quarterly budget monitoring processes.

## **5. Central Items**

The directorate has responsibility for the management of Central Items that are detailed in Appendix K4.

The actual outturn for these items is breakeven.

## **6. Earmarked Reserves**

The directorate has set aside sums totalling £0.186m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has decreased this by £0.076m during the current year and the following balances remain:

<b>Earmarked Reserve</b>	<b>Balance as at 31 March 2019 £'000</b>	<b>Use of / (Contribution to) in 2019/20 £'000</b>	<b>Remaining Balance 31 March 2020 £'000</b>
Regeration and Economy	186	76	110
<b>Total</b>	<b>186</b>	<b>76</b>	<b>110</b>

## 7. Severance Payments

In 2018/19 a provision of £0.236m was created for severance payment costs, of which all have been utilised during 2019/20.

Severance payment costs of £0.101m, not included in the provision, have been incurred with further costs of £0.098m expected. £0.098m of these costs will be met from corporate resources, with the remaining £0.101m being funded from the directorate.

The table below summarises the position:

	Actual Costs Incurred 2019/20 £'000	Provision Created 2018/19		New Provision Created 2019/20		Net cost to service 2019/20 £'000
		Utilised £'000	Unutilised £'000	Outstanding Severance Payments £'000	Future Severance Payments £'000	
Costs provided for in 2018/19	236	236	0	0		0
Costs not provided for in 2018/19	101			0	98	199
<b>Total</b>	<b>337</b>	<b>236</b>	<b>0</b>	<b>0</b>	<b>98</b>	<b>199</b>
<b>Funded by:</b>						
Directorate						101
Corporate Resources						98

## 8. Use of Corporate Resources

Expenditure of £0.275m incurred by Children's Services will be met from corporate resources. This is to cover the cost of Severance payments (£0.098m) and Sandwell Guarantee (£0.178m).

## 9. Housing Revenue Account

Children's Services does not have responsibility for managing functions that are required to be charged to the Housing Revenue Account rather than the Council's General Fund. The outturn position on these HRA related directorates are shown within the separate HRA report. Any cross subsidisation between the General Fund and HRA is not permitted.

## Capital

### Overview

Children's Services is responsible for the delivery of a number of capital schemes which are detailed in Appendix K5.

The projected 2019/20 outturn for these schemes was £25.899m as reported within the Period 9 monitoring to Cabinet on 26<sup>th</sup> February 2020. The actual outturn is £39.076m resulting in a deficit variance of £13.177m. The main reasons for the variances above £0.100m are detailed below:

- West Bromwich Collegiate Academy - £0.140m deficit – at P9 it was unclear whether pre-construction fees would be incurred due to earlier delays with the award of the contract through the framework. Additional costs associated to fees were incurred up to the end March 2020.
- Q3 Langley Phase 2 - £0.168m deficit - at P9 it was unclear whether pre-construction fees would be incurred due to earlier delays with the award of the contract through the framework. Additional costs associated to fees incurred up to end March 2020.
- Shireland Collegiate Academy - £0.469m surplus – funding was retained to meet future retention payments and planning contributions to enhancement works at Hadley Stadium to support the new Shireland Technology Primary School.
- School Condition Lifecycle Property Maintenance - £1.290m deficit - the outturn reflects the current rolling programme of works associated with property maintenance at various schools across the Borough, the main increase is associated with cost attributable Shireland Technology Primary until we receive free school capital funding released from the Department for Education (DfE) to compensate.
- Bristnall Hall Academy - £0.107m deficit – at P9 it was unclear whether pre-construction fees would be incurred due to earlier delays with the award of the contract through the framework. Additional costs associated to fees incurred up to end March 2020.
- Devolved Formula Capital (DFC) - £1.232m deficit - A number of schools have made the decision to incur additional capital expenditure from the DFC budget,
- Devolved Formula Capital – School Contribution - £0.928m deficit - a number of schools have made the decision to incur additional capital expenditure, individual schools have made contributions to cover this expenditure.
- Building Schools for the Future (BSF) Oldbury - £0.171m surplus - monies carried forward into 2020/21 to continue works on various schools in the borough.

- Evolve Funding - £0.222m deficit - a higher level of work was completed than originally forecast at Period 9, ensuring the successful roll-out of this funding to various schools within Sandwell.
- Priority Schools Build Programme (DfE) - Abbey Infants School - £3.798m deficit - a technical adjustment was required to bring Priority Schools Building Programme expenditure into the Councils financial statements.
- Priority Schools Build Programme (DfE) - Yew Tree Primary School - £6.050m deficit - a technical adjustment was required to bring Priority Schools Building Programme expenditure into the Councils financial statements.

### **Virements**

There have been no virements between capital schemes during the period.

### **Section 106 Monies**

Children's Services has no responsibility for Section 106 monies, there is no Appendix K6 for this service.

### **Contact**

Steve Lilly

Children's Service – Finance Business Partner

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Children's Services					Appendix K1 Directorate Outturn			
Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Director of Education and Employment	21,422	0	21,422	21,362	0	0	21,362	(59)
Education Support services	1,569	0	1,569	1,604	0	0	1,604	35
Learning Improvement	3,085	0	3,085	3,206	(76)	(275)	2,855	(230)
Inclusive Learning	3,204	0	3,204	5,779	0	0	5,779	2,576
Director of Children's Services	5,342	30	5,372	2,853	0	0	2,853	(2,519)
Sandwell Children's Trust	63,007	0	63,007	62,904	0	0	62,904	(103)
Recharges to Children's Trust	0	0	0	(29)	0	0	(29)	(29)
<b>Total Net Expenditure</b>	<b>97,629</b>	<b>30</b>	<b>97,659</b>	<b>97,681</b>	<b>(76)</b>	<b>(275)</b>	<b>97,330</b>	<b>(329)</b>
<b>Revenue Contribution to Capital (RCCO)</b>								
<b>Adjusted Net Variance After RCCO</b>								<b>(329)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	12,897	0	12,897	13,371	(76)	(98)	13,197	300
Premises	1,011	0	1,011	1,089	0	0	1,089	79
Transport	3,093	0	3,093	5,816	0	0	5,816	2,723
Supplies & Services	6,868	30	6,898	7,552	0	(177)	7,375	476
Third Party Payments	69,472	0	69,472	69,975	0	0	69,975	503
Transfer Payments	0	0	0	100	0	0	100	100
Capital Charges	27,697	0	27,697	27,697	0	0	27,697	(0)
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>121,038</b>	<b>30</b>	<b>121,068</b>	<b>125,601</b>	<b>(76)</b>	<b>(275)</b>	<b>125,250</b>	<b>4,183</b>
Specific Grants	(8,578)	0	(8,578)	(8,771)	0	0	(8,771)	(193)
Other Grants & Contributions	0	0	0	(302)	0	0	(302)	(302)
Fees & Charges	(1,664)	0	(1,664)	(2,403)	0	0	(2,403)	(739)
Recharges in Target	(6,711)	0	(6,711)	(10,275)	0	0	(10,275)	(3,564)
Other Income	(6,455)	0	(6,455)	(6,169)	0	0	(6,169)	286
<b>Gross Income</b>	<b>(23,409)</b>	<b>0</b>	<b>(23,409)</b>	<b>(27,921)</b>	<b>0</b>	<b>0</b>	<b>(27,921)</b>	<b>(4,512)</b>
<b>Total Net Expenditure</b>	<b>97,629</b>	<b>30</b>	<b>97,659</b>	<b>97,681</b>	<b>(76)</b>	<b>(275)</b>	<b>97,330</b>	<b>(329)</b>

Children's Services		Appendix K2 Directorate Outturn							
		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Director of Education and Employment</b>	Employees	238		238	173			173	(65)
The Director of Education & Employment is responsible for the delivery of Central Recharges including Capital and Long service awards	Premises	0		0	0			0	0
	Transport	1		1	1			1	0
	Supplies & Services	11		11	71			71	60
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	27,373		27,373	27,373			27,373	(0)
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>27,622</b>	<b>0</b>	<b>27,622</b>	<b>27,617</b>	<b>0</b>	<b>0</b>	<b>27,617</b>	<b>(5)</b>
	Specific Grants	(138)		(138)	(184)			(184)	(46)
	Other Grants & Contributions	0		0	(68)			(68)	(68)
	Fees & Charges	0		0	0			0	0
	Recharge Income	(1,536)		(1,536)	(1,476)			(1,476)	60
	Other Income	(4,526)		(4,526)	(4,526)			(4,526)	(0)
	<b>Total Gross Income</b>	<b>(6,201)</b>	<b>0</b>	<b>(6,201)</b>	<b>(6,255)</b>	<b>0</b>	<b>0</b>	<b>(6,255)</b>	<b>(54)</b>
	<b>Net Expenditure</b>	<b>21,422</b>	<b>0</b>	<b>21,422</b>	<b>21,362</b>	<b>0</b>	<b>0</b>	<b>21,362</b>	<b>(59)</b>
<b>Education Support Services</b>	Employees	3,962		3,962	3,995			3,995	33
Education Support Services across Sandwell encompass:	Premises	237		237	369			369	132
	Transport	503		503	503			503	(0)
	Supplies & Services	1,117		1,117	1,117			1,117	0
• School Organisation & Development	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
• Attendance & Prosecution	Capital Charges	188		188	188			188	0
• School Admissions & Appeals	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>6,007</b>	<b>0</b>	<b>6,007</b>	<b>6,172</b>	<b>0</b>	<b>0</b>	<b>6,172</b>	<b>165</b>
• Education Benefits	Specific Grants	(32)		(32)	(29)			(29)	2
• Residential Centres	Other Grants & Contributions	0		0	(1)			(1)	(1)
• Passenger Transport Unit	Fees & Charges	(498)		(498)	(721)			(721)	(224)
	Recharge Income	(1,979)		(1,979)	(2,174)			(2,174)	(194)
	Other Income	(1,929)		(1,929)	(1,643)			(1,643)	286
	<b>Total Gross Income</b>	<b>(4,438)</b>	<b>0</b>	<b>(4,438)</b>	<b>(4,568)</b>	<b>0</b>	<b>0</b>	<b>(4,568)</b>	<b>(130)</b>
	<b>Net Expenditure</b>	<b>1,569</b>	<b>0</b>	<b>1,569</b>	<b>1,604</b>	<b>0</b>	<b>0</b>	<b>1,604</b>	<b>35</b>

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Learning Improvement</b>	Employees	6,538		6,538	6,944	(76)	(98)	6,770	232
Learning Improvement provides challenge and support for all phase learning including	Premises	46		46	79	0	0	79	33
	Transport	58		58	60	0	0	60	2
	Supplies & Services	1,754		1,754	2,121	0	(177)	1,944	190
	Third Party Payments	0		0	3	0	0	3	3
• Connexions	Transfer Payments	0		0	100	0	0	100	100
• Adult Learning Services	Capital Charges	47		47	47	0	0	47	0
• Parent Support and On Line Learning	Capital Financing	0		0	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>8,443</b>	<b>0</b>	<b>8,443</b>	<b>9,353</b>	<b>(76)</b>	<b>(275)</b>	<b>9,002</b>	<b>560</b>
• School improvement Advisers	Specific Grants	(1,944)		(1,944)	(1,706)			(1,706)	237
	Other Grants & Contributions	0		0	0			0	0
• Early Years & Workplace Nursery	Fees & Charges	(905)		(905)	(852)			(852)	53
	Recharge Income	(2,509)		(2,509)	(3,589)			(3,589)	(1,080)
	Other Income	0		0	0			0	0
	<b>Total Gross Income</b>	<b>(5,358)</b>	<b>0</b>	<b>(5,358)</b>	<b>(6,147)</b>	<b>0</b>	<b>0</b>	<b>(6,147)</b>	<b>(790)</b>
	<b>Net Expenditure</b>	<b>3,085</b>	<b>0</b>	<b>3,085</b>	<b>3,206</b>	<b>(76)</b>	<b>(275)</b>	<b>2,855</b>	<b>(230)</b>
<b>Inclusive Learning</b>	Employees	902	0	902	914	0	0	914	13
Inclusive Learning supports vulnerable children and young people to achieve positive outcomes and engage in learning. Services include:	Premises	63	0	63	65	0	0	65	2
	Transport	2,521	0	2,521	5,244	0	0	5,244	2,723
	Supplies & Services	175	0	175	252	0	0	252	77
	Third Party Payments	0	0	0	365	0	0	365	365
	Transfer Payments	0	0	0	0	0	0	0	0
	Capital Charges	0	0	0	0	0	0	0	0
• Inclusion Support	Capital Financing	0	0	0	0	0	0	0	0
• Exclusions Service	<b>Total Gross Expenditure</b>	<b>3,661</b>	<b>0</b>	<b>3,661</b>	<b>6,839</b>	<b>0</b>	<b>0</b>	<b>6,839</b>	<b>3,179</b>
• SEN Home to School Transport	Specific Grants	0		0	(365)			(365)	(365)
	Other Grants & Contributions	0		0	(97)			(97)	(97)
	Fees & Charges	0		0	(34)			(34)	(34)
	Recharge Income	(457)		(457)	(564)			(564)	(107)
	Other Income	0		0	0			0	0
	<b>Total Gross Income</b>	<b>(457)</b>	<b>0</b>	<b>(457)</b>	<b>(1,060)</b>	<b>0</b>	<b>0</b>	<b>(1,060)</b>	<b>(603)</b>
	<b>Net Expenditure</b>	<b>3,204</b>	<b>0</b>	<b>3,204</b>	<b>5,779</b>	<b>0</b>	<b>0</b>	<b>5,779</b>	<b>2,576</b>



		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Director of Children's Services</b>	Employees	1,050	0	1,050	1,137	0	0	1,137	88
The Director of Childrens Services is responsible for the delivery of the following key services: • Youth Service • Childrens Centres	Premises	664	0	664	576	0	0	576	(88)
	Transport	11	0	11	8	0	0	8	(2)
	Supplies & Services	3,811	30	3,841	3,989	0	0	3,989	148
	Third Party Payments	4,463	0	4,463	4,701	0	0	4,701	238
	Transfer Payments	0	0	0	0	0	0	0	0
	Capital Charges	89	0	89	89	0	0	89	0
	Capital Financing	0	0	0	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>10,088</b>	<b>30</b>	<b>10,118</b>	<b>10,502</b>	<b>0</b>	<b>0</b>	<b>10,502</b>	<b>384</b>
	Specific Grants	(4,463)		(4,463)	(4,463)			(4,463)	0
	Other Grants & Contributions	0		0	(136)			(136)	(136)
	Fees & Charges	(54)		(54)	(578)			(578)	(524)
Recharge Income	(229)		(229)	(2,472)			(2,472)	(2,243)	
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(4,746)</b>	<b>0</b>	<b>(4,746)</b>	<b>(7,649)</b>	<b>0</b>	<b>0</b>	<b>(7,649)</b>	<b>(2,903)</b>	
<b>Net Expenditure</b>	<b>5,342</b>	<b>30</b>	<b>5,372</b>	<b>2,853</b>	<b>0</b>	<b>0</b>	<b>2,853</b>	<b>(2,519)</b>	
<b>Childrens Trust</b>	Employees	0		0	0			0	0
Contract payments to Sandwell Childrens Trust including Connected Carers	Premises	0		0	0			0	0
	Transport	0		0	0			0	0
	Supplies & Services	0		0	0			0	0
	Third Party Payments	65,009		65,009	64,906			64,906	(103)
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>65,009</b>	<b>0</b>	<b>65,009</b>	<b>64,906</b>	<b>0</b>	<b>0</b>	<b>64,906</b>	<b>(103)</b>
	Specific Grants	(2,002)		(2,002)	(2,002)			(2,002)	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	0		0	0			0	0
Recharge Income	0		0	0			0	0	
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(2,002)</b>	<b>0</b>	<b>(2,002)</b>	<b>(2,002)</b>	<b>0</b>	<b>0</b>	<b>(2,002)</b>	<b>0</b>	
<b>Net Expenditure</b>	<b>63,007</b>	<b>0</b>	<b>63,007</b>	<b>62,904</b>	<b>0</b>	<b>0</b>	<b>62,904</b>	<b>(103)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Recharges to the Trust</b>	Employees	208		208	208			208	0
Templink and other charges that relate to Social Care but result in net nil charge to Childrens Services	Premises			0	0			0	0
	Transport			0	0			0	0
	Supplies & Services			0	2			2	2
	Third Party Payments			0	0			0	0
	Transfer Payments			0	1			1	1
	Capital Charges			0	0			0	0
	Capital Financing			0	0			0	0
	<b>Total Gross Expenditure</b>	<b>208</b>	<b>0</b>	<b>208</b>	<b>212</b>	<b>0</b>	<b>0</b>	<b>212</b>	<b>4</b>
	Specific Grants			0	(22)			(22)	(22)
	Other Grants & Contributions			0	0			0	0
	Fees & Charges	(208)		(208)	(218)			(218)	(10)
	Recharge Income			0	0			0	0
	Other Income			0	0			0	0
	<b>Total Gross Income</b>	<b>(208)</b>	<b>0</b>	<b>(208)</b>	<b>(240)</b>	<b>0</b>	<b>0</b>	<b>(240)</b>	<b>(32)</b>
	<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(29)</b>	<b>0</b>	<b>0</b>	<b>(29)</b>	<b>(29)</b>

Children's Services	Appendix K3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Equipment & Furniture	35	65	(30)
Materials & Consumables	47	37	10
Catering	171	159	12
Protective Equipment & Laundry	55	74	(19)
Printing & Stationery	176	191	(15)
Professional Services (including Legal)	1,277	899	378
Contract Payments	3,332	3,512	(180)
Telephones & Postage	43	60	(17)
ICT	323	119	204
Advertising & Publicity	59	63	(4)
Room Hire & Conferences	108	34	74
Waste Disposal	18	12	6
Compensation Payments	32	0	32
Grant Payments	1,636	1,520	116
Subscriptions	38	26	12
Architects	15	0	15
Contribution to Internal Services	117	111	6
Licences	22	10	12
Moderation Payments	34	0	34
Other	14	7	7
			0
<b>Total Supplies &amp; Services</b>	<b>7,552</b>	<b>6,899</b>	<b>653</b>
<b>Specific Grants</b>			
Youth Justice Dev. Fund (Secure Remand Grant)	(227)	(227)	0
Extended Personal Advisor Duty Implementation Grant (EPADI)	(37)	(37)	(0)
RSS Grant from DFE Rough Sleepers	(48)	(48)	0
ASC support grant	(2,002)	(2,002)	0
HOPE Grant	(365)	0	(365)
Reducing Parental Conflict Grant	(24)	0	(24)
Adult Education Grant	(1,288)	(1,524)	236
Adoption Support	(103)	(103)	(0)
Controlling Migration Fund	(281)	(283)	1
Troubled Families	(1,884)	(1,884)	0
Youth Justice Board	(486)	(486)	0
Unaccompanied Asylum Seeker Children (UASC)	(1,544)	(1,544)	(0)
School Improvement Grant	(321)	(275)	(46)
Extended Rights to Free Travel	(29)	(32)	2
Staying Put Grant	(133)	(134)	1
<b>Total Specific Grants</b>	<b>(8,771)</b>	<b>(8,578)</b>	<b>(193)</b>
<b>Other Income</b>			
REFCUS Section 5 - Unapplied Receipts B/F (no Conditions)	(4,526)	(4,526)	(0)
Residential Centres	(1,643)	(1,929)	286
<b>Total Other Income</b>	<b>(6,169)</b>	<b>(6,455)</b>	<b>286</b>

Children's Services		Appendix K4 Central Items			
Central Item Description	Annual Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Variance (Under) / Over Spend £'000
BSF Central Item	400	400			0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
<b>Total</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Subjective Analysis</b>					
Employees					0
Premises					0
Transport					0
Supplies & Services	400	400			0
Third Party Payments					0
Transfer Payments					0
Capital Charges					0
<b>Gross Expenditure</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>
Specific Grants					0
Other Grants & Contributions					0
Fees & Charges					0
Recharges in Target					0
Other Income					0
<b>Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Net Expenditure</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>

Childrens Services				Appendix K5 - Capital	
	Revised 2019/20 Budget as @ Period 9			Actual Outturn 2019/20	(Surplus) / Deficit for the Year
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000	£'000	£'000
<b><u>Supported Borrowing</u></b>					
BSF ICT Element	80	0	80	0	(80)
<b><u>Thematic Capital Pot</u></b>					
Edmond Cottage Extension	1	0	1	0	(1)
<b><u>Grants / Self Financing</u></b>					
Play Pathfinder	6	0	6	0	(6)
PLAS Gwynant	18	0	18	18	0
<b><u>Schools Capital Programme Schemes (Basic Need)</u></b>					
New School Kelvin Way - West Bromwich Collegiate Academy	0	5,480	5,480	5,620	140
West Bromwich Collegiate Academy - Phase 2	0	100	100	120	20
Q3 Langleigh Phase 2	0	3,785	3,785	3,953	168
Q3 Langleigh Phase 3	0	100	100	131	31
Shireland Collegiate Academy	0	2,488	2,488	2,019	(469)
George Salter Academy	0	3,003	3,003	3,007	4
St Matthews CE	0	3,612	3,612	3,691	79
School Condition - LifeCycle property maintenance	0	4,500	4,500	5,790	1,290
Priory Primary Expansion	0	100	100	41	(59)
Annie Lennard Infant	0	8	8	8	0
Ormiston Sandwell Community Academy - retention	0	1	1	0	(1)
New Oldbury Primary - Lightwoods	0	96	96	94	(2)
Grace Mary	0	0	0	7	7
Hargate Primary	0	30	30	0	(30)
RSA Academy	0	380	380	373	(7)
Victoria Park Academy	0	36	36	30	(6)
Reddall Hill Primary	0	1	1	0	(1)
All Saints CE Primary	0	1	1	0	(1)
Great Bridge Primary	0	12	12	0	(12)
Feasibility Work Expansion of Secondary	0	40	40	44	4
Tipton Green Junior - Flooding	0	0	0	16	16
Bristnall Hall Academy	0	100	100	207	107
St Michaels	0	53	53	31	(22)

<b>Childrens Services</b>				<b>Appendix K5 - Capital</b>	
	<b>Revised 2019/20 Budget as @ Period 9</b>			<b>Actual Outturn 2019/20</b>	<b>(Surplus) / Deficit for the Year</b>
	<b>Main Programme</b>	<b>Self Financing</b>	<b>Total</b>		
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>		
Programme Contingency 19/20 5%	0	100	100	0	(100)
Old Park/Wood Green Junior	0	20	20	20	0
Rood End Bulge Class	0	57	57	57	0
St Gregorys	0	4	4	3	(1)
Moorlands	0	12	12	11	(1)
Joseph Turner	0	15	15	12	(3)
Temporary Expansions	0	2	2	1	(1)
Perryfields - Purchase Mobile Classrooms - Portakabin	0	769	769	739	(30)
School Kitchen Repairs	0	1	1	0	(1)
Hollies Refurbishment	0	0	0	50	50
Ingestre Hall - Boiler Replacement	0	0	0	7	7
SRES Development Plan	0	0	0	6	6
Shireland High Tech Primary	0	0	0	6	6
Crocketts Community Primary	0	0	0	4	4
Shenstone Lodge School	0	0	0	3	3
Sacred Heart Primary	0	0	0	3	3
Yew Tree Primary	0	0	0	3	3
Christ Church CE Primary	0	0	0	3	3
School Demolition Thorne Road	0	0	0	1	1
Schools Capital Feasibility Works	0	0	0	1	1
<b><u>Standards Fund Grant</u></b>					
Devolved Formula Capital	0	0	0	1,232	1,232
Devolved Formula Capital - School Contribution	0	0	0	928	928
Devolved Formula Capital - PRU's	0	0	0	42	42
<b><u>Other - Self Financing</u></b>					
BSF Oldbury	0	171	171	0	(171)
Two Year Old Entitlement - Early Years Capital	0	2	2	0	(2)
Orchard Building Work	0	57	57	40	(17)
EVOLVE Funding	0	595	595	817	222
Healthy Pupils Capital Fund	0	63	63	39	(24)
PSBP - Abbey Infants School (DfE Funded)	0	0	0	3,798	3,798
PSBP - Yew Tree Primary School (DfE Funded)	0	0	0	6,050	6,050
<b>Total Childrens Services</b>	<b>105</b>	<b>25,794</b>	<b>25,899</b>	<b>39,076</b>	<b>13,177</b>



**Public Health Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

## **Revenue**

### **1. Overview**

The financial outturn for Public Health is an under spend of £0.292m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	24,861	0	24,861	<b>24,815</b>	(248)	24,567	<b>(294)</b>
Gross Income	(24,764)	0	(24,764)	<b>(24,900)</b>	138	(24,761)	<b>2</b>
<b>Net Expenditure</b>	<b>97</b>	<b>0</b>	<b>97</b>	<b>(85)</b>	<b>(110)</b>	<b>(195)</b>	<b>(292)</b>
Revenue Contribution to Capital (RCCO)							<b>0</b>
<b>Adjusted Net Variance After RCCO</b>							<b>(292)</b>

Further details of the outturn position can be found in Appendices L1 & L2. The following table outlines the main reasons for the variance:



Reasons for (Under) / Over Spend	£'000
<b>Communicable Disease</b>	
The overspend has mainly occurred from Genitourinary Medicine (GUM) outer area, offset by a minor underspend for the provision of domiciliary care.	259
<b>Long Term Conditions</b>	
The under spend predominantly relates to the reduced activity within the Health Checks contract, and posts becoming vacant during the year.	(647)
<b>Children's</b>	
The overspend relates to slippage in the anticipated savings from the 0 - 5 Health visiting contract with the CCG.	485
The overspend relates unplanned increase of water fluoridation costs from South Staffordshire Water	25
Underspend within the school nursing contract	(191)
The underspend relates to reduced activity for Antenatal sessions in the last quarter.	(6)
<b>Substance Misuse &amp; Smoking</b>	
The underspend has mainly occurred due reduced activity of the smoking cessation contract, less than anticipated drug costs from Drugs & Alcohol Contract and posts becoming vacant during the year.	(448)
<b>Wider Determinants</b>	
The underspend relates to posts becoming vacant during the year, followed by a reduction in planned programme of activity for varying services in respect of mental health and wellbeing and social marketing campaigns.	(491)
The underspend relates to Social Prescribing activity.	(421)
<b>Public Health Management</b>	
The underspend has mainly arisen as a result of vacant management posts.	(440)
<b>Public Health Saving Target</b>	
The allocated budgets exceed the value of the Public Health Grant for 2019/20. For long term financial sustainability efficiencies and budget savings will need to be identified. However, in the short term services can be maintained at current levels through the application of the Public Health Reserve which has been funded from historic under spends against the PH Grant.	1,582
<b>Total</b>	<b>(292)</b>

Public Health is funded from a ring-fenced grant and the net under spend is requested to be treated as follows:

<b>Requested Treatment</b>	<b>£'000</b>
Underspend be added to the Public Health reserve created at quarter 3	292
<b>Total</b>	<b>292</b>

## **2. Available Resources**

The total budget available to the directorate was £0.097m. There have been no amendments since the previously reported monitoring.

There have been no additional specific grants received by the directorate since the previously reported monitoring.

## **3. Virements within the Directorate**

There have been no virements of over £0.250 million between sub divisions within Public Health since the previously reported monitoring.

## **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was breakeven, the variance between this and the actual outturn is an under spend of £0.292million. The table below explains the reason for this variance:

Reasons for variation from projected outturn @ Q3	£000
<b>Communicable Disease</b>	
The increased overspend has mainly occurred from Genitourinary Medicine (GUM) outer area services.	91
<b>Long Term Conditions</b>	
The additional underspend relates to reduced activity within the Health Checks contract.	(46)
<b>Children's</b>	
The additional underspend relates to the 0 - 5 Health visiting contract.	(7)
The decreased underspend relates to reduced activity for Antenatal sessions in the last quarter.	(6)
<b>Substance Misuse &amp; Smoking</b>	
The additional underspend has occurred from reduced activity within the smoking cessation contract, less than anticipated drug costs from Drugs & Alcohol Contract.	(106)
<b>Wider Determinants</b>	
The additional underspend has occurred as a result of posts becoming vacant and less than anticipated costs for Emotional Health & Wellbeing, Firmstep licences, and Social marketing campaigns, offset by Healthier Town Teams Grants Award for SCVO	(132)
The additional underspend relates less than anticipated expenditure to support Social Prescribing.	(22)
<b>Public Health Management</b>	
The underspend has mainly arisen as a result of ongoing vacant management posts.	(141)
<b>Public Health Savings</b>	76
<b>Total</b>	<b>(292)</b>

The 2020/21 budgets were approved by Cabinet on 19 February 2020 and there are no adjustments required to reflect the 2019/20 outturn.

## 5. Central Items

The service does not have responsibility for the management of any Central Items, therefore there is no Appendix L4 within this report.

## 6. Earmarked Reserves

The Public health directorate has set aside £0.320m in previous years as an earmarked reserve held on behalf of neighbouring NHS partners for future seminars and publications relating to learning for public health.

At Quarter 3 of 2019/20 Cabinet approved the creation of a £4.550m Public Health Grant Reserve; this utilised the historic underspend brought forward to 2019/20 and the underspend previously allocated for use in 2020/21. The directorate wishes to contribute the 2019/20 under spend of £0.292m to this reserve.

As at 31 March 2020 the Public Health reserves are therefore:

<b>Earmarked Reserve</b>	<b>Balance as at 31 March 2019 £'000</b>	<b>Use of / (Contribution to) in 2019/20 £'000</b>	<b>Remaining Balance 31 March 2020 £'000</b>
Public Health Grant Reserve (created at Qtr 3)	0	(4,550)	4,550
Public Health Grant Reserve (proposed treatment of outturn variance)	0	(292)	292
<b>Public Health Grant Reserve Total</b>			4,842
Learning for Public Health	320	3	317
<b>Total</b>	<b>320</b>	<b>(4,839)</b>	<b>5,159</b>

## **7. Severance Payments**

There were no severance payment costs or provisions for the Public health directorate.

## **8. Use of Corporate Resources**

Expenditure of £0.106m incurred by Public Health will be met from corporate resources. This is to cover the cost of the SHAPE Programme. The SHAPE programme was initiated to ensure that the whole of the council, along with partner organisations, listened and responded to the views of children and young people.

The acronym SHAPE is derived from; Staying **S**afe, Being **H**ealthy, Enjoying and **A**chieving, Making a **P**ositive Contribution, **E**conomic Wellbeing.

## **Capital**

There are no capital resources allocated to Public Health, therefore there is no Appendix L5 for this service.

### **Contact**

Charlie Davey

Business Partner - Finance

0121 569 2310

## Public Health

## Appendix L1 Directorate Outturn

Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Communicable Disease	2,919	0	2,919	3,177	0	0	3,177	259
Long Term Conditions	2,946	0	2,946	2,299	0	0	2,299	(647)
Childrens	9,494	0	9,494	9,914	0	(106)	9,808	314
Substance Misuse & Smoking	3,993	0	3,993	3,545	0	0	3,545	(448)
Wider Determinants	4,223	0	4,223	3,311	0	0	3,311	(912)
Public Health Management	2,165	0	2,165	1,729	(3)	0	1,726	(440)
Public Health Grant	(24,061)	0	(24,061)	(24,061)	0	0	(24,061)	0
Public Health Saving Target	(1,582)	0	(1,582)	0	0	0	0	1,582
<b>Total Net Expenditure</b>	<b>97</b>	<b>0</b>	<b>97</b>	<b>(85)</b>	<b>(3)</b>	<b>(106)</b>	<b>(195)</b>	<b>(292)</b>
<b>Revenue Contribution to Capital (RCCO)</b>								<b>0</b>
<b>Adjusted Net Variance After RCCO</b>								<b>(292)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	1,308	0	1,308	2,409	(113)	(62)	2,235	926
Premises	133	0	133	130	0	0	130	(3)
Transport	7	0	7	5	(1)	(0)	4	(3)
Supplies & Services	23,385	0	23,385	22,243	(22)	(50)	22,171	(1,215)
Third Party Payments	0	0	0	0	0	0	0	0
Transfer Payments	0	0	0	0	0	0	0	0
Capital Charges	28	0	28	27	0	0	27	(0)
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>24,861</b>	<b>0</b>	<b>24,861</b>	<b>24,815</b>	<b>(135)</b>	<b>(113)</b>	<b>24,567</b>	<b>(294)</b>
Specific Grants	(24,061)	0	(24,061)	(24,061)	0	0	(24,061)	0
Other Grants & Contributions	(127)	0	(127)	(160)	123	2	(36)	91
Fees & Charges	0	0	0	(8)	0	1	(8)	(8)
Recharges in Target	(576)	0	(576)	(670)	9	4	(657)	(81)
Other Income	0	0	0	0	0	0	0	0
<b>Gross Income</b>	<b>(24,764)</b>	<b>0</b>	<b>(24,764)</b>	<b>(24,900)</b>	<b>132</b>	<b>6</b>	<b>(24,761)</b>	<b>2</b>
<b>Total Net Expenditure</b>	<b>97</b>	<b>0</b>	<b>97</b>	<b>(85)</b>	<b>(3)</b>	<b>(106)</b>	<b>(195)</b>	<b>(292)</b>

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Communicable Disease</b>								
Communicable diseases account for a large proportion of our morbidity and mortality, including respiratory and sexually transmitted infections. The role of prevention of these diseases is vital particularly in the context of the rise of antimicrobial resistance. This unit provides assurance and services to protect the population from communicable diseases including mandatory genitourinary medicine.	Employees	128	128	130			130	2
	Premises	0	0	0			0	0
	Transport	1	1	0			0	(1)
	Supplies & Services	2,790	2,790	3,067			3,067	278
	Third Party Payments	0	0	0			0	0
	Transfer Payments	0	0	0			0	0
	Capital Charges	0	0	0			0	0
	Capital Financing	0	0	0			0	0
	<b>Total Gross Expenditure</b>	<b>2,919</b>	<b>0</b>	<b>2,919</b>	<b>3,198</b>	<b>0</b>	<b>3,198</b>	<b>279</b>
	Specific Grants	0	0	0			0	0
	Other Grants & Contributions	0	0	0			0	0
	Fees & Charges	0	0	(0)			(0)	(0)
	Recharge Income	0	0	(20)			(20)	(20)
	Other Income	0	0	0			0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(20)</b>	<b>0</b>	<b>(20)</b>	<b>(20)</b>
	<b>Net Expenditure</b>	<b>2,919</b>	<b>0</b>	<b>2,919</b>	<b>3,177</b>	<b>0</b>	<b>3,177</b>	<b>259</b>
<b>Long Term Conditions</b>								
Obesity has been rising in our population over the last quarter of a century. This rise in obesity now poses a major threat to quality and length of life and is having a major impact on health and social care services. We provide services to support people in managing their weight, healthy diets, promoting exercise as well as the mandatory NHS health checks programme designed to identify those at risk of long term conditions.	Employees	535	535	486			486	(49)
	Premises	0	0	0			0	0
	Transport	2	2	2			2	(0)
	Supplies & Services	2,409	2,409	1,890			1,890	(518)
	Third Party Payments	0	0	0			0	0
	Transfer Payments	0	0	0			0	0
	Capital Charges	0	0	0			0	0
	Capital Financing	0	0	0			0	0
	<b>Total Gross Expenditure</b>	<b>2,946</b>	<b>0</b>	<b>2,946</b>	<b>2,378</b>	<b>0</b>	<b>2,378</b>	<b>(568)</b>
	Specific Grants	0	0	0			0	0
	Other Grants & Contributions	0	0	(8)			(8)	(8)
	Fees & Charges	0	0	(2)			(2)	(2)
	Recharge Income	0	0	(70)			(70)	(70)
	Other Income	0	0	0			0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(80)</b>	<b>0</b>	<b>(80)</b>	<b>(80)</b>
	<b>Net Expenditure</b>	<b>2,946</b>	<b>0</b>	<b>2,946</b>	<b>2,299</b>	<b>0</b>	<b>2,299</b>	<b>(647)</b>



		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Childrens</b> Included here are our programmes to improve the health of children and adolescents. Covering mandatory service such as the health child programme and national child measurement programme, as well as improving health in partnership with schools, teenage pregnancy prevention and family nurse partnership, parenting, breast feeding, health visiting and school nursing services.	Employees	212		212	272		(62)	210	(2)
	Premises	82		82	82		0	82	0
	Transport	0		0	2		(0)	1	1
	Supplies & Services	9,200		9,200	9,565		(50)	9,515	315
	Third Party Payments	0		0	0		0	0	0
	Transfer Payments	0		0	0		0	0	0
	Capital Charges	0		0	0		0	0	0
	Capital Financing	0		0	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>9,494</b>	<b>0</b>	<b>9,494</b>	<b>9,921</b>	<b>0</b>	<b>(113)</b>	<b>9,808</b>	<b>314</b>
	Specific Grants	0		0	0		0	0	0
	Other Grants & Contributions	0		0	(2)		2	0	0
	Fees & Charges	0		0	(1)		1	0	0
	Recharge Income	0		0	(4)		4	0	0
	Other Income	0		0	0		0	0	0
<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(6)</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	
<b>Net Expenditure</b>	<b>9,494</b>	<b>0</b>	<b>9,494</b>	<b>9,914</b>	<b>0</b>	<b>(106)</b>	<b>9,808</b>	<b>314</b>	
<b>Substance Misuse &amp; Smoking</b> Death rates and hospital admissions due to alcohol are rising. Alcohol misuse is also associated with many social problems such as anti-social behaviour and violence. This unit develops strategic approaches to the prevention of addictive and harmful substance misuse, including alcohol, drugs and tobacco as well as providing treatment services for those who want to quit.	Employees	245		245	165			165	(80)
	Premises	51		51	48			48	(3)
	Transport	1		1	0			0	(1)
	Supplies & Services	3,776		3,776	3,422			3,422	(354)
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	28		28	27			27	(0)
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>4,099</b>	<b>0</b>	<b>4,099</b>	<b>3,663</b>	<b>0</b>	<b>0</b>	<b>3,663</b>	<b>(437)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	(11)			(11)	(11)
	Fees & Charges	0		0	0			0	0
	Recharge Income	(107)		(107)	(107)			(107)	0
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(107)</b>	<b>0</b>	<b>(107)</b>	<b>(118)</b>	<b>0</b>	<b>0</b>	<b>(118)</b>	<b>(11)</b>	
<b>Net Expenditure</b>	<b>3,993</b>	<b>0</b>	<b>3,993</b>	<b>3,545</b>	<b>0</b>	<b>0</b>	<b>3,545</b>	<b>(448)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Wider Determinants</b>	Employees	558		558	503			503	(55)
We understand that factors such as education, housing, employment and the environment can have a much more profound effect on how well and how long people live, than health care services. Such factors also have an impact on emotional health and wellbeing and this in turn can impact on lifestyles such as alcohol consumption or smoking. We develop and invest in programmes to maximise health benefits through the wider determinants and wellbeing.	Premises	0		0	0			0	0
	Transport	2		2	0			0	(1)
	Supplies & Services	4,124		4,124	3,284			3,284	(840)
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>4,683</b>	<b>0</b>	<b>4,683</b>	<b>3,786</b>	<b>0</b>	<b>0</b>	<b>3,786</b>	<b>(897)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	(15)			(15)	(15)
	Fees & Charges	0		0	0			0	0
	Recharge Income	(460)		(460)	(460)			(460)	0
	Other Income	0		0	0			0	0
	<b>Total Gross Income</b>	<b>(460)</b>	<b>0</b>	<b>(460)</b>	<b>(475)</b>	<b>0</b>	<b>0</b>	<b>(475)</b>	<b>(15)</b>
<b>Net Expenditure</b>	<b>4,223</b>	<b>0</b>	<b>4,223</b>	<b>3,311</b>	<b>0</b>	<b>0</b>	<b>3,311</b>	<b>(912)</b>	
<b>Public Health Management</b>	Employees	1,212		1,212	854	(113)		741	(471)
Understanding the needs of our population, evaluating services, learning from published evidence, are all key to ensuring that we provide the right services to our population and make the best of available resources. This unit provides these important services for the directorate, the council and the CCG as part of our statutory requirements.	Premises	0		0	0	0		0	0
	Transport	1		1	1	(1)		0	(1)
	Supplies & Services	1,088		1,088	1,015	(22)		993	(95)
	Third Party Payments	0		0	0	0		0	0
	Transfer Payments	0		0	0	0		0	0
	Capital Charges	0		0	0	0		0	0
	Capital Financing	0		0	0	0		0	0
	<b>Total Gross Expenditure</b>	<b>2,301</b>	<b>0</b>	<b>2,301</b>	<b>1,869</b>	<b>(135)</b>	<b>0</b>	<b>1,734</b>	<b>(568)</b>
	Specific Grants	0		0	0	0		0	0
	Other Grants & Contributions	(127)		(127)	(125)	123		(2)	125
	Fees & Charges	0		0	(5)	0		(5)	(5)
	Recharge Income	(9)		(9)	(9)	9		(0)	9
	Other Income	0		0	0	0		0	0
	<b>Total Gross Income</b>	<b>(136)</b>	<b>0</b>	<b>(136)</b>	<b>(140)</b>	<b>132</b>	<b>0</b>	<b>(8)</b>	<b>128</b>
<b>Net Expenditure</b>	<b>2,165</b>	<b>0</b>	<b>2,165</b>	<b>1,729</b>	<b>(3)</b>	<b>0</b>	<b>1,726</b>	<b>(440)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Public Health Grant</b>	Employees	0		0	0			0	0
Public Health Grant is used to fund the services identified on these templates and is received on an annual basis.	Premises	0		0	0			0	0
	Transport	0		0	0			0	0
	Supplies & Services	0		0	0			0	0
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Specific Grants	(24,061)		(24,061)	(24,061)			(24,061)	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	0		0	0			0	0
	Recharge Income	0		0	0			0	0
	Other Income	0		0	0			0	0
	<b>Total Gross Income</b>	<b>(24,061)</b>	<b>0</b>	<b>(24,061)</b>	<b>(24,061)</b>	<b>0</b>	<b>0</b>	<b>(24,061)</b>	<b>0</b>
	<b>Net Expenditure</b>	<b>(24,061)</b>	<b>0</b>	<b>(24,061)</b>	<b>(24,061)</b>	<b>0</b>	<b>0</b>	<b>(24,061)</b>	<b>0</b>
<b>Public Health Saving Target</b>	Employees	(1,582)		(1,582)	0	0		0	1,582
Following annual reductions in the value of the Public Health Grant the budgets allocated to the service significantly exceed the grant value. For long term financial sustainability the service will need to deliver budget savings; however in the interim this can be managed through operational variances and the use of the Public Health Grant Reserve.	Premises	0		0	0	0		0	0
	Transport	0		0	0	0		0	0
	Supplies & Services	0		0	0	0		0	0
	Third Party Payments	0		0	0	0		0	0
	Transfer Payments	0		0	0	0		0	0
	Capital Charges	0		0	0	0		0	0
	Capital Financing	0		0	0	0		0	0
	<b>Total Gross Expenditure</b>	<b>(1,582)</b>	<b>0</b>	<b>(1,582)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,582</b>
	Specific Grants	0		0	0	0		0	0
	Other Grants & Contributions	0		0	0	0		0	0
	Fees & Charges	0		0	0	0		0	0
	Recharge Income	0		0	0	0		0	0
	Other Income	0		0	0	0		0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Net Expenditure</b>	<b>(1,582)</b>	<b>0</b>	<b>(1,582)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,582</b>
	<b>Total Net Expenditure</b>	<b>97</b>	<b>0</b>	<b>97</b>	<b>(85)</b>	<b>(3)</b>	<b>(106)</b>	<b>(195)</b>	<b>(292)</b>

	Actual Outturn £'000	Total Budget £'000	Variance (Under) / Over Spend £'000
<b>Supplies and Services</b>			
External & Professional Services - Contracting Costs	15,985	16,339	(353)
Internal & Professional Services - Contracting Costs	4,874	5,680	(806)
Contribution to corporate overheads	617	617	0
Grant Payments	497	506	(9)
Advertising & Publicity	76	53	23
Printing Stationery & General Office Expenses	32	57	(25)
Conference Expenses	30	20	10
Operational Services and Materials/Consumables etc	24	42	(17)
Professional Services	24	46	(22)
Legal	21	4	17
Equipment	14	1	13
ICT	12	4	7
Catering Provisions	9	3	7
Subscriptions	8	3	5
Telephones	7	2	5
Operational Services	4	10	(6)
Postages	4	1	3
Protective Clothing & Uniforms	3	0	3
Waste Disposal & Treatment Charges	2	1	1
HR	1	0	1
<b>Total Supplies &amp; Services</b>	<b>22,243</b>	<b>23,385</b>	<b>(1,142)</b>
<b>Specific Grants</b>			
Public Health Grant	(24,061)	(24,061)	0
<b>Total Specific Grants</b>	<b>(24,061)</b>	<b>(24,061)</b>	<b>0</b>
<b>Other Income</b>			
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Housing Revenue Account Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

**Revenue**

**1. Overview**

The financial outturn for Housing Revenue Account is an under spend of £2.360m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	98,821	0	98,821	97,259	159	97,418	(1,403)
Gross Income	(129,883)	0	(129,883)	(130,840)	0	(130,840)	(957)
<b>Net Expenditure</b>	<b>(31,062)</b>	<b>0</b>	<b>(31,062)</b>	<b>(33,581)</b>	<b>159</b>	<b>(33,422)</b>	<b>(2,360)</b>
Revenue Contribution to Capital (RCCO)							669
<b>Adjusted Net Variance After RCCO</b>							<b>(1,691)</b>

Further details of the outturn position can be found in Appendices M1 & M2. The following table outlines the main reasons for the variance of £2.360m:

Reasons for (Under) / Over Spend	£'000
<b><u>Asset Management &amp; Maintenance</u></b>	
Full establishment budgeted for. Apprentices to take on vacancies as part of aging workforce in Asset Management and succession planning. Additional apprentices are being taken on to fill these posts	(1,383)
Reduction in vehicle insurance costs	(71)
<b><u>Business Excellence</u></b>	
Vacancies following restructure of Business Excellence, recruitment in progress	(137)
Share of Microsoft Licence costs	65
<b><u>Corporate HRA</u></b>	
Insurance liability costs	430
Interest received on HRA balances	(198)
Corporate HRA printing budget no longer utilised following move to managed print services	(106)
<b><u>Housing Management</u></b>	
Vacancies within Housing options, Local centres and Income management. Recruitment is ongoing however proving difficult due to fixed term contract offers	(906)
Reduction in office accommodation rental costs	(70)
Reduced legal costs due to lack of capacity in courts to take enforcement action	(55)
Recharge of grants team no longer completed. Team now paid directly from H&C general fund budgets	287
<b><u>PFI</u></b>	
Refund of overpaid void council tax	(44)
Reduced management fee payable to Riverside PFI following reduction in property numbers	(550)
Capital expenditure payable from Riverside management fee	(669)
PFI Audit Fees	63
Contribution to Warden Service	80
Additional rental income from Riverside due to extra rent week (week 53)	(157)
<b><u>Rents &amp; Other Charges</u></b>	
Increase in final charge for loss allowance in relation to rental income	600
<b><u>SLA's</u></b>	
Audit fees in relation to Tenant Management Organisations	
Increase in charge from GF following recalculation of recharge	546
Other minor variance	(85)
<b>Total</b>	<b>(2,360)</b>

The net under spend is requested to be treated as follows:

<b>Requested Treatment</b>	<b>£'000</b>
Transfer to HRA Balances to fund ongoing capital investment	551
Contribution towards Workplace Vision programme	573
Contribution towards ICT upgrades and equipment refresh programme	567
<b>Total</b>	<b>1,691</b>

## **2. Available Resources**

The total budget available to the directorate was a surplus of £31.062m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>(31,542)</b>
Target Adjustments -	
Transfer or budget from Capital Financing to Capital Charges	480
<b>Revised Target Budget Resources</b>	<b>(31,062)</b>

There have been no additional specific grants received by the directorate since the previously reported monitoring.

## **3. Virements within the Directorate**

There have been no virements of over £0.250m between sub divisions within the directorate processed since the previously reported monitoring.

## **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was £2.805m, the variance between this and the actual outturn is an over spend of £1.114m. The following table explains the reason for this variance:

Reasons for variation from projected outturn @ Q3	£000
Change in the charge for Majors Repairs Reserve	(820)
Additional recharge from GF following recalculation of Support Services recharges	545
Share of Microsoft Licences	217
Increase in Welfare Reform Reserve	1,077
Contribution to Wardens Service	80
Other Minor Variances	15
<b>Total</b>	<b>1,114</b>

The 2020/21 budgets were approved by Cabinet on 19 February 2020 and there is no adjustment needed to reflect the 2019/20 outturn.

## 5. Central Items

The directorate has no responsibility for the management of Central Items

## 6. Earmarked Reserves

The directorate has set aside sums totalling £3.701m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has increase the earmarked reserves during the current year leaving the following balances remaining:

Earmarked Reserve	Balance as at 31 March 2019 £'000	Use of / (Contribution to) in 2019/20 £'000	Remaining Balance 31 March 2020 £'000
Welfare Reform	3,701	(1,077)	4,778
<b>Total</b>	<b>3,701</b>	<b>(1,077)</b>	<b>4,778</b>

## 7. Severance Payments

In 2018/19 a provision of £0.391m was created for severance payment costs, of which £0.262m has been utilised during 2019/20.



Severance payment costs of £0.117m, not included in the provision, have been incurred with further costs of £0.077m expected. These costs will be funded from the directorate.

The table below summarises the position:

	Actual Costs Incurred 2019/20 £'000	Provision Created 2018/19		New Provision Created 2019/20		Net cost to service 2019/20 £'000
		Utilised £'000	Unutilised £'000	Outstanding Severance Payments £'000	Future Severance Payments £'000	
Costs provided for in 2018/19	262	262	129	68		(61)
Costs not provided for in 2018/19	117			10	0	127
<b>Total</b>	<b>379</b>	<b>262</b>	<b>129</b>	<b>78</b>	<b>0</b>	<b>66</b>
<b>Funded by:</b>						
Directorate						66
Corporate Resources						0

## **8. Use of HRA Balances**

Expenditure of £0.918m incurred by Housing Revenue Account will be met from HRA Balances. This is to cover the cost of the transforming tomorrow programme (£0.455m), severance payments (£0.066m) and Discretionary Housing Payments for Week 53 (£0.397m).

## **Capital**

### **Overview**

Housing Revenue Account is responsible for the delivery of a number of capital schemes which are detailed in Appendix M5. The projected 2019/20 outturn for these schemes was £62.261m as reported within the Period 9 monitoring to Cabinet on 26<sup>th</sup> February 2020. The actual outturn is £50.769m resulting in a surplus variance of £11.492m. The main reasons for the main variances above £0.100m are as follows:

- Grant received from Homes England totalling £4.661m for new build housing schemes at Moor Lane, West Road and Strathmore Road
- Additional approvals for purchase of existing properties totalling £1.818m
- Spend totalling £1.140m relating to Workplace Vision and ICT Strategy Costs
- Financing adjustment of £1.099 for Refurbishment works following the calculation of the Major Repairs Reserve

- Reprofile of budgets totalling £12.851m relating to new builds schemes at Moor Lane, Carrisbrooke Close, West Road, Strathmore Road, Oxford Road, Churchvale, Friardale Close and Britannia.
- Reprofile of budgets for the refurbishment of Alfred Gunn House due to delays with starting on site of £2.692m
- Contract delays with the boiler replacement programme reprofiled £1.605m of budget into 2020/21

Contact

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Business Partner - Finance

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Directorate Housing Revenue Account						Appendix M1 Directorate Outturn		
Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) HRA Balances £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Asset Management & Maintenance	34,853	0	34,853	33,387	0	0	33,387	(1,466)
Business Excellence	3,227	0	3,227	3,610	0	(455)	3,155	(72)
Commercial Services	4,187	0	4,187	4,199	0	0	4,199	12
Corporate HRA	20,385	0	20,385	20,577	0	(66)	20,511	126
Housing Management	10,851	0	10,851	10,061	0	0	10,061	(790)
PFI	(245)	0	(245)	(1,562)	0	0	(1,562)	(1,317)
Rents & Other Charges	(111,340)	0	(111,340)	(111,419)	1,077	(397)	(110,739)	601
SLA's	7,020	0	7,020	7,566	0	0	7,566	546
<b>Total Net Expenditure</b>	<b>(31,062)</b>	<b>0</b>	<b>(31,062)</b>	<b>(33,581)</b>	<b>1,077</b>	<b>(918)</b>	<b>(33,422)</b>	<b>(2,360)</b>
<b>Revenue Contribution to Capital (RCCO)</b>								<b>669</b>
<b>Adjusted Net Variance After RCCO</b>								<b>(1,691)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) HRA Balances £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
Employees	37,002	0	37,002	34,704	0	(66)	34,638	(2,364)
Premises	2,527	0	2,527	3,216	0	0	3,216	689
Transport	2,144	0	2,144	2,116	0	0	2,116	(28)
Supplies & Services	40,675	0	40,675	40,259	1,077	(455)	40,881	206
Third Party Payments	498	0	498	509	0	0	509	11
Transfer Payments	0	0	0	480	0	(397)	83	83
Capital Charges	15,975	0	15,975	15,975	0	0	15,975	0
Capital Financing	0	0	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>98,821</b>	<b>0</b>	<b>98,821</b>	<b>97,259</b>	<b>1,077</b>	<b>(918)</b>	<b>97,418</b>	<b>(1,403)</b>
Specific Grants	(5,713)	0	(5,713)	(5,713)	0	0	(5,713)	0
Other Grants & Contributions	0	0	0	(3)	0	0	(3)	(3)
Fees & Charges	(122,479)	0	(122,479)	(123,501)	0	0	(123,501)	(1,022)
Recharges in Target	(1,691)	0	(1,691)	(1,425)	0	0	(1,425)	266
Other Income	0	0	0	(198)	0	0	(198)	(198)
<b>Gross Income</b>	<b>(129,883)</b>	<b>0</b>	<b>(129,883)</b>	<b>(130,840)</b>	<b>0</b>	<b>0</b>	<b>(130,840)</b>	<b>(957)</b>
<b>Total Net Expenditure</b>	<b>(31,062)</b>	<b>0</b>	<b>(31,062)</b>	<b>(33,581)</b>	<b>1,077</b>	<b>(918)</b>	<b>(33,422)</b>	<b>(2,360)</b>

Directorate Housing Revenue Account						Appendix M2 Directorate Outturn			
		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) HRA Balances	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Asset Management &amp; Maintenance</b> This service area is responsible for the repairs of and maintenance of the housing stock, along with the ongoing improvements associated with the capital programme	Employees	19,590		19,590	18,206			18,206	(1,384)
	Premises	1,497		1,497	1,301			1,301	(196)
	Transport	1,953		1,953	1,881			1,881	(72)
	Supplies & Services	14,281		14,281	15,369			15,369	1,088
	Third Party Payments	0		0	3			3	3
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>37,321</b>	<b>0</b>	<b>37,321</b>	<b>36,760</b>	<b>0</b>	<b>0</b>	<b>36,760</b>	<b>(561)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	(3)			(3)	(3)
	Fees & Charges	(2,057)		(2,057)	(2,935)			(2,935)	(878)
	Recharge Income	(411)		(411)	(435)			(435)	(24)
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>(2,468)</b>	<b>0</b>	<b>(2,468)</b>	<b>(3,373)</b>	<b>0</b>	<b>0</b>	<b>(3,373)</b>	<b>(905)</b>	
<b>Net Expenditure</b>	<b>34,853</b>	<b>0</b>	<b>34,853</b>	<b>33,387</b>	<b>0</b>	<b>0</b>	<b>33,387</b>	<b>(1,466)</b>	
<b>Business Excellence</b> This service provides support to the HRA for strategic development, performance monitoring & customer contact	Employees	1,200		1,200	1,063			1,063	(137)
	Premises	0		0	(1)			(1)	(1)
	Transport	3		3	1			1	(2)
	Supplies & Services	2,024		2,024	2,568		(455)	2,113	89
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>3,227</b>	<b>0</b>	<b>3,227</b>	<b>3,631</b>	<b>0</b>	<b>(455)</b>	<b>3,176</b>	<b>(51)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	0		0	(21)			(21)	(21)
	Recharge Income	0		0	0			0	0
Other Income	0		0	0			0	0	
<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(21)</b>	<b>0</b>	<b>0</b>	<b>(21)</b>	<b>(21)</b>	
<b>Net Expenditure</b>	<b>3,227</b>	<b>0</b>	<b>3,227</b>	<b>3,610</b>	<b>0</b>	<b>(455)</b>	<b>3,155</b>	<b>(72)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contributio n to Reserves	(Use of) HRA Balances	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Commercial Services</b> This service looks after the cleaning of high rise blocks, along with the grounds maintenance on HRA services	Employees	2,651		2,651	2,657			2,657	6
	Premises	75		75	1,254			1,254	1,179
	Transport	150		150	211			211	61
	Supplies & Services	2,522		2,522	1,294			1,294	(1,228)
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>5,398</b>	<b>0</b>	<b>5,398</b>	<b>5,416</b>	<b>0</b>	<b>0</b>	<b>5,416</b>	<b>18</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	(1,208)		(1,208)	(1,217)			(1,217)	(9)
	Recharge Income	(3)		(3)	0			0	3
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(1,211)</b>	<b>0</b>	<b>(1,211)</b>	<b>(1,217)</b>	<b>0</b>	<b>0</b>	<b>(1,217)</b>	<b>(6)</b>	
<b>Net Expenditure</b>	<b>4,187</b>	<b>0</b>	<b>4,187</b>	<b>4,199</b>	<b>0</b>	<b>0</b>	<b>4,199</b>	<b>12</b>	
<b>Corporate HRA</b>									
This includes non operational costs such as capital financing charges & pension liabilities	Employees	3,796		3,796	3,920	0	(66)	3,854	58
	Premises	125		125	24			24	(101)
	Transport	3		3	0			0	(3)
	Supplies & Services	493		493	999			999	506
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	4			4	4
	Capital Charges	15,975		15,975	15,975			15,975	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>20,392</b>	<b>0</b>	<b>20,392</b>	<b>20,922</b>	<b>0</b>	<b>(66)</b>	<b>20,856</b>	<b>464</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	(7)		(7)	(147)			(147)	(140)
	Recharge Income	0		0	0			0	0
	Other Income	0		0	(198)			(198)	(198)
<b>Total Gross Income</b>	<b>(7)</b>	<b>0</b>	<b>(7)</b>	<b>(345)</b>	<b>0</b>	<b>0</b>	<b>(345)</b>	<b>(338)</b>	
<b>Net Expenditure</b>	<b>20,385</b>	<b>0</b>	<b>20,385</b>	<b>20,577</b>	<b>0</b>	<b>(66)</b>	<b>20,511</b>	<b>126</b>	

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	(Use of) / Contributio n to Reserves £'000	(Use of) HRA Balances £'000	Revised Outturn £'000	Variance (Under) / Over Spend £'000
<b>Housing Management</b> This service is responsible for the management of local offices and letting of the Housing stock. It also includes income management services along with ASB & CCTV.	Employees	9,706		9,706	8,799			8,799	(907)
	Premises	522		522	421			421	(101)
	Transport	34		34	23			23	(11)
	Supplies & Services	2,749		2,749	2,693			2,693	(56)
	Third Party Payments	498		498	504			504	6
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>13,509</b>	<b>0</b>	<b>13,509</b>	<b>12,440</b>	<b>0</b>	<b>0</b>	<b>12,440</b>	<b>(1,069)</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	(1,381)		(1,381)	(1,389)			(1,389)	(8)
	Recharge Income	(1,277)		(1,277)	(990)			(990)	287
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(2,658)</b>	<b>0</b>	<b>(2,658)</b>	<b>(2,379)</b>	<b>0</b>	<b>0</b>	<b>(2,379)</b>	<b>279</b>	
<b>Net Expenditure</b>	<b>10,851</b>	<b>0</b>	<b>10,851</b>	<b>10,061</b>	<b>0</b>	<b>0</b>	<b>10,061</b>	<b>(790)</b>	
<b>PFI</b> The management of the PFI stock is carried out by Riverside, with the contract running until 2031. The unitary fee is payable from here, along with the grant received from Central Government	Employees	59		59	59			59	0
	Premises	53		53	(45)			(45)	(98)
	Transport	1		1	0			0	(1)
	Supplies & Services	9,546		9,546	8,483			8,483	(1,063)
	Third Party Payments	0		0	2			2	2
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>9,659</b>	<b>0</b>	<b>9,659</b>	<b>8,499</b>	<b>0</b>	<b>0</b>	<b>8,499</b>	<b>(1,160)</b>
	Specific Grants	(5,713)		(5,713)	(5,713)			(5,713)	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	(4,191)		(4,191)	(4,348)			(4,348)	(157)
	Recharge Income	0		0	0			0	0
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(9,904)</b>	<b>0</b>	<b>(9,904)</b>	<b>(10,061)</b>	<b>0</b>	<b>0</b>	<b>(10,061)</b>	<b>(157)</b>	
<b>Net Expenditure</b>	<b>(245)</b>	<b>0</b>	<b>(245)</b>	<b>(1,562)</b>	<b>0</b>	<b>0</b>	<b>(1,562)</b>	<b>(1,317)</b>	

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) HRA Balances	Revised Outturn	Variance (Under) / Over Spend
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Rents &amp; Other Charges</b> This includes rental income from council properties and expenditure mainly relates to a provision for bad debts	Employees	0		0	0			0	0
	Premises	255		255	262			262	7
	Transport	0		0	0			0	0
	Supplies & Services	2,040		2,040	1,287	1,077		2,364	324
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	476		(397)	79	79
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>2,295</b>	<b>0</b>	<b>2,295</b>	<b>2,025</b>	<b>1,077</b>	<b>(397)</b>	<b>2,705</b>	<b>410</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	(113,635)		(113,635)	(113,444)			(113,444)	191
	Recharge Income	0		0	0			0	0
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>(113,635)</b>	<b>0</b>	<b>(113,635)</b>	<b>(113,444)</b>	<b>0</b>	<b>0</b>	<b>(113,444)</b>	<b>191</b>	
<b>Net Expenditure</b>	<b>(111,340)</b>	<b>0</b>	<b>(111,340)</b>	<b>(111,419)</b>	<b>1,077</b>	<b>(397)</b>	<b>(110,739)</b>	<b>601</b>	
<b>SLA's</b>									
This is budgets for agreed internal support towards the HRA including ICT, Finance & HR	Employees	0		0	0			0	0
	Premises	0		0	0			0	0
	Transport	0		0	0			0	0
	Supplies & Services	7,020		7,020	7,566			7,566	546
	Third Party Payments	0		0	0			0	0
	Transfer Payments	0		0	0			0	0
	Capital Charges	0		0	0			0	0
	Capital Financing	0		0	0			0	0
	<b>Total Gross Expenditure</b>	<b>7,020</b>	<b>0</b>	<b>7,020</b>	<b>7,566</b>	<b>0</b>	<b>0</b>	<b>7,566</b>	<b>546</b>
	Specific Grants	0		0	0			0	0
	Other Grants & Contributions	0		0	0			0	0
	Fees & Charges	0		0	0			0	0
	Recharge Income	0		0	0			0	0
	Other Income	0		0	0			0	0
<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Expenditure</b>	<b>7,020</b>	<b>0</b>	<b>7,020</b>	<b>7,566</b>	<b>0</b>	<b>0</b>	<b>7,566</b>	<b>546</b>	
<b>Total Net Expenditure</b>									
		<b>(31,062)</b>	<b>0</b>	<b>(31,062)</b>	<b>(33,581)</b>	<b>1,077</b>	<b>(918)</b>	<b>(33,422)</b>	<b>(2,360)</b>



Directorate Housing Revenue Account	Appendix M3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Architects	129	2	127
Bank Charges & Commissions	108	58	50
Bi-Lingual Translation	1	16	(15)
Building Products	3,840	3,321	519
Conference Expenses	48	50	(2)
Contract Payments	10,015	9,278	737
Contributions Towards Bad Debt	925	1,700	(775)
Equipment & Furniture	96	291	(195)
General Recharges	12,086	12,259	(173)
Grants	150	180	(30)
ICT	500	500	0
Insurance	748	340	408
Legal	448	715	(267)
Licences	250	16	234
Office Expenses	238	606	(368)
Pest Control	5	18	(13)
PFI Unitary Fee	8,303	9,522	(1,219)
Professional Services	1,820	1,193	627
Protective Clothing & Uniforms	27	67	(40)
Subscriptions	57	24	33
Tenants Expenses	24	97	(73)
Waste Disposal Charge	441	423	18
<b>Total Supplies &amp; Services</b>	<b>40,259</b>	<b>40,676</b>	<b>(417)</b>
<b>Specific Grants</b>			
PFI Subsidy	(5,713)	(5,713)	0
<b>Total Specific Grants</b>	<b>(5,713)</b>	<b>(5,713)</b>	<b>0</b>
<b>Other Income</b>			
Interest On Balances	(198)	0	(198)
<b>Total Other Income</b>	<b>(198)</b>	<b>0</b>	<b>(198)</b>

Housing Revenue Account				Appendix M5 - Capital	
	Revised 2019/20 Budget as @ Period 9			Actual Outturn 2019/20 £'000	(Surplus) / Deficit for the Year £'000
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000		
<b>Prudential Borrowing - New build (inc HCA Grant)</b>					
Moor Lane Extra Care	6,110	0	6,110	3,853	(2,257)
Carrisbrooke Close	1,001	456	1,457	1,285	(172)
West Road	7,981	0	7,981	4,417	(3,564)
Strathmore Road	7,661	0	7,661	6,669	(992)
Reservoir Road	250	0	250	355	105
Bull Street/Albion Road	0	0	0	14	14
<b>Prudential Borrowing - New build (1-4-1 Receipts)</b>					
1-4-1 Replacement Fees	0	0	0	112	112
Kier Housing - Kent Close, Tibbington	25	0	25	0	(25)
Oxford Road Extra Care - New Build	782	0	782	268	(514)
Brindley 2	121	0	121	5	(116)
Churchvale	350	0	350	134	(216)
Friardale Close Bungalows	350	0	350	98	(252)
Brittania	350	0	350	127	(223)
RTB Buy Backs	1,330	0	1,330	1,332	2
1-4-1 Property Purchases	2,170	0	2,170	3,329	1,159
<b>Prudential Borrowing - High Rise</b>					
The Crofts	83	0	83	0	(83)
Charlemont Farm	14	0	14	0	(14)
Kynaston House	132	0	132	0	(132)
Lion Farm	586	0	586	548	(38)
Beaconview	46	0	46	0	(46)
Nelson House	308	0	308	3	(305)
Darley House	66	0	66	67	1
Alfred Gunn House	3,000	0	3,000	308	(2,692)
Emergency Cladding Works	52	0	52	192	140
Mountford House (Lifts)	65	0	65	14	(51)
High Rise - General	300	0	300	137	(163)
<b>Prudential Borrowing - Other</b>					
Boiler Replacement	5,036	0	5,036	2,141	(2,895)
Sandfield House	152	0	152	142	(10)
ECO Projects	1,250	0	1,250	0	(1,250)
Adaptations for Disabled	3,350	0	3,350	3,541	191
Estate Improvements	400	0	400	262	(138)
Property Conversions	222	0	222	307	85
Replacement of CO2 and Smoke Detectors	267	0	267	255	(12)
<b>RTB Receipts - 1-4-1 Replacement</b>					
Brindley 2	2	0	2	0	(2)
1-4-1 Replacement Professional Fees	0	0	0	48	48
Oxford Road Extra Care - New Build	406	0	406	115	(291)
Churchvale	150	0	150	57	(93)
Friardale Close Bungalows	150	0	150	42	(108)
Brittania	150	0	150	54	(96)
RTB Buy Backs	570	0	570	571	1
Alfred Gunn House	0	0	0	41	41
1-4-1 Property Purchases	930	0	930	1,427	497

	Revised 2019/20 Budget as @ Period 9			Actual Outturn 2019/20	(Surplus) / Deficit for the Year
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000	£'000	£'000
<b><u>RCCO : MRA/Ringfenced Approvals</u></b>					
Refurbishment	12,036	0	<b>12,036</b>	13,135	<b>1,099</b>
Single to Double Glazing & Composite Doors	1,000	0	<b>1,000</b>	499	<b>(501)</b>
Boiler Replacement	707	0	<b>707</b>	1,996	<b>1,289</b>
<b><u>RCCO - Other</u></b>					
Applewood Grove Conversion	750	0	<b>750</b>	1,077	<b>327</b>
Greenwood Avenue Conversion	250	0	<b>250</b>	17	<b>(233)</b>
Greenford House (additional flats)	100	0	<b>100</b>	3	<b>(97)</b>
Kenrick House (additional flats)	40	0	<b>40</b>	2	<b>(38)</b>
Ex Neighbourhood Offices New Build - Hilton Road	0	0	<b>0</b>	(9)	<b>(9)</b>
Ex Neighbourhood Offices New Build - Monmouth Drive	0	4	<b>4</b>	(28)	<b>(32)</b>
Riverside PFI	750	0	<b>750</b>	669	<b>(81)</b>
Workplace Vision	0	0	<b>0</b>	573	<b>573</b>
ICT Strategy Costs	0	0	<b>0</b>	567	<b>567</b>
<b>Total Housing &amp; Communities</b>	<b>61,801</b>	<b>460</b>	<b>62,261</b>	<b>50,769</b>	<b>(11,492)</b>

**Schools Financial Outturn 2019/20**  
**1 April 2019 to 31 March 2020**

## **Revenue**

### **1. Overview**

The financial outturn for the Individual Schools Budget (ISB) ledger is a deficit of £3.383m. The deficit relates to the ring-fenced Dedicated Schools Grant and is therefore required to be carried forward.

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	(Use of) / Contribution to Reserves & Corporate Resources	Revised Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	65,219	0	65,219	503,009	12,788	490,221	425,002
Gross Income	(65,219)	0	(65,219)	(500,307)	(13,469)	(486,839)	(421,620)
Net Expenditure	0	0	0	2,702	(681)	3,383	3,383
Revenue Contribution to Capital (RCCO)							0
Adjusted Net Variance After RCCO							3,383

### **School Balances**

At the end of 2018/19 cumulative schools balances (including non-schools expenditure and income) were £32.551m. These balances have reduced by £3.383m to £29.169m.

This includes an increase of £0.048m against schools' budget share and a decrease of £3.431m against other budgets.

Appendix A provides details of each individual schools' budget share balance as at 31<sup>st</sup> March 2019 compared to 31<sup>st</sup> March 2018. The cumulative level of school balances is summarised in the following table:

	Brought Forward £'000	In-Year Movement £'000	Carry Forward £'000
Primary	18,635	(0,204)	18,431
Secondary	1,565	0,116	1,681
Special	1,638	0,135	1,773
<b>Schools</b>	<b>21,838</b>	<b>0,047</b>	<b>21,885</b>

There are 3 schools closing with a deficit budget share for 2019/20:

- Brickhouse Primary (£0.003m)
- Newtown Primary (£0.040m)
- Stuart Bathurst (£0.104m)

There were no schools that converted to an academy during 2019/20.

The following table details the in-year movement for the non-school budget share expenditure incurred:

Service Area	(Surplus)/Deficit £'000
Early Years	1,976
High Needs/SEN	0,709
Central Services	(0,191)
Pupil Referral Units	0,512
Holding Accounts	0,338
Other Expenditure	0,087
<b>Total</b>	<b>3,431</b>

## **2. Earmarked Reserves**

The directorate has set aside sums totalling £6.251m in previous years as earmarked reserves for use on specific activities in current and future years. A net increase of £0.681m was made against earmarked reserves during the current year leaving the following balances remaining:

Earmarked Reserve	Balance as at 31 March 2019 £'000	Use of / (Contribution to) in 2019/20 £'000	Remaining Balance 31 March 2020 £'000
BSF FM Sinking Fund	2,506	(195)	2,701
BSF PFI Sinking Fund	3,745	(485)	4,230
<b>Total</b>	<b>6,251</b>	<b>(681)</b>	<b>6,931</b>

### 3. Severance Payments

The contracts of 86 employees were ended during 2019/20 within schools. These incurred liabilities totalling £0.813m which has been met by individual schools.

As at 31<sup>st</sup> March 2020 there are no outstanding liabilities in relation to those employees who have left during the year and there are no legal and constructive obligations in place for employees to leave the Council during 2020/21.

The table below summarises the position:

	Actual Costs Incurred 2019/20	Provision Created 2018/19		New Provision Created 2019/20		Net cost to service 2018/19
		Utilised	Unutilised	Outstanding Severance Payments	Future Severance Payments	
	£'000	£'000	£'000	£'000	£'000	£'000
Costs provided for in 2018/19	0	0	0	0		0
Costs not provided for in 2018/19	813			0	0	813
<b>Total</b>	<b>813</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>813</b>
<b>Funded by:</b>						
Directorate						813
Corporate Resources						0

### 4. Use of Corporate Resources

The ISB has not requested any funding from Corporate Resources.

Contact  
Steve Lilley  
Service Manager

0121 569 3863



## SCHOOL BALANCES

School	2018-19					2019-20				
	BUDGET SHARE	DEVOLVED FORMULA CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL	BUDGET SHARE	DEVOLVED FORMULA CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL
ABBNEY INFANT	£150,042	£12,511	£0	£0	£162,553	£37,315	£0	£0	£0	£37,315
ABBNEY JUNIOR	£75,245	£14,675	£0	£0	£89,920	£91,478	£0	£0	£0	£91,478
ALBERT PRITCHARD INF	£181,919	£23,947	£0	£0	£205,865	£240,094	£0	£0	£0	£240,094
ALL SAINTS JR & INF	£304,096	£0	£0	£0	£304,096	£335,831	£0	£0	£0	£335,831
ANNIE LENNARD	£358,497	£0	£0	£0	£358,497	£422,146	£6,887	£0	£0	£429,033
BEARWOOD JR & INF	£359,550	£42,696	£0	£0	£402,246	£324,453	£24,328	£0	£0	£348,781
BLACKHEATH JR & INF	£763,347	£45,164	£0	£0	£808,512	£727,075	£54,569	£0	£0	£781,644
BLEAKHOUSE JUNIOR	£168,403	£20,398	£0	£0	£188,801	£186,873	£10,380	£0	£0	£197,253
BRANDHALL JR & INF	£184,250	£0	£0	£0	£184,250	£143,705	£0	£0	£0	£143,705
BRICKHOUSE JR & INF	£35,862	£6,701	£0	£0	£42,563	(£3,640)	£0	£0	£0	(£3,640)
BURNT TREE JR & INF	£271,927	£26,782	£0	£0	£298,709	£267,022	£25,242	£0	£0	£292,263
CAPE JR & INF	£665,723	£47,547	£0	£0	£713,270	£613,566	£59,001	£0	£0	£672,567
CAUSEWAY GREEN JR & INF	£255,827	£12,680	£0	£0	£268,507	£248,282	£0	£0	£0	£248,282
CHRIST CHURCH JR & INF	£119,736	£0	£192,946	£0	£312,682	£213,417	£0	£113,757	£0	£327,174
CROCKETTS LANE INF	£699,342	£33,337	£0	£0	£732,679	£692,274	£42,410	£0	£0	£734,684
Eaton Valley	£396,506	£0	£0	£0	£396,506	£311,744	£1,141	£0	£0	£312,885
FERNSDALE JR & INF	£313,124	£0	(£132,197)	£0	£180,927	£338,703	£0	(£151,519)	£0	£187,185
GALTON VALLEY	£529,031	£30,260	£38,766	£0	£598,056	£465,519	£32,192	£96,270	£0	£593,980
GLEBEFIELDS JR & INF	£150,983	£11,321	£0	£0	£162,304	£80,066	£14,129	£0	£0	£94,195
GRACE MARY JR & INF	£133,712	£10,193	£0	£0	£143,905	£206,497	£0	£0	£0	£206,497
GREAT BRIDGE JR & INF	£271,169	£26,357	£0	£0	£297,526	£232,140	£3,057	£0	£0	£235,198
GROVE VALE JR & INF	£265,724	£2,841	£0	£0	£268,565	£347,600	£6,433	£0	£0	£354,033
HANBURY PRIMARY	£661,326	£6,756	£0	£0	£668,083	£643,303	£15,938	£0	£0	£659,241
HALL GREEN JR & INF	£899,893	£23,124	£0	£0	£923,017	£826,037	£32,087	£0	£0	£858,124
HAMSTEAD INF	£126,545	£24,762	£0	£0	£151,307	£77,104	£28,267	£0	£0	£105,372
HAMSTEAD JUNIOR	£210,076	£30,538	£0	£0	£240,613	£207,480	£11,239	£0	£0	£218,720
HARGATE JR & INF	£528,768	£63,953	£0	£0	£592,721	£549,274	£72,764	£0	£0	£622,038
HARVILLS HAWTHORN PR	£337,237	£18,401	£0	£0	£355,638	£285,153	£2,411	£0	£0	£287,564
HATELEY HEATH PRIM	£18,483	£20,885	£0	£0	£39,368	£31,292	£14,628	£0	£0	£45,920
HIGHFIELDS JR & INF	£199,519	£38,544	£0	£0	£238,064	£236,539	£35,435	£0	£0	£271,974
HOLY NAME RC JR & INF	£187,082	£0	£0	£0	£187,082	£161,803	£0	£0	£0	£161,803
HOLY TRINITY JR & INF	£258,518	£21,085	£0	£0	£279,603	£226,536	£29,137	£0	£0	£255,674
JOSEPH TURNER JR & INF	£204,616	£0	£0	£0	£204,616	£197,540	£0	£0	£0	£197,540
KING GEORGE V PRIMARY	£88,044	£10,211	£0	£0	£98,255	£83,595	£0	£0	£0	£83,595
LANGLEY JR & INF	£404,171	£0	£0	£0	£404,171	£374,404	£0	£0	£0	£374,404
LIGHTWOODS JR & INF	£202,817	£16,684	£0	£0	£219,501	£167,850	£4,581	£0	£0	£172,431



School	BUDGET SHARE	DEVOLVED FORMULA CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL	BUDGET SHARE	DEVOLVED FORMULA CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL
LODGE JR & INF	£257,641	£0	£0	£0	£257,641	£137,203	£0	£0	£0	£137,203
LYNG JUNIOR & INF	£220,565	£17,597	£0	£0	£238,161	£222,990	£0	£0	£0	£222,990
MOAT FARM INF	£185,169	£24,262	£43,644	£0	£253,075	£297,591	£32,726	£70,093	£0	£400,410
MOAT FARM JUNIOR	£271,702	£18,540	£0	£0	£290,242	£248,425	£0	£0	£0	£248,425
MOORLANDS JR & INF	£163,693	£0	£0	£0	£163,693	£173,362	£0	£0	£0	£173,362
NEWTOWN JR & INF	£38,302	£11,906	£0	£0	£50,208	(£49,007)	£8,838	£0	£0	(£40,169)
OAKHAM JR & INF	£518,530	£17,012	£0	£0	£535,542	£470,430	£0	£0	£0	£470,430
OCKER HILL INFANTS	£88,210	£12,130	£0	£0	£100,339	£79,585	£7,192	£0	£0	£86,777
OLD HILL JR & INF	£122,557	£16,927	£0	£0	£139,484	£96,808	£1,937	£0	£0	£98,745
OLD PARK JR & INF	£403,965	£35,033	£105,987	£0	£544,985	£292,870	£14,279	£100,273	£0	£407,421
PARK HILL JR & INF	£202,094	£18,945	£0	£0	£221,039	£195,971	£0	£0	£0	£195,971
PENNYHILL	£417,401	£11,484	£100,461	£0	£529,347	£460,231	£0	£42,738	£0	£502,969
PERRYFIELDS JR & INF	£207,450	£5,710	£0	£0	£213,160	£191,479	£0	£0	£0	£191,479
PRIORY PRIMARY	£206,236	£17,846	£0	£0	£224,082	£225,615	£0	£0	£0	£225,615
REDDAL HILL JR & INF	£315,985	£0	£0	£0	£315,985	£367,832	£0	£0	£0	£367,832
ROOD END JR & INF	£105,279	£640	£0	£0	£105,919	£121,158	£2,073	£0	£0	£123,231
ROUNDS GREEN JR & INF	(£309,808)	£13,608	£0	£0	(£296,200)	£18,524	£22,389	£0	£0	£40,913
ROWLEY HALL JR & INF	£101,979	£1,175	£65,476	£0	£168,630	£67,236	£2,025	£0	£0	£69,261
RYDERS GREEN JR & INF	£272,647	£8,539	£0	£0	£281,186	£370,182	£12,875	£0	£0	£383,057
SACRED HEART JR & INF	(£47,524)	£17,126	£0	£0	(£30,398)	£106,267	£9,486	£0	£0	£115,753
SPRINGFIELD PRIMARY	£318,514	£21,301	£0	£0	£339,815	£256,211	£25,892	£0	£0	£282,103
ST JAMES CE PRIMARY	£284,121	£16,803	£0	£0	£300,924	£182,600	£24,641	£0	£0	£207,241
ST JOHN BOSCO JR & INF	£225,710	£0	£271,285	£0	£496,994	£115,357	£0	£321,394	£0	£436,751
ST MARGARETS JR & INF	£146,075	£0	£0	£0	£146,075	£132,386	£0	£0	£0	£132,386
ST MARTINS JR & INF	£108,749	£17,144	£0	£0	£125,893	£88,285	£6,564	£0	£0	£94,849
ST MARY MAG JR & INF	£152,155	£10,423	£0	£0	£162,578	£130,536	£0	£0	£0	£130,536
ST MARY'S JR & INF	£118,209	£0	£0	£0	£118,209	£156,102	£0	£0	£0	£156,102
ST MATTHEWS JR & INF	£363,386	£0	£0	£0	£363,386	£461,022	£0	£0	£0	£461,022
TEMPLE MEADOW JR & INF	£135,321	£1,202	£0	£0	£136,523	£154,551	£0	£0	£0	£154,551
TIPTON GREEN JUNIOR	£174,753	£12,749	£0	£0	£187,502	£282,227	£20,777	£0	£0	£303,004
TIVIDALE HALL JR & INF	£196,247	£17,751	£0	£0	£213,999	£236,649	£2,305	£0	£0	£238,954
TIVIDALE COMMUNITY	£457,897	£0	£0	£0	£457,897	£378,539	£0	£0	£0	£378,539
UPLANDS MANOR PRIMARY	£511,671	£0	£0	£0	£511,671	£496,481	£0	£0	£0	£496,481
WARLEY INFANTS	£101,708	£13,678	£0	£0	£115,386	£31,626	£6,358	£0	£0	£37,984
WHITECREST JR & INF	£94,016	£9,805	£0	£0	£103,821	£95,511	£0	£0	£0	£95,511
WOOD GREEN JUNIOR	£161,060	£0	£0	£0	£161,060	£260,265	£0	£0	£0	£260,265
YEW TREE JR & INF	£362,343	£40,822	£0	£0	£403,165	£288,231	£0	£0	£0	£288,231
<b>PRIMARY TOTAL</b>	<b>£18,635,116</b>	<b>£1,052,510</b>	<b>£686,368</b>	<b>£0</b>	<b>£20,373,994</b>	<b>£18,431,402</b>	<b>£726,614</b>	<b>£593,006</b>	<b>£0</b>	<b>£19,751,022</b>

School	BUDGET SHARE	DEVOLVED FORMULA CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL	BUDGET SHARE	DEVOLVED FORMULA CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL
HOLLY LODGE HIGH	£252,158	£75,989	£0	£0	£328,147	£54,669	£1,096	£0	£0	£55,765
PHOENIX	£781,645	£31,546	£0	£0	£813,191	£1,432,774	£0	£0	£0	£1,432,774
PERRYFIELDS HIGH	£45,545	£67,438	£0	£0	£112,983	£125,292	£20,590	£0	£0	£145,882
ST MICHAELS CE HIGH	£348,804	£0	£0	£0	£348,804	£172,341	£0	£0	£0	£172,341
STUART BATHURST	£136,933	£0	£0	£0	£136,933	(£103,623)	£0	£0	£0	(£103,623)
<b>SECONDARY TOTAL</b>	<b>£1,565,085</b>	<b>£174,974</b>	<b>£0</b>	<b>£0</b>	<b>£1,740,058</b>	<b>£1,681,452</b>	<b>£21,686</b>	<b>£0</b>	<b>£0</b>	<b>£1,703,138</b>
MEADOWS	£365,378	£22,388	£0	£0	£387,766	£372,141	£0	£0	£0	£372,141
ORCHARD	£462,931	£75,736	£0	£0	£538,667	£379,355	£79,642	£0	£0	£458,997
WESTMINSTER	£714,474	£0	£0	£0	£714,474	£696,821	£0	£0	£0	£696,821
SHENSTONE	£95,304	£22,659	£0	£0	£117,963	£325,204	£15,732	£0	£0	£340,936
<b>SPECIAL TOTAL</b>	<b>£1,638,088</b>	<b>£120,783</b>	<b>£0</b>	<b>£0</b>	<b>£1,758,871</b>	<b>£1,773,521</b>	<b>£95,374</b>	<b>£0</b>	<b>£0</b>	<b>£1,868,895</b>
<b>SCHOOLS TOTAL</b>	<b>£21,838,289</b>	<b>£1,348,266</b>	<b>£686,368</b>	<b>£0</b>	<b>£23,872,923</b>	<b>£21,886,375</b>	<b>£843,674</b>	<b>£593,006</b>	<b>£0</b>	<b>£23,323,055</b>

## Appendix O

### Annual Report on the Treasury Management Service and Actual Prudential Indicators 2019/20

#### Purpose

The council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2019/20. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code) and the Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

#### Executive Summary

During 2019/20 the council complied with its legislative and regulatory requirements. The actual prudential indicators for the year along with prior year comparators are as follows:

	2018/19 £'m	2019/20 £'m
<b>Actual Capital Expenditure</b>	<b>78.683</b>	<b>122.380</b>
<b>Capital Financing Requirement (CFR)</b>		
General Fund	318.588	308.242
HRA	418.590	431.086
<b>Total</b>	<b>737.178</b>	<b>739.328</b>
<b>Financing Costs as a Proportion of Net Revenue Stream</b>		
General Fund	6.7%	5.1%
Housing Revenue Account	26.2%	23.1%

Other prudential and treasury indicators are to be found in the main body of this report. The Chief Financial Officer also confirms that borrowing was only undertaken for capital purposes and that the statutory borrowing limit (Authorised Limit) was not breached.

At 31 March 2020, the council's external debt was £496.341m (£517.577m at 31 March 2019) and its investments totalled £48.027m (£42.846m at 31 March 2019).

The financial year 2019/20 continued with the challenging environment of previous years, mainly low investment returns.

#### Recommendations

The council is recommended to:

- Approve the actual 2019/20 prudential and treasury indicators in this report.
- Note the annual treasury management report for 2019/20.

## 1. Introduction

1.1. This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness, (the Capital Financing Requirement);
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity

## 2. The Council's Capital Expenditure and Financing 2019/20

2.1. The council undertakes capital expenditure on long term assets. These activities can either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc) which has no resultant impact on the council's borrowing need; or
- If insufficient financing is available, or a decision is taken to not apply resources, the capital expenditure will give rise to a borrowing need.

2.2. Actual capital expenditure is one of the required prudential indicators. The table below also shows how this expenditure was financed.

	2018/19	2019/20	
	Actual £'m	Estimate £'m	Actual £'m
<b>Capital Expenditure</b>			
General Fund	40.870	64.858	71.612
HRA	37.813	70.706	50.768
<b>Total</b>	<b>78.683</b>	<b>135.564</b>	<b>122.380</b>
<b>Resourced by:</b>			
Capital Receipts	6.628	12.202	8.506
Capital Grants & Contributions	34.802	41.463	66.727
Revenue Contributions	17.385	22.149	20.312
<b>Capital Expenditure Financed from Borrowing</b>	<b>19.868</b>	<b>59.750</b>	<b>26.835</b>

## 3. The Council's Overall Borrowing Need

3.1. The council's underlying need to borrow for capital expenditure is called the Capital Financing Requirement (CFR). This figure is a gauge for the council's debt position. The CFR results from the capital activity of the Council and resources used to pay for the Capital spend. It represents the 2019/20 unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

- 3.2. Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies, such as the Government, through the Public Works Loan Board (PWLB), the money markets or utilising temporary cash resources within the Council.
- 3.3. Reducing the CFR – the council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the assets. The council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need, (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
- 3.4. The total CFR can also be reduced by:
- the application of additional capital financing resources, (such as unapplied capital receipts); or
  - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).
- 3.5. The council's 2019/20 MRP Policy (as required by MHCLG Guidance) was approved as part of the Treasury Management Strategy Report for 2019/20 on 5 March 2019.
- 3.6. The council's CFR for the year is shown below and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet. No borrowing is actually required against these schemes as a borrowing facility is included within the contract.

	31 March 19 Actual	31 March 20 Mid Year Indicator	31 March 2020		
			HRA Actual	General Fund Actual	Total
	£'m	£'m	£'m	£'m	£'m
<b>Opening Capital Financing Requirement</b>	<b>751.966</b>	<b>737.178</b>	<b>418.590</b>	<b>318.588</b>	<b>737.178</b>
add: Capital Expenditure funded from Borrowing	19.868	59.750	24.795	2.040	26.835
less: MRP	-34.656	-18.101	-12.299	-12.386	-24.685
add: Movement on Other Long Term Liabilities	0.000	0.000	0.000	0.000	0.000
adj: Appropriation of Assets	0.000	0.000	0.000	0.000	0.000
<b>Closing Capital Financing Requirement</b>	<b>737.178</b>	<b>778.827</b>	<b>431.086</b>	<b>308.242</b>	<b>739.328</b>

#### 4. Treasury Position at 31 March 2020

- 4.1. The Council's treasury management debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury management practices.

4.2. The figures in this report are based on the principal amounts borrowed and invested and so may differ from those in the final accounts by items such as accrued interest.

4.3. During 2019/20 the Chief Financial Officer managed the debt position to £496.341m; the treasury position at the 31 March 2020 compared with the previous year was:

	31 March 2019				31 March 2020			
	Principal			Average Rate	Principal			Average Rate
	HRA	General Fund	Total		HRA	General Fund	Total	
£'m	£'m	£'m	%	£'m	£'m	£'m	%	
<b>Actual Borrowing Position</b>								
Fixed Interest Rate Debt	372.193	93.133	465.326	4.39	370.218	76.991	447.209	4.45
Variable Interest Rate Debt	0.000	52.251	52.251		0.000	49.132	49.132	
<b>Total Debt</b>	<b>372.193</b>	<b>145.384</b>	<b>517.577</b>		<b>370.218</b>	<b>126.123</b>	<b>496.341</b>	
<b>Capital Financing Requirement (CFR)</b>	<b>418.590</b>	<b>318.588</b>	<b>737.178</b>		<b>431.086</b>	<b>308.242</b>	<b>739.328</b>	
<b>Borrowing Above / (Below) CFR</b>	<b>-46.397</b>	<b>-173.204</b>	<b>-219.601</b>		<b>-60.868</b>	<b>-182.119</b>	<b>-242.987</b>	
<b>Investment Position</b>								
Fixed Interest Investments	0.000	11.250	11.250		0.000	2.633	2.633	
Variable Interest Investments	0.000	31.596	31.596		0.000	45.394	45.394	
<b>Total Investments</b>	<b>0.000</b>	<b>42.846</b>	<b>42.846</b>		<b>0.000</b>	<b>48.027</b>	<b>48.027</b>	
<b>Net Borrowing Position</b>	<b>372.193</b>	<b>102.538</b>	<b>474.731</b>		<b>370.218</b>	<b>78.096</b>	<b>448.314</b>	

The maturity structure of the debt portfolio was as follows:

	31 March 2019	2019/20 Original	31 March 2020	
	Actual	Limits	Actual	
	%	%	%	£'m
Under 12 months	13.69%	20.00%	13.91%	69,065
12 months and within 24 months	3.84%	20.00%	4.25%	21,088
24 months and within 5 years	9.16%	25.00%	8.77%	43,517
5 years and within 10 years	8.14%	50.00%	8.14%	40,400
10 years and above	65.16%	90.00%	64.93%	322,272
	<b>100.00%</b>		<b>100.00%</b>	<b>496,342</b>

## 5. Prudential Indicators and Compliance Issues

5.1. Borrowing activity is constrained by prudential indicators for gross borrowing, the CFR and by the authorised limit.

5.2. **Gross Borrowing and the CFR** – in order to ensure that borrowing levels are prudent over the medium term and only for capital purposes, the council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement for the preceding year (2018/19) plus the estimates of any additional capital financing requirement for the current (2019/20) and next two financial years. This essentially means that the council is not borrowing to support revenue expenditure. This indicator allowed the council some flexibility to borrow in advance of its immediate capital needs in 2019/20. The table below highlights the council's gross borrowing position against the CFR. The council has complied with this prudential indicator.

	31 March 2019		31 March 2020	
	HRA	General Fund	HRA	General Fund
	£'m	£'m	£'m	£'m
Gross Borrowing Position	372.193	145.384	370.218	126.123
CFR	418.590	318.588	431.086	308.242

- 5.3. **The Authorised Limit** – This is the ‘affordable borrowing limit’ required by section 3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2019/20 the council has maintained gross borrowing within its authorised limit.

**The Operational Boundary** – This is the expected borrowing position of the council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

**Actual financing costs as a proportion of net revenue stream** - This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream.

	2019/20
	£'m
<b>Original Indicators</b>	
Authorised Limit	739.328
Operational Boundary	572.799
<b>Actual Performance</b>	
Maximum Gross Borrowing Position	516.236
Average Gross Borrowing Position	496.867
Financing Costs as a Proportion of Net Revenue Stream	11.1%

## 6. The Strategy Agreed for 2019/20

- 6.1 Investment returns remained low during 2019/20. The expectation for interest rates within the treasury management strategy for 2019/20 was that Bank Rate would stay at 0.75% during 2019/20 as it was not expected that the MPC would be able to deliver on an increase in Bank Rate until the Brexit issue was finally settled. However, there was an expectation that Bank Rate would rise after that issue was settled but would only rise to 1.0% during 2020.

Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the Commons but fell back again in January before recovering again after the 31 January departure of the UK from the EU. When the coronavirus outbreak hit the UK in February/March, rates initially plunged but then rose sharply back up again due to a shortage of liquidity in financial markets. As longer-term rates were significantly higher than shorter term rates during the year, value was therefore sought by placing longer term investments where cash balances were sufficient to allow this.

While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.

- 6.2 PWLB rates are based on and are determined by gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. Gilt yields were on a generally falling trend during the last year up until the coronavirus crisis hit western economies. Since then, gilt yields have fallen sharply to unprecedented lows as investors have panicked in selling shares in anticipation of impending recessions in western economies and moved cash into safe haven assets i.e. government bonds. However, major western central banks also started quantitative easing purchases of government bonds which will act to maintain downward pressure on government bond yields at a time when there is going to be a huge and quick expansion of government expenditure financed by issuing government bonds; this would normally cause bond yields to rise. At the close of the day on 31 March, all gilt yields from 1 to 5 years were between 0.12% – 0.20% while even 25-year yields were at only 0.83%.

HM Treasury imposed two changes in the margins over gilt yields for PWLB rates in 2019/20 without any prior warning. The first on 9 October 2019, added an additional 1% margin over gilts to all PWLB rates. That increase was then partially reversed for some forms of borrowing on 11 March 2020, at the same time as the Government announced in the Budget a programme of increased spending on infrastructure expenditure. It is also clear that the Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate income streams.

There is likely to be a little upward movement in PWLB rates over the next two years as it will take national economies a prolonged period to recover all the momentum they will lose in the sharp recession, that will be caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020/21.

## **7. Actual debt management activity during 2019/20**

- 7.1. **Borrowing** – One short term loan increased by £4.679m and one new long term soft loan totalling £0.500m was drawn in 2019/20 to fund the net unfinanced capital expenditure and naturally maturing debt.
- 7.2. **Rescheduling** – No rescheduling of debt was undertaken during 2019/20.
- 7.3. **Repayment** – Three debts matured during 2019/20 (two short term and one long term) totalling £24.745m. Three debts partially matured during 2019/20 (one short term and two long term totalling £3.094). No early repayment of debt was undertaken during 2019/20.



## 8. Investment Position

- 8.1. **Investment Policy** – The council's investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by council on 5 March 2019. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data. The investment activity during the year, conformed to the approved strategy and the council had no liquidity difficulties.
- 8.2. **Resources** – The council's longer-term cash balances comprise primarily revenue and capital resources, although these will be influenced by cash flow considerations. The council's core cash resources include the council's balances, earmarked reserves, provisions and capital receipts.
- 8.3. **Investments Held by The Council** - The council maintained an average balance of £65.741m of internally managed funds. The internally managed funds received an average return of 0.772%. The comparable performance indicator is the average 7-day LIBID rate as at 31 March 2020, which was 0.540%. The LIBID rate saw a sharp decrease in March 2019 to reflect the two MPC's Bank Rate cuts from 0.75% to a final rate of 0.10%. The council has seen a slight increase on returns during 2019/20 compared to 2018/19.

## 9. Performance Indicators set for 2019/20

- 9.1 One of the key requirements in the Code is the formal introduction of performance measurement relating to investments, debt and capital financing activities. Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide. The council's performance indicators were set out in the annual Treasury Management Strategy Statement.

## 10. The Economy and Interest Rates

LINK Asset Management, the Councils Treasury Management advisors, have provided the following commentary on the performance of the UK and Global economy over the past 12 months:

**UK.** Brexit. The main issue in 2019 was the repeated battle in the House of Commons to agree on one way forward for the UK over the issue of Brexit. This resulted in the resignation of Theresa May as the leader of the Conservative minority Government and the election of Boris Johnson as the new leader, on a platform of taking the UK out of the EU on 31 October 2019. The House of Commons duly frustrated that renewed effort and so a general election in December settled the matter once and for all by a decisive victory for the Conservative Party: that then enabled the UK to leave the EU on 31 January 2020. However, this still leaves much uncertainty as to whether there will be a reasonable trade deal achieved by the target deadline of the end of 2020. It is also unclear as to whether the coronavirus outbreak may yet impact on this deadline; however, the second and third rounds of negotiations have already had to be cancelled due to the virus.

Economic growth in 2019 has been very volatile with quarter 1 unexpectedly strong at 0.5%, quarter 2 dire at -0.2%, quarter 3 bouncing back up to +0.5% and quarter 4 flat at 0.0%, +1.1% y/y. 2020 started with optimistic business surveys pointing to an upswing in growth after the ending of political uncertainty as a result of the decisive result of the

general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth. Since then, the whole world has changed as a result of the coronavirus outbreak. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

After the Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to sit on its hands and to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in quantitative easing (QE), essentially the purchases of gilts (mainly) by the Bank of England of £200bn. The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country is locked down. It also put in place a raft of other measures to help businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income. However, at the time of writing, this leaves open a question as to whether some firms will be solvent, even if they take out such loans, and some may also choose to close as there is, and will be, insufficient demand for their services. At the time of writing, this is a rapidly evolving situation so there may be further measures to come from the Bank and the Government in April and beyond. The measures to support jobs and businesses already taken by the Government will result in a huge increase in the annual budget deficit in 2020/21 from 2%, to nearly 11%. The ratio of debt to GDP is also likely to increase from 80% to around 105%. In the Budget in March, the Government also announced a large increase in spending on infrastructure; this will also help the economy to recover once the lock down is ended. Provided the coronavirus outbreak is brought under control relatively swiftly, and the lock down is eased, then it is hoped that there would be a sharp recovery, but one that would take a prolonged time to fully recover previous lost momentum.

Inflation has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which is already causing a glut in the supply of oil which has fallen sharply in price. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.

Employment had been growing healthily through the last year but it is obviously heading for a big hit in March – April 2020. The good news over the last year is that wage inflation has been significantly higher than CPI inflation which means that consumer real spending power had been increasing and so will have provided support to GDP growth. However, while people cannot leave their homes to do non-food shopping, retail sales will also take a big hit.

**USA.** Growth in quarter 1 of 2019 was strong at 3.1% but growth fell back to 2.0% in quarter 2 and 2.1% in quarters 3 and 4. The slowdown in economic growth resulted in the Fed cutting rates from 2.25-2.50% by 0.25% in each of July, September and

October. Once coronavirus started to impact the US in a big way, the Fed took decisive action by cutting rates twice by 0.50%, and then 1.00%, in March, all the way down to 0.00 – 0.25%. Near the end of March, Congress agreed a \$2trn stimulus package (worth about 10% of GDP) and new lending facilities announced by the Fed which could channel up to \$6trn in temporary financing to consumers and firms over the coming months. Nearly half of the first figure is made up of permanent fiscal transfers to households and firms, including cash payments of \$1,200 to individuals.

The loans for small businesses, which convert into grants if firms use them to maintain their payroll, will cost \$367bn and 100% of the cost of lost wages for four months will also be covered. In addition there will be \$500bn of funding from the Treasury's Exchange Stabilization Fund which will provide loans for hard-hit industries, including \$50bn for airlines.

However, all this will not stop the US falling into a sharp recession in quarter 2 of 2020; some estimates are that growth could fall by as much as 40%. The first two weeks in March of initial jobless claims have already hit a total of 10 million and look headed for a total of 15 million by the end of March.

**EUROZONE.** The annual rate of GDP growth has been steadily falling, from 1.8% in 2018 to only 0.9% y/y in quarter 4 in 2019. The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by purchases of debt. However, the downturn in EZ growth, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), prompted the ECB to take new measures to stimulate growth. At its March 2019 meeting it announced a third round of TLTROs; this provided banks with cheap two year maturity borrowing every three months from September 2019 until March 2021. However, since then, the downturn in EZ and world growth has gathered momentum so at its meeting in September 2019, it cut its deposit rate further into negative territory, from -0.4% to -0.5% and announced a resumption of quantitative easing purchases of debt to start in November at €20bn per month, a relatively small amount, plus more TLTRO measures. Once coronavirus started having a major impact in Europe, the ECB took action in March 2020 to expand its QE operations and other measures to help promote expansion of credit and economic growth. What is currently missing is a coordinated EU response of fiscal action by all national governments to protect jobs, support businesses directly and promote economic growth by expanding government expenditure on e.g. infrastructure; action is therefore likely to be patchy.

**CHINA.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium-term risks have also been increasing. The major feature of 2019 was the trade war with the US. However, this has been eclipsed by being the first country to be hit by the coronavirus outbreak; this resulted in a lock down of the country and a major contraction of economic activity in February-March 2020. While it appears that China has put a lid on the virus by the end of March, these are still early days to be confident and it is clear that the economy is going to take some time to recover its previous rate of growth. Ongoing economic issues remain, in needing to make major progress to eliminate excess industrial capacity and to switch investment from property construction and infrastructure to consumer goods production. It also needs to address the level of non-performing loans in the banking and credit systems.

**JAPAN** has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also

making little progress on fundamental reform of the economy. It appears to have missed much of the domestic impact from coronavirus in 2019-20 but the virus is at an early stage there.


**WORLD GROWTH.** The trade war between the US and China on tariffs was a major concern to financial markets and was depressing worldwide growth during 2019, as any downturn in China would spill over into impacting countries supplying raw materials to China. Concerns were particularly focused on the synchronised general weakening of growth in the major economies of the world. These concerns resulted in government bond yields in the developed world falling significantly during 2019. In 2020, coronavirus is the big issue which is going to sweep around the world and have a major impact in causing a world recession in growth in 2020.

## **11. Other Issues**

**11.1 IFRS 16 Leases** In light of COVID-19 pressures, HM Treasury and the Financial Reporting Advisory Board (FRAB) have decided that IFRS 16 implementation in the public sector will be deferred for a further year, to 2021/22. This replaces the compliance deadline of 1 April 2020.

## REPORT TO CABINET

22 July 2020

<b>Subject:</b>	<b>Youth Facilities Working Group Report</b>
<b>Presenting Member:</b>	<b>Councillor Rajbir Singh Chair of Children's Services and Education Scrutiny Board</b>
<b>Director:</b>	<b>Executive Director of Children's Services – Lesley Hagger Director of Law and Governance &amp; Monitoring Officer - Surjit Tour</b>
<b>Contribution towards Vision 2030:</b>	
<b>Key Decision:</b>	No
<b>Cabinet Member Approval and Date:</b>	No
<b>Director Approval:</b>	Yes
<b>Reason for Urgency:</b>	None
<b>Exempt Information Ref:</b>	None
<b>Ward Councillor (s) Consulted (if applicable):</b>	Boorughwide
<b>Scrutiny Consultation Considered?</b>	Scrutiny Youth Facilities Working Group Children's Services and Education Scrutiny Board
<b>Contact Officer(s):</b>	James Sandy, Senior Democratic Services Officer Deb Breedon, Democratic Services Officer

### DECISION RECOMMENDATIONS

**That Cabinet:**

1. Receive and consider the report and recommendations of the Youth Facilities Scrutiny Working Group which was agreed by the Children's Services and Education Scrutiny Board on 22 June 2020 and referred to Cabinet for consideration as set out in Appendix 1.

2. In accordance with the Localism Act 2011, respond to the recommendations of the Children's Services and Education Board within two months, setting out any approved recommendations and how they will be implemented.
3. Consider the representation of young people on Town Deal Boards and that young people are consulted on the development of Town Investment Plans in Summer 2020.

## 1 **PURPOSE OF THE REPORT**

- 1.1 The Children's Services and Education Scrutiny Board established a working group in January 2020 to carry out a Review of Youth Facilities in Sandwell. The report outlines the findings and recommendations of the working group for Cabinet's consideration.
- 1.2 The focus of the working group was to find out what young people have, need and want, and to gather information to inform a Youth Facilities Sufficiency Strategy for Sandwell.
- 2 Several mechanisms were tested to gather evidence during the review they were evaluated and will inform future scrutiny working practices. Evaluation feedback of the scrutiny review process will be referred to the Scrutiny Review Working Group to inform future scrutiny working practices.

## 3 **IMPLICATION FOR VISION 2030**

- 3.1 High quality play and youth services improve the life chances of children and young people by enabling them to develop the confidence and aspirations for a successful adulthood. It is also acknowledged that children and young people have a right to enjoy their childhood. The services benefit whole communities, local neighbourhoods, families and individual children and young people.
- 3.2 Reviewing Youth Facilities, developing a sufficiency strategy to shape future services aligns to ambition 10 - that Sandwell has a reputation for getting things done, where all local partners are focussed on what really matters in people's lives and communities.
- 3.3 As we start to consider Reset and Recovery post-Covid19, there are opportunities to use the information and recommendations from this report to influence the future shape of the Council's services.

## 4 BACKGROUND AND MAIN CONSIDERATIONS

- 4.1 Youth Facilities across the country have been significantly depleted over the last ten-years, however, Sandwell Metropolitan Borough Council has managed to maintain some important services for children and young people that many other local authorities have not managed to protect.
- 4.2 The Youth Facilities Working Group was established by the Children's Services and Education Scrutiny Board, it consisted of four members of the Board: Councillors Singh (Chair), Chidley, McVittie and Preece. Members worked independently, and as a group, to gather evidence, supported by a core officer group.
- 4.3 The rationale for establishing a Youth Facilities Working Group was the need to consider current local youth provision and the role and sufficiency of youth work in line with the statutory guidance for Local Authorities.
- 4.4 The Working Group conducted the review and the process that it followed was evaluated. The Working Group gathered evidence to understand more about what youth facilities Sandwell currently has, what it needs and what people want.
- 4.5 The Working Group used a project plan which tested a range of methods to gather evidence including desk top research, #Myhillzone survey on social media, visits, forums, a question time session with [SHAPE youth forum](#) members and meetings.
- 4.6 The report provides a snap shot of youth facilities in Sandwell, based on the evidence gathered from January to March 2020 which aims to inform service shaping, resource requirements and future youth facilities provision.
- 4.7 The recommendations of the working group are contained in paragraph 16.3 of the report.
- 4.8 The experience of delivering youth services during the Covid19 lockdown have also helped to inform the recommendations in this report.

## 5 THE CURRENT POSITION

- 5.1 Recognising and protecting the future of these valuable services is important for the children and families of Sandwell and the Working Group highlighted the importance of multi-agency working and changing what we do to meet the changing environment and needs of young people.

- 5.2 The Working Group acknowledged that this is an environment of increasing demand and resource pressures, the services cannot be 'everything to everyone' and some prioritisation would be needed, especially in light of external factors, the Covid-19 pandemic, lockdown and uncertainty of grant funding from external sources would have extreme impact on Council resources.
- 5.3 The evidence gathered in the Working Group report also provides information about youth facilities in Sandwell to strengthen the Sandwell's Town Investment Plans and maximise funding from the Governments [Towns Fund](#). Town Deal Boards for each of the three selected Towns - West Bromwich, Rowley Regis and Smethwick will develop and agree a Town Investment Plan (TIP) for summer 2020. Government Investments in social infrastructure – town centres, community spaces, schools, libraries – can create spaces for people to meet and deliver projects that build on a spirit of pride that is often strong in towns and will give a strong foundation to develop skills and health. The prospectus for Towns Fund highlights, in the skills and enterprise infrastructure section, that places should also consider how they might provide additional support to young people to help them access traineeships or apprenticeships so that they can access and progress in work, especially for those young people at risk of leaving schools and being NEET (not in education or employment or training).
- 4.4 The Covid19 lockdown period has also demonstrated that good quality youth work in parks and on streets is also important. During the lockdown, detached youth work teams have been present in all of Sandwell's parks on a daily basis, meeting young people not normally involved in the youth service, the majority of whom have said that they would like to be involved in youth service activities in the future.

## 5 **EVALUATING THE SCRUTINY REVIEW PROCESS**

- 5.1 The approach used by the Working Group throughout the review was to 'shine a spotlight' or 'take a snapshot' of a specific topic within a specified timescale.
- 5.2 Key elements of the approach included looking at a specific topic, providing clarity on the current situation, identifying gaps in provision, looking at implications such as resource and capacity and informing service planning, future proof services and ensure decisions are aligning to the Vision 2030.
- 5.3 The final steps of the project plan for the Scrutiny Working Group was to evaluate the process they had followed. A google evaluation form was circulated and completed by Members.



- 5.4 Feedback received about the process proved very encouraging and indicates that the scrutiny review process is a successful tool for future scrutiny work. The feedback received is attached for information. (Appendix 2).
- 5.5 Further scrutiny of issues identified, outside the focus of the review, during the process will not be lost, they will inform the Scrutiny Work Programme for the Boards.
- 5.6 Tracking of the recommendations will be carried out to monitor implementation and value added in terms of improvement to Youth Facilities. Monitoring will be reported to the Budget and Corporate Scrutiny Management Board.

## **6 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 6.1 Consultation with public, partners, young people and voluntary sector was carried out during the evidence gathering process of the review. Further detail is set out in the report of the Working Group.

## **7 ALTERNATIVE OPTIONS**

- 7.1 The purpose of the review is to consider whether current youth facilities meet the needs of young people and if the Council should consider alternative options.

## **8 STRATEGIC RESOURCE IMPLICATIONS**

- 8.1 The Youth Service is funded through an SMBC base budget and income generated from a variety of sources.
- 8.2 The working group identified that Local Government Budget reductions (2010-2019) had resulted in a marked reduction in youth provision and the way it was delivered in Sandwell. It considered that current provision was not sufficient to meet the needs of young people now and in the future, and that future resource would need to be considered when prioritising and developing the youth offer.
- 8.3 Government has recognised the need to invest in young people's futures through additional funding for youth projects. Children's and Education Scrutiny Board will further consider maximising future funding opportunities for youth provision, and youth participation in developing Town Investment Plans.

## **9 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 9.1 There are no current considerations.
- 9.2 In accordance with the Localism Act 2011, Cabinet is requested to respond to the recommendations of the scrutiny board within two months, setting out any approved recommendations, and how they will be implemented.

## **10 EQUALITY IMPACT ASSESSMENT**

- 10.1 The Youth Services provides targeted group work relevant to protected characteristics.

## **11 DATA PROTECTION IMPACT ASSESSMENT**

- 11.1 There are no current requirements for a data protection impact assessment to be carried out relevant to this report.

## **12 CRIME AND DISORDER AND RISK ASSESSMENT**

- 12.1 There are no crime and disorder risks specifically relating to this report, however, it must be noted that the impact of youth engagement in positive activities has implications for crime reduction.

## **13 SUSTAINABILITY OF PROPOSALS**

- 13.1 The sustainability of services is reliant on the continued provision of funding for services, some of which are directly funded through government grants or traded income.
- 13.2 There continues to be increasing demands on Play and Youth Services to support community and borough wide events. In particular, the Youth Service is called upon to provide support to local activities by providing the climbing wall, youth buses and provision of live music from Coneygre Arts Centre. In addition, there is pressure to deliver the Youth Offer in some towns where there is a shortfall in voluntary sector provision.
- 13.3 Enhanced Youth Support has proven to be an integral part of the Youth Service offer. This service provides support to both individuals and groups through targeted interventions and referrals are received through a number of partners including schools, COGs, Police and Children's Centres. The success has been such that demand is beginning to exceed capacity.

## **14 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

14.1 Play and Youth services that benefit the wellbeing of children and young people are a vital component of successful lives and contribute to social value within Sandwell's communities.

## **15 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

15.1 There are high demands on the youth buses. The double decker bus is 20 years old and given its age is prone to regular breakdown during the winter months. To replace the bus and fully kit it out would require an investment of up to £200,000.

15.2 The Youth Service has operational management responsibility of Coneygre Arts Centre and Malthouse Stables Outdoor Education Centre. These centres both have income targets which contribute to the core budget of the Service.

## **16 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

16.1 The report of the Youth Facilities Review Working Group is attached (Appendix 1). The report details the evidence gathered, findings and conclusions of the Working Group and the recommendations to be referred to Cabinet for consideration.

16.2 **Conclusions and rationale for the recommendations are set out in paragraph 7** of the report. The key areas identified for change were:

- Communication- tell people about the youth offer
- Internet connection, upgrade equipment and a safe place for young people (WiFi and Dry)
- Transport and safe travel for vulnerable young people
- Funding and revenue investment
- Sufficiency of Youth Offer and multi-agency approach
- Capacity – more youth workers needed, more work with partners and extending youth range to include young people earlier
- Developing democratic processes and active participation from young people in decision making.

### 16.3 The recommendations for consideration by Cabinet are:

**R1 A Partnership Framework (to include a Communications Plan and Multi-agency approach)** is developed with young people, for young people and is specifically targeted to promote current activities and future opportunities using the experts within the council to provide a joined-up plan that compliments services across the local authority. This should consider how we currently communicate, what we currently communicate and the most effective platforms to use across a range of media.

A **Youth Symposium** should be held in early 2021 for all partners in the borough to help build a clear picture of what is available, build upon key themes arising from the Scrutiny Review, the multi-agency approach and develop closer partnership working for a joined-up offer for Sandwell. The youth symposium should draw together a joined-up approval to youth work and young people in Sandwell.

**R2** Young people should be afforded **safe, flexible, space of their own, with 'Wi-fi & Dry' as the basic offer in Sandwell**. The council should take a strategic approach and consider modelling 'space options' across the Borough's 6 towns, these could test:

- a) Use of libraries within extended opening times – rethinking their use in the community
- b) Mobile provision (through a bus or support vehicle).
- c) Pop up shops and underused town centre units.
- d) Leisure & Activity Centres.
- e) Other council properties and schools.
- f) New build, where no existing options are deemed suitable.

**R3** The council explores the option of providing **free or concessionary public transport for young people to enable better access to local youth activities, opening up Sandwell and all it offers**. Targeted provision should be considered in relation to vulnerable young people and those with Special Educational Needs (SEN).

**R4** The council should **take a more strategic approach to funding** and explore existing funding pots through a better use of regional partnerships and directories. Better alignment could be made **to complimentary activity within the voluntary sector** (such as SVCO's community grants) and **to the corporate social responsibility objectives** of local businesses.

**R5** The Council should **develop a renewed ‘Youth Offer’** which clearly identifies the very positive activities that are currently on offer and addresses those gaps which would enable a more bespoke approach. The **National Youth Agency’s Standard Quality Mark Framework** should be used to measure the capacity, quality and sufficiency of youth facilities in Sandwell.

**R6** A renewed youth offer would aim to close the gaps in provision and ensure sufficiency of youth facilities, but in order to do would require an increase in capacity and therefore the resources required to deliver the provision would need to be reviewed.

**R7** Following the success of the **Question Time session** held during the review, it is recommended that quarterly Question Time sessions be scheduled into the Scrutiny Work Programme, with Shape forum the Cabinet Member / Champion for Children and Young People.

16.4 The Evaluation of the process undertaken is attached (Appendix 2). The methods used and feedback from working group members will inform the development and future working practices for the scrutiny function.

16.5 The experiences of the Covid19 lockdown, and engagement with young people through detached youth work during that time, has reinforced the recommendations in this report.

## **17 BACKGROUND PAPERS**

17.1 Children’s Services and Education Scrutiny Board 18.03.2019 - Youth Service 2017/18 [Report](#)

## **18 APPENDICES:**

Appendix 1 – Youth Facilities Review Report

Appendix 2 – Evaluation Feedback – Scrutiny Review Process

Director of Law and Governance & Monitoring Officer - Surjit Tour  
Executive Director of Children’s Services – Lesley Hagger



## Youth Facilities Work Group



**Councillor Rajbir Singh (Chair)**



**Councillor Jenny Chidley**



**Councillor Richard McVittie**



**Councillor Liam Preece**

# Review of Youth Facilities in Sandwell

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## **1.0 Introduction from Chair**

The 'best start for all our children' is vital for a healthy and thriving future community in Sandwell. I hope everyone will agree with this statement and take action to turn this aspiration into a reality in Sandwell.

From the outset, the overriding purpose of reviewing our youth facilities was to ensure that young people received the best possible support and services that the council and its partners can provide within a limited cash envelope.

I am very grateful to Sandwell Council officers and councillors, who engaged our fantastic young people, because they are best placed to know what our communities need and take decisions about how best to organise vital services for young people.

The Scrutiny Review Group has acted as an advocate for young people living in Sandwell and provided honest and constructive challenge during this review. Without urgent action to examine our existing youth services, we are at danger of providing services that are not relevant to young people for the longer term and risk a lost generation with nowhere to turn.

Youth Work is more than simply being in spaces where young people are, or may be, and providing something for them to do. It is an important distinction to make and to recognise this when making decisions about the purpose and functions of Sandwell's Youth Service.

We carried out the review of Youth Facilities across Sandwell to ensure that young people's perspective led our future planning.

The impact of ten years of budget cuts is a reduction in youth facilities, universal youth services and capacity to provide sufficient youth provision. The review has highlighted the need to consider how much provision is required, the way youth work is provided and the impact of youth work on crime, confidence and the best start in life.

Our play and youth services benefit the wellbeing of children and young people, they are a vital component of successful lives and contribute to social value within Sandwell's communities. The best start in life for children and young people is one of the six outcomes in the 2020 corporate plan "Big Plans for a Great Place for the People of Sandwell". We want to work with residents, partners and businesses to create a healthier, more successful future for the young people of Sandwell.



The Covid-19 Pandemic has wide ranging implications for young people and it is even more important for Sandwell to focus on the needs and wants of our youth service offer now and in the future.

This report sets out the process, findings and recommendations of the work group which will be considered by the Children's Services and Education Scrutiny Board and subsequently by Cabinet to respond to the findings and recommendations.

## 2.0 Executive Summary

In April 2019 the All Party Parliamentary Group published its [report - youth affairs](#) from the inquiry into 'The Role and Sufficiency of Youth Work', and in July 2019, the government launched a review into how the statutory guidance for Local Authorities on providing youth services can be more useful for local youth service provision and young people themselves.

The rationale for establishing a Youth Facilities Working Group was the need to consider current local youth provision and the role and sufficiency of youth work in line with the statutory guidance for Local Authorities.

Children's Services and Education Scrutiny Board [27 January 2020](#) agreed the scope and project plan to carry out the review from January to March 2020. More about the review process can be seen in paragraph 5 of the report.

**The focus of the review was to understand the current levels of youth provision and if it was sufficient.**

As a result of austerity and budget reductions Sandwell's youth service and the facilities that it offered to young people has reduced over a decade. The impact of this change has not been assessed.

Facilities for young people are not only provided by the local authority – there are many activities provided by Sandwell's community and voluntary sector and companies such as Sandwell Leisure Trust, but there is no information available to assess whether the provision meets need.

**The Working Group wanted to find out Sandwell Young People's view about local provision.**

During the course of the review Members visited youth facilities, met with parents, providers and young people to find out their opinions and information about our youth facilities and to hear about the facilities young people have, need and want. Young people from the SHAPE youth forum have participated in the local decision-making process, gathered evidence, participated in forums and held a 'Question Time' session with members.

**This report captures current provision, where there are gaps, what young people think about the provision and what more they need and want.**

The Working Group has gathered evidence, considered all findings and drawn conclusions to inform recommendations to the Children's Services and Education Scrutiny Board. The report provides a summary of findings and a temperature gauge of what young people need and want more of for the future youth provision in Sandwell.

### **Sandwell's Vision**

High quality play and youth services improve the life chances of children and young people and acknowledge that children and young people have a right to enjoy their childhood as well as enabling them to develop the confidence and aspirations for a successful adulthood. Youth and play services benefit whole communities, local neighbourhoods, families and individual children and young people.

## **3.0 Background**

### **3.1 National Policy Context**

National Youth Agency definition of Youth Work - 'Youth work is an educational process that engages with young people in a curriculum built from their lived experience, and their personal beliefs and aspirations. This process extends and deepens a young person's understanding of themselves, their community and the world in which they live and supports them to proactively bring about positive changes. The youth worker builds positive relationships with young people based on mutual respect.' (*Vision for Youth Work in England to 2020*).

The YMCA recent report '[Out of Service](#)' highlights that youth services exist to provide a sense of belonging, a safe space, and the opportunity for young people to enjoy being young. However, for almost a decade, local authorities have struggled under the weight of funding pressures, meaning youth services are being forced to endure continued and damaging cuts.

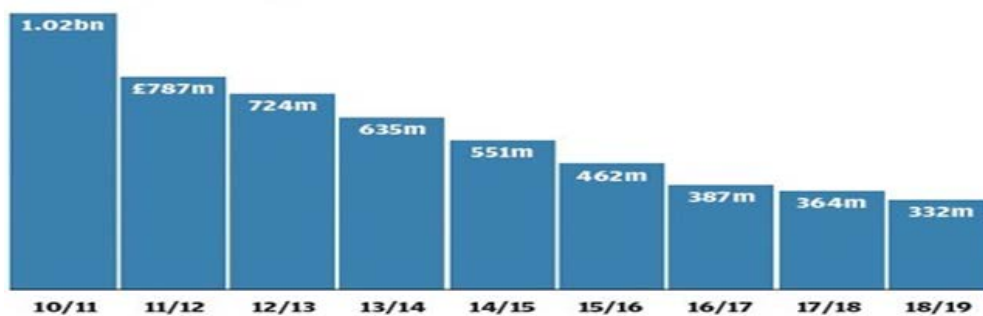
**'The last decade was not good for youth work. The statistics are well known: since 2010, hundreds of youth clubs have been closed; thousands of youth work jobs lost; and more than 100,000 places for young people scrapped – the result of a 75 per cent reduction in council youth work budgets.'**

Derren Hayes, Children & Young People Now Magazine, 28 January 2020

Analysis by the Commons Home Affairs Committee found that councils spent nearly £1bn less in real terms on youth services in 2018/19 than they did in 2010. Operating on dramatically reduced resources has not only seen councils slim down their youth work provision, but increasingly focus what little they have on interventions targeted at young people most in need of support.

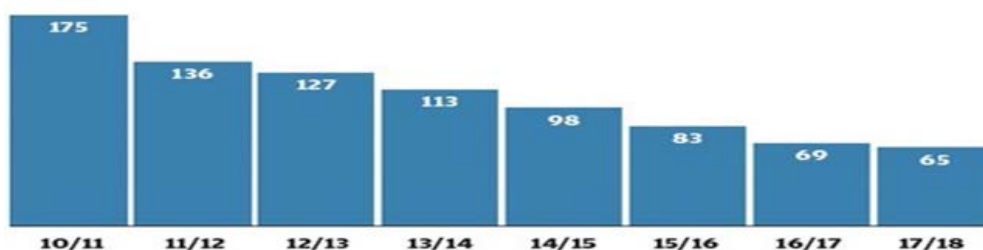
### TRENDS IN COUNCIL YOUTH SERVICES SINCE 2010

#### Spending on young people's services



Source: Section 251 returns by local authorities, DJE

#### Changes in spending per young person



Source: Youth work review, APPG for Youth Affairs, April 2019

Every region of England has each seen funding for youth services cut by more than 60% since 2010. Some of the most severely affected experienced average cuts of as much as 74% in the North West, 76% in the North East, and 80% in the West Midlands.

## 3.2 The Cost of Austerity

The funding reductions have resulted in the amount spent on universal services, provision that is open to all young people, fall and spending on targeted provision rise. The shift has raised concerns among some youth work experts that targeted provision is seen as a short-term fix for a range of social problems rather than investing in long-term relationships with young people through informal education.

The House of Commons, Home Affairs Committee Serious Youth Violence report (July 2019) highlighted the need for partners to work together in a multi-agency approach. Serious violence has got worse after youth service cuts, police cuts, more children being excluded from school and a failure of statutory agencies to keep them safe.

The Government recognised that more needed to be done to intervene early in young people's lives, making sure they have safe places to go to and trusted adults to help them and protect them from harm. So much of this support has been stripped away, leaving children vulnerable to exploitation by criminal groups.

'Youth services are in tatters after almost a decade of austerity. Our research has shown that since 2010 government cuts have forced 940 youth centres to close with the loss of 4,500 youth workers.

*Head of local government at Unison, Jon Richards.*

### 3.3 The Value of Youth Work

The YMCA 'Out of Service' report also highlights that youth services have a vital role to play in **tackling crime, gang culture and loneliness**.

The report found that a quarter of young people do not spend time with their friends outside of school due to a **fear of gangs**. A third also stopped seeing friends away from school as they **did not feel safe on the streets**.

Only half of young people could identify any **youth services near them**, despite 55% believing they help keep young people off the streets, the report found.

In addition to reducing crime, more than half of those surveyed also said youth services gave them the opportunity to develop **new skills and improve their confidence and self-esteem**.

These findings show that what they are crying out for are the very things youth services are specifically designed to provide. Every young person deserves a **safe space, a trusted adult and the opportunity to enjoy being young**. Young people are telling us what they need – in their own words – and in order to support them now and in the future, they must be listened to and acted upon.

### 3.4 The Wider Benefits of Youth Work

It has long been recognised that youth work has wider benefits for youth and for the community.

'The positive impacts of youth work make it cost effective in the medium to long term and include; improved engagement with school and education; a positive impact on the incidence of crime and anti-social behaviour amongst

young people; improvement in the wider learning and social skills of young people and helps to keep young people safe'. (Unite 2005)

Youth workers in communities and in specialist projects have regularly been shown to play important roles in supporting young people to make informed choices and deal with the range of challenges they encounter – from drugs and knife crime to mental ill-health and loneliness. In many cases, young people and the community themselves want more youth work above other services to help tackle these issues. (The role of Youth Services to reduce youth crime (NYA 2019)

In September 2019 it was reported that as youth budgets have shrunk over recent years, violent crime had spiked. Police chiefs and campaigners said it was no coincidence.

**West Midlands Police and Crime Commissioner Mr Jamieson said:**

*“The Government had slashed council budgets. After years of austerity, youth services have been cut back to the bone. Young people used to be offered help, support and activities which enabled them to lead happy and successful lives”.*

*“Now, many of the services have been axed and it has left young people with limited life chances and no place to turn. I am deeply concerned that these cuts, combined with rising levels of school exclusions, are fuelling violent crime”.*

In January 2020 the Government announced additional budget for Police services. Mr Jamieson said that ‘whilst good quality policing is crucial to reducing crime, other services have a big role to play too. We need to see an increase in youth services if the government are serious about tackling the root causes of crime too.’

In March 2020, the All-Parliamentary Group (APPG) report on knife crime and

Nationally, youth violence has become a hugely contentious public and political issue and the debate about the causes, extent and solutions seems to constantly occupy the media.

Neighbouring Authority **City of Wolverhampton Council** carried out a review of Youth Violent Crime in January 2020 and highlighted the need to support existing good work and to ensure that those with the knowledge, expertise and resources; who are best placed to make such judgements are supported and encouraged to do so.

One of the reviews ten recommendations was to continue to support young people in the City through **the provision of sustained and co-ordinated youth provision**, strategically informed by the Youth Engagement Strategy.

violence reduction - [Securing a Brighter Future](#) made some strong links between youth service closures and the rise in knife crime, as well as making recommendations for a national audit of current youth services, funding for Local Authorities (LA) to sustain youth work, statutory requirement for a minimum level of professional youth service provision in each LA area and investment in professional youth workforce.

The Local Government [Bright Futures Report 2017](#) (Updated in 2019) highlighted that there was increasing evidence about where early help can add real value, such as through preventing children and young people from experiencing adverse childhood experiences, to the value of supporting families to improve their lives.

The need for young people's voices to be central to the provision offered to them, for them to be able to participate and feel included in their communities, and able to access information, support and services they need to develop skills and knowledge and to be safe and well.

Developing services they need and want is a focus for this working group review of Youth Facilities.

## **5.0 Local Context**

Sandwell town profiles and infographic summaries are available through following the link to [Sandwell Trends](#).

In 2017, a research project - Aspire Sandwell was conducted to evaluate the levels of aspirations amongst Key Stage 3 pupils across Sandwell. Young people were consulted and focus groups highlighted that students had high aspirations but did not know how to achieve them – often students would state option choices that did not link their future careers and that they did not know whom to talk to about their careers. Local stakeholders have been consulted during this review relating to local youth facilities.

### **4.1 Sandwell Council Resources**

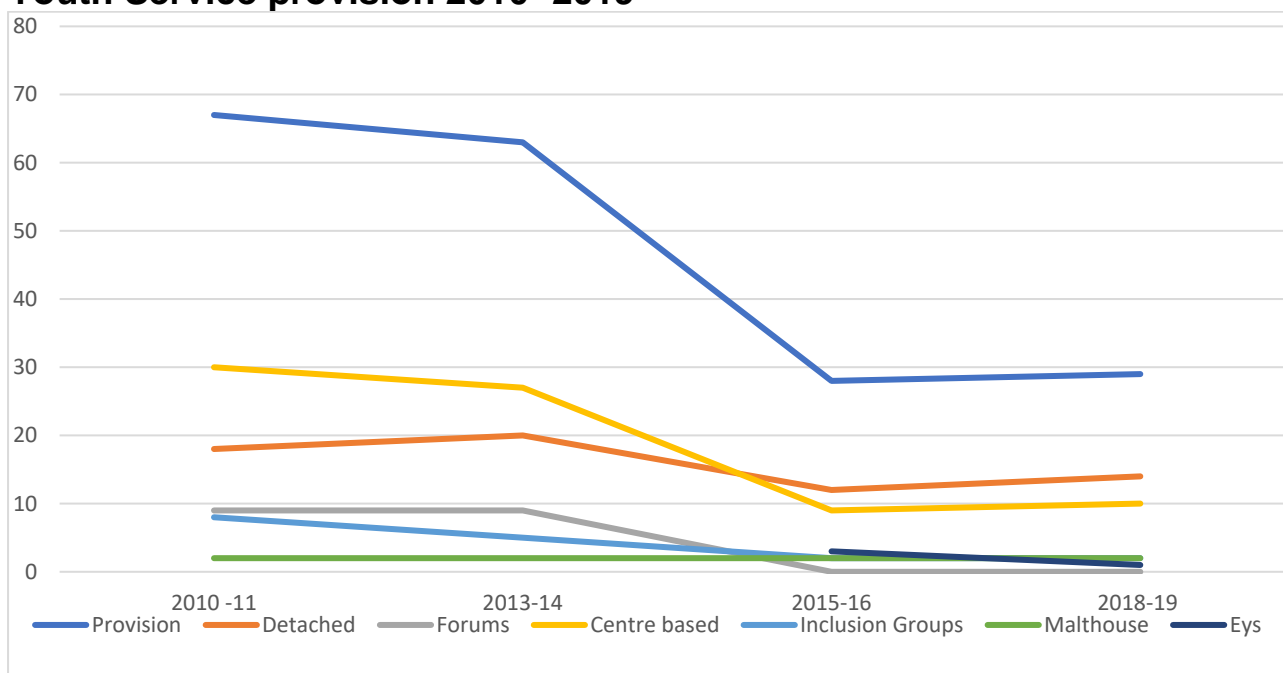
Despite recent years of austerity and the impact on local government budgets, Sandwell Metropolitan Borough Council has maintained a budget for some important services for children and young people that many other local authorities have not managed to protect.

The figures in the table below demonstrate the reduction between 2010-2019 and how Sandwell has continued to invest in youth services.

Financial Year	Staffing Budget	Non Staffing Budget	Total Expenditure Budget	Total Income Generation	Target Funding
2010-11	2,261,000	1,357,800	3,618,800	-1,143,200	2,475,600
2013-14	1,562,600	1,036,700	2,599,300	-281,000	2,318,300
2017-18	790,600	269,600	1,060,200	-144,900	915,300
2018-19	828,100	279,200	1,107,300	-141,900	965,400
2019-20	858,700	279,200	1,137,900	-141,900	996,000

The budget reduction resulted in a marked reduction in youth provision between 2010-2019 and the way in which youth services were provided.

### Youth Service provision 2010- 2019



- April 2010 - 11 – 67 provisions (18 detached teams, 9 forums, 30 centre based, 8 inclusion groups, 2 Malthouse)
- April 2013 - 14 – 63 provisions (20 detached teams, 9 forums, 27 centre based, 5 inclusion groups, 2 Malthouse)
- April 2015 - 16 – 28 provisions (12 detached teams, 0 forums, 9 centre based, 2 inclusion groups, 3 EYS Groups, 2 Malthouse) – Youth Service total loss 54%
- April 2018 - 19 – 29 provisions (14 detached teams, 0 forums, 10 centre based, 2 inclusion groups, 1 EYS Group, 2 Malthouse) Lost 1 Girls Group and 1 Boys Group
- April 2019 -20 – 28 provisions (14 detached teams, 0 forums, 9 centre based, 3 inclusion groups, 1 EYS Group, 1 Malthouse) Lost Hill Top YC and BLAST, Gained Wednesbury YC and Multi-Activity SEND Group
- Current Facilities: 8 youth clubs, Detached team, EYS (Enhanced Youth Service), Malthouse Outdoor Education Centre, Coneygre Arts Centre, Youth Buses, Teamworx, SHAPE programme.

## 4.2 Funding

Sandwell Council current youth provision costs in the region of £1 million. The Council continues to apply for funding for youth provision from a variety of funding pots. In 2018-19 Sandwell Council accessed external funding of £5,000 via Emerge (funded by Spirit of 2012) and Youth Services accessed £12,949 of funding for projects from Sandwell MBC Youth Offer budget.

### The purpose of the Youth Offer Budget

The budget was split equally across the 6 towns and wards, was to support and empower Sandwell's young people and the provision of local services, activities and facilities that were of great value to local young people and communities.

Therefore, the budget was used to support internal and external projects that demonstrated they would support young people to be engaged in activities, feel safe and empowered to make positive lifestyle choices.

Since Town Grants funding, which included the Youth Offer Budget, were transferred to Sandwell Council of Voluntary Organisation (SCVO) in January 2020 any groups internal or external who require funding would have to apply to SCVO.

### Breakdown of Youth Offer Awarded 2018/2019 and 2019/20:

2018/19 Town	Total Spend
Smethwick	£ 6,667.88
Oldbury	£ 2,372.40
Rowley Regis	£ 6,259.29
Tipton	£ 4,648.40
Wednesbury	£ 6,776.05
West Bromwich	£10,726.16
<b>Totals</b>	<b>£37,450.18</b>

2019/20 Town	Total Spend
Smethwick	£ 1,800.00
Oldbury	£ 3,832.37
Rowley Regis	£ 3,432.11
Tipton	£ 4,195.00
Wednesbury	£ 10,696.11
West Bromwich	£ 6,447.05
<b>Totals</b>	<b>£ 30,402.64</b>



Further to total spend a breakdown of the Youth Funding for 2018/19 and 2019/20 for both internal and external funding awards can be seen at appendix X.

The appendix identifies the Group name, amount of funding, town and project for each award.

### **Future Funding**

The Government has recognised the need to invest in young people's futures and announced in October 2019, a £12 million boost in youth projects across the Country, as part of the Government's commitment to help young people thrive and level up opportunities. This funding has supported Scouts and Guides groups, NHS volunteering by young people and the Duke of Edinburgh Scheme.

In December 2019, The Queens speech highlighted that a £3.6 billion Towns Fund for towns across England has been brought into level up our regions. In September, 100 places were selected to develop proposals for a Town Deal of up to £25 million, 3 Towns in Sandwell were included in the invitation to develop proposals.

In February 2020 Sandwell Council approved grant fund of £311,000 for Sandwell Council of Voluntary Organisations (SCVO) to lead on awarding small grants and run the Vision 2030 Community Grants Programme. The funding is not specifically for youth facilities, however voluntary and community groups will be able to apply for small grants of up to £5,000 to support projects, activities and events that support Sandwell's Vision 2030 and are linked to the following:

- Building social connections
- Youth activities
- Healthy lifestyles

In March 2020, the coronavirus pandemic changed the landscape for services, for young people and youth work. The lock-down and social distancing requirements changed the focus of what we do to keep young people safe. Detached youth work has continued on a daily basis across the Borough with a focus on making sure young people understand the Government guidelines about social isolation/ social distancing and keeping themselves, friends and families safe. Messaging has also taken place through the [Facebook page](#) and virtual activities have been offered online.

**It is almost certain that funding, in the wider emergency context, will be reviewed and that the funding assumptions highlighted in the review may be revised and public bodies be asked to divert to urgency measures.**

### 4.3 The Current Youth Offer

There are 8 youth clubs altogether with at least one per town in Sandwell offering personal and professional development workshops for accreditation opportunities around First Aid, Food Hygiene, Award Scheme Development and Accreditation Network (ASDAN) providing skills for life and Arts Award.

Workshops are also offered on drugs & alcohol, sexual health, smoking awareness, teenage pregnancy, sexual exploitation, bullying, self-image, confidence and more. Clubs provide social and recreational activities too. Youth clubs develop an action plan with young people that drive activities based on young people's needs.

The Youth Service works closely with a range of partners, particularly the police and schools, and it works well alongside the play service, but these are not currently linked together organisationally, nor strategically or operationally. Sustainability of services is reliant on the continued provision of funding for services, some of which are directly funded through government grants or traded income.

Sandwell also runs its youth participation work through the SHAPE Programme and focuses on 5 key areas; Staying Safe, Being Healthy, Enjoying & Achieving, Making a Positive Contribution and Economic Wellbeing. The Youth Service has been integral to the development of the programme over the past 5 years and Sandwell's Youth Service staff enable the SHAPE programme to be delivered. Youth Service staff provide both strategic and practical support to the programme and have helped develop much of the activity on the ground including SHAPE Your Talent, Youth Conferences, surveys, youth takeovers, anti-bullying roadshows and the annual Youth Festival's.

There continues to be increasing demands on the youth and play services to support community and borough wide events. In particular, the Youth Service is called upon to provide support to local activities by providing the Climbing wall, youth buses and provision of live music from Coneygre Arts Centre. In addition, there is pressure to deliver the Youth Offer in some towns where there is a shortfall in voluntary sector provision.

Enhanced Youth Support has proven to be an integral part of the Youth Service offer. This service provides support to both individuals and groups through targeted interventions and referrals are received through a number of partners including schools, Community Operating Groups (COG's), Police and Children's Centres. The success has been such that demand is beginning to exceed capacity.

The current staffing structure can be seen at appendix 1 to the report.

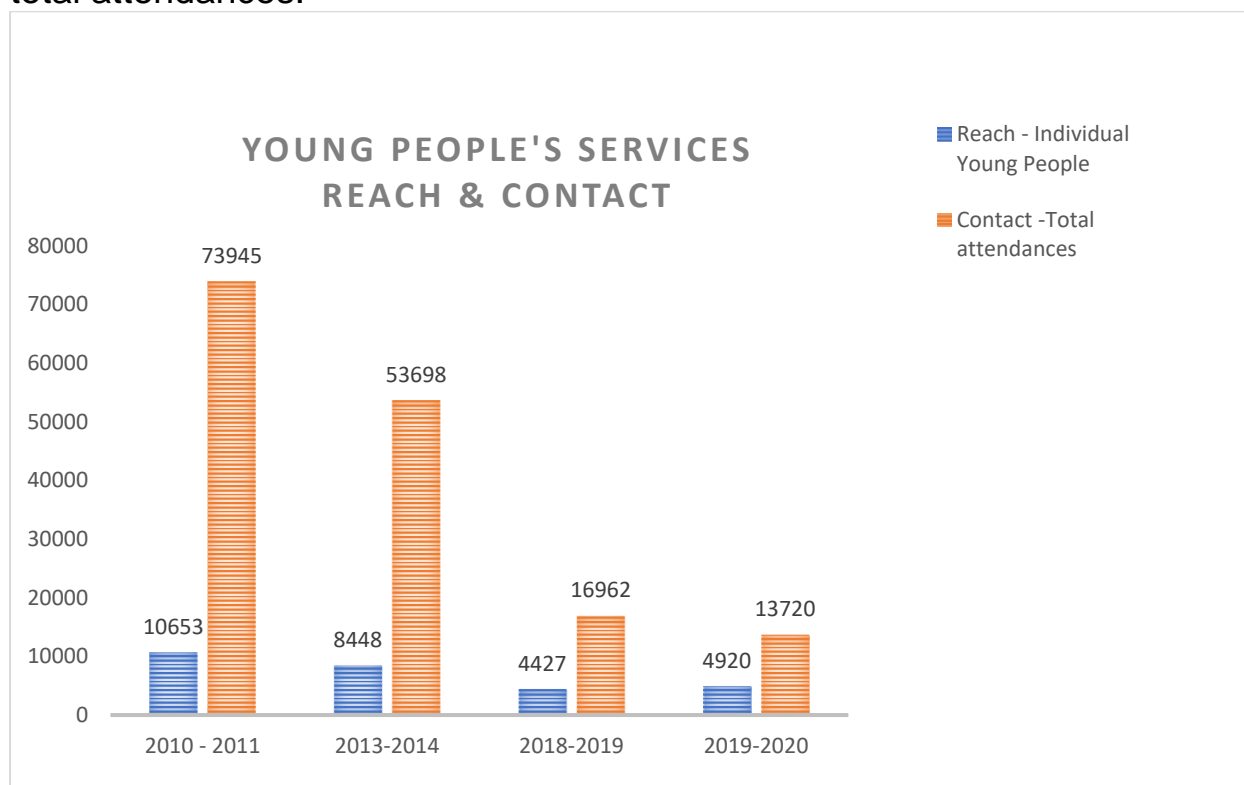
In addition to physical provision young people are encouraged to use social media, Just Youth is a [website](#) designed by young people for young people. The website is a free interactive online listings guide. Young people can register to be kept up to date of events and activities in Sandwell.

Justyouth.org.uk lets you know what's on in Sandwell, wherever you are, any time you like. The website has been stagnant for a while due to capacity to maintain and develop content but is currently being reviewed with young people to improve and maintain it going forward.

In addition to the website young people use [Facebook](#) and Instagram to participate in youth provision.

#### 4.4 How many young people do we reach?

Physical interaction is measured in reaching individual young people and in total attendances.



With more funding youth services could reach more young people.

Youth work is an educational process that engages with young people in a curriculum that deepens a young person's understanding of themselves, their community and the world in which they live. It develops their confidence and enables them to believe in themselves and make positive choices and it is underpinned by a set of values, the first of which is that young people choose to take part.

Skilled youth workers build relationships that support young people to explore their personal, social and educational development. Youth work enables young people to develop their voice, influence and place within society.

## 5.0 Youth Facilities Review

5.1 **Why do a review?** The Children's Services & Education Scrutiny Board set up a working group consisting of four members of the Board to carry out a review Youth Facilities across Sandwell. Youth services was last reviewed by scrutiny in 2011. The working group agreed a focused approach to look at youth facilities from young people's perspective:

***What youth facilities does Sandwell:***

***Have? Need? Want?***

- What is the current provision?
- Does the current provision meet the needs of young people?
- What do young people want?

### **Scope of the review:**

- to assess the impact of austerity and budget reductions on the youth service and the youth offer in Sandwell over a decade;
- to understand the needs and wants of Sandwell's youth population;
- to identify the current levels of activity and provision on offer to young people across Sandwell;
- to assess whether the level of provision, either directly provided or grant-aided/procured by Sandwell Council is sufficient to meet the needs and wants of young people across the Borough;
- to identify any gaps in current provision and how those gaps might be filled, or any over-sufficiency in provision;
- to explore best practice, technological changes and other ways of working.
- to involve young people in local decision-making.
- to use new approaches to scrutiny activity during evidence gathering.
- to produce a robust and coherent report, informed by young people, to inform a 'sufficiency strategy' for youth provision in Sandwell.

The review was member led with officers supporting, to focus on particular elements of the review, such as;

- Building the evidence base
- Capturing the local picture, through visits and meeting forums
- Considering external factors and examples of good practice

The officer steering group comprised of colleagues from Youth Service, Neighbourhoods, Democratic Services, young people from SHAPE and wider partner organisations including West Midlands Police and local support officers to ensure fit with wider policy, the Vision 2020 and the national & international context.

The review incorporated a range of methods to gather evidence, including engagement, fact-finding and research activities, over a three-month period.

Date	Activity
8 January	Scope and initial outline report
13 January	Online survey set up
20 January	Officer support meeting
21 January	Review Group - Scope meeting
27 January	Children's & Young People Scrutiny Board
3 February	Survey feedback
3 February	Invitations and planning for forums
5 February	Review Group Meeting
10 - 21 February	Members site visits to Youth facilities and Field Research
24 – 28 February	Forums: Coneygre Arts Centre Sandwell Parents of Disabled Children Police Representatives Youth Worker Staff Conference
2-4 March	Review feedback and findings
5 March	Members Question Time with SHAPE
10 March	Visit to the Factory Young People's Centre and meeting with NYA
12 March	Review Group meeting evaluation and recommendations
31 March	Draft report
April	Final Report and Recommendations
	Evaluation & Learning

The scrutiny process enabled young people to participate in democratic process and gave members and officers opportunity to trial different ways of working, as highlighted by the Review of Scrutiny Working Group in its recent [report and recommendations](#)

## 5.2 What did we do? - Evidence Gathering

A wide range of evidence was gathered in a short timeframe to provide a snapshot of the current 'Youth Offer' in Sandwell and the local and national context.

Method	How	Who
<b>Desk top research</b>	Internet research, comparator, CMIS recent reports	DfE, Specialists, other Local Authorities, SMBC
<b>SHAPE survey</b>	Survey feedback report	Young people
<b>Survey #mychillzone</b>	Social Media	Young people, Members, public and partners
<b>Visits</b>	<p><b>Virtual visits</b> The Way, Wolverhampton, Youth Services, Stoke Reading Youth Offer, Reading.</p> <p><b>Members visits:</b> Sandwell youth clubs &amp; facilities The Factory, Birmingham</p>	Members Providers, voluntary organisations, youth workers, Members, parents, young people. Members, NYA, young people.
<b>Forums</b>	<p><b>Meetings on site</b> Art and Drama Club, Coneygre Centre Sandwell Parents of Disabled Children, The Meadows School West Midlands Police, West Bromwich Police Station Youth Worker Staff Conference, Coneygre Centre</p>	Parents, youth workers, young people, volunteers, support workers and police officers.

<b>Question Time Session in the Council Chamber</b>	Working Group Members, Cabinet Member for Best Start in Life, Cabinet Member for Skills and Employment and the representative of the Sandwell Council for Voluntary Organisations were invited to form a panel. Facilitated by Democratic Services Officers.	Young people from the SHAPE programme and youth managers were invited to participate as the audience and to ask questions of the panel about the main themes arising from evidence gathering.
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### 5.3 What other Local Authorities do

The Review Group identified four Local Authorities to consider youth provision elsewhere to consider the approach they took and the issues they encountered.

Stoke: Statistical neighbour, has six towns like Sandwell are about to review youth services.

Wolverhampton: Statistical neighbour and have one main youth provision established in 2016, following a review of youth services.

Birmingham: Statistical neighbour, manage 16 youth centres.

Reading: Carried out Youth review 2016, no Council universal provision, focus on targeted and intensive services.

**Stoke City Council** in 2019 considered plans for a £3.3m youth hub to be built in the town of Hanley. Stoke-on-Trent is made up of six towns, young people in [Stoke](#) felt it would alienate those who did not live in Hanley and could lead to more violence by bringing postcode rivalries together in one place. YMCA in Hanley, indicated it might help bring the different towns of Stoke together. Youth workers felt that the money would be better spent on youth clubs in the six towns of Stoke, rather than in the centre.

**City of Wolverhampton Council** – The Way, Youth Zone is in the Centre of Wolverhampton. It first opened its doors in early 2016, in a £5.5m project by Onside Youth Zones Organisation, which is a partnership of the private sector, local authority, young people and the community forms. The Way offers activities for young people every day of the week. It has been reported that the youth zone has had immeasurable impact on Wolverhampton youngsters which helps them keep active, keep off their computers, and stay off the streets. However, feedback from a survey of nearly 12,000 children and young people and their parents and carers in 2019 highlighted the need to support the youth of Wolverhampton to be healthier, be connected and be heard.

In January 2020 Wolverhampton Council launched the [youth engagement strategy #YES](#), £2m Investment over three years to create a youth engagement team to provide better information about and signposting to events and opportunities and set up a funding pot which young people, families, groups and organisations can use to develop new activities for young people. The multi-million pound strategy designed to help Wolverhampton's young people reach their full potential was officially launched at The Way Youth Zone.

**Birmingham City Council** – The Factory Young People’s Centre is a modern, state of the art youth provision, located in Longbridge, South Birmingham and is part of the Birmingham City Council Youth Service. The Centre provides a multitude of activities and opportunities for young people (aged 10-25), from weekly youth club programmes and events to a range of services and support that young people may require.

**Reading Council** - Following a review of Youth Services in 2016 Reading Council ceased all Universal Services and approved spending for targeted and Intensive Services. Reading Borough Council (RBC) works with Voluntary sector partners to provide a full range of universal activities. The targeted youth offer to young people in the town ensured that vulnerable young people key outcomes were met. [Reading Youth](#) provides information about youth services and activities available for young people in Reading.

## 5.4 Workshop to consider the findings

The Work Group reviewed all the evidence in a work shop to focus on the matters that had been clearly identified as priorities for young people, parents, providers and partners in relation to what youth facilities young people have, need and want.

There were strong and clear messages about what young people **want** from the range of evidence gathered. The core officer group provided evidence of what provision, resource and capacity the Council currently **have**, and parents, partners and police gave clarity to what more they **need**.

The Review Group focused on the main themes arising from evidence gathered, however Members identified several more gaps and matters for further investigation, which have been listed in the findings table.

The financial and external pressures on Youth Provision has been captured in the context of the report. The benefits of youth work to young people, families and the community have been referred to throughout this review and the Work Group has highlighted the need for youth service to work closer with partners and the voluntary sector.



## 6.0 Findings

### Summary of findings from the evidence gathered.

*The findings are not in priority order:*

Age range	<p>Currently: 11-19 years</p> <p>There is a need to separate out the age groups:            Play provision for a younger age group (8-11years).            A range of age appropriate youth activities for middle (11-16) and older (16-19) groups.</p>
Arts and drama	<p>Coneygre Centre is in Tipton. Arts and drama activity is in high demand, parents and children travel from all around the area to use the facility. Young People want more provision like this and need more hours here.</p>
Austerity	<p>The reduction to youth provision has been too great, it has depleted the number of facilities, no investment in has been made for developing facilities or for new equipment (including the youth bus) for a decade.</p>
Communication	<p>External Communication is not reaching people: The mechanisms we use to communicate are not what most young people access. We need to update what we do to reach young people with information about what's on, what good practice is happening and what's on in other facilities across Sandwell.</p> <p>Internal: How the youth service communicates with staff and includes part-time workers. Email addresses for part-time youth workers and regular youth worker conferences would be beneficial.</p>
Crafts and skills	<p>Youth workers identified a gap in provision for young people to develop skills, make something and take it away, and develop interests in hobbies that grow skills and wellbeing in young people.</p>
Disabilities	<p>There are facilities for young people with additional needs, but transport is limited, facilities have reduced and are not easily accessible. Parents highlighted that it is not easy to find out what is happening and where.</p>
Multi agency approach	<p>There is some multiagency and collaborative working between agencies and this needs further consolidation to ensure all services relating to young people, take a holistic approach to ensure that they have the provision that best meets their needs.</p>
Partnership working	<p>Opportunities need to be created to further map the Youth Offer at a town level, including Council, voluntary sector and private provision, and to create forums for dialogue between agencies to identify further gaps and needs. There is a need to explore how local businesses can</p>

	<p>create opportunities and pathways for young people to thrive.</p> <p>It is important for young people to feel a valued part of a multicultural society, that recognises the contribution they have to make and supports them to achieve their aspirations and agencies should work together to facilitate this.</p>
Own space	<p>We need one building for all youth provision in every town, young people want one building in each town which they can take ownership of, for local youth to own and run as their space.</p> <p>Many youth clubs and activities use shared facilities – these spaces can be limited (storage space, use of facilities and access to the building). Problems were highlighted such as the time taken to take equipment out and put it away, not being able to leave work and projects out, access times to buildings etc.</p>
Refugees and asylum seekers	<p>We want to understand how we support young people new to UK. Sandwell Council collects data from young people on their immigration status, any young person can access our youth facilities and young people between the age of 11- 18 who want to access youth provision or may need additional support could be referred from STEPS to the Youth Service Enhanced Youth Support team. EYS could then meet with the young person and provide appropriate support to enable them to have support to access universal youth provision with some 121 support if required.</p>
Residential facilities for youth service	<p>Sandwell Council has residential facilities that the Youth Service struggles to afford to take young people to. We need to make Sandwell Council facilities affordable and available when it comes to residential.</p> <p>A suggestion made was that when Council owned facilities meet their income target, the facilities could be opened up to be used by Sandwell Youth Services for the young people of Sandwell.</p> <p>The Youth Service has operational management responsibility of Coneygre Arts Centre and Malthouse Stables Outdoor Education Centre. These centres both have income targets which contribute to the core budget of the Service.</p>
Resources and Equipment	<p>Some of the equipment being used is old, much needs to be replaced, and each provision needs a resources budget for activities and to replenish equipment. Is a pool</p>

	table what they want or need? Young people want Wi-Fi and technology including games.
Sports and activity	Sandwell has a variety of teams and clubs which provide access for young people to sports and activity such as football, boxing and other team sports. Many are provided by voluntary organisations, we need to find out what is available and develop the team building and pride in their achievements.
Transport	Parents say that they want safer transport for young people to youth facilities. Transport can be an issue, it is difficult for young people to get to a facility on their own. Catching buses costs money and waiting around bus stop is a concern for parents of some vulnerable young people. Generally young people are reliant on parents taking and picking them up.
Use of public buildings	We want to find out why libraries and schools are not used in the evening. Several facilities are considered to be underused as per their potential, these spaces should be reflected in the youth offer. There is a need to do more research about how our facilities are being used and what is the path to maximise utilisation. Use of public space and how the Council uses public buildings should be a topic for future discussion.
Use of technology and Wi-Fi	Young people want access to Wi-Fi, they need it to find information and to have fun. Further investigate the suggestion of an APP for young services which could improve access to information for young people partners and parents and modernise how staff share information.
Voluntary Sector	The evidence gathered does not adequately reflect the wider voluntary sector youth facilities and how young people across the Borough are able to access services regardless of who the provider is. There is more work needed to map out voluntary sector provision and consider funding opportunities.
Youth buses	Youth workers and the older group of young people want to get the Youth Bus back on the road. The double decker youth bus has been off the road for four months for repairs, because of its age spare parts have to be made for it. The youth bus has been used as a chill out space and used primarily by older young people and detached workers. It is a safe, warm and dry space. There is a smaller bus available, but the double decker is special with activities and an upper floor of gaming, dancing and disco! There may be a need to replace the bus due to the high demands on the youth bus and the fact it is 20 years

	old and is prone to breakdown during the winter months. To replace the bus and fully kit it out would require an investment of up to £200,000.
Youth Symposium	We want to bring together partners and organisations to discuss Youth Facilities.

## 5.6 What did we find out?

### Headlines - What young people want and need:



**Dry** – A place of our own, safe, flexible and dry.



**Wi-Fi** – connection to Wi-Fi to communicate with friends and play games.

### Main messages from providers and partners:



**Facilities** – shared facilities, smaller space, storage and reduced capacity over last decade. Cost of space hire and residential facilities.



**Upgrade** – facilities and equipment not replaced, also need to modernise spaces and add Wi-Fi.



**Capacity** – need more youth workers to open more evenings.



**Age range and access** – Need to engage young people earlier and enable access for all.

### Main messages from parents



**Communication and information** - Parents and Young people want to know what is available,



**Happy and confident** - Parents recognise that young people grow in confidence and meet new friends.

## 7.0 Conclusions

### Evaluation of the findings

The key themes highlighted in our findings were raised across all forums and in the feedback from surveys. The common themes reflect matters raised about Council facilities and some voluntary provision and partnership working. We found that there was more work to do to map out voluntary sector and wider provision.

A wide range of evidence was considered, and there will be more work to look at provision, but based on evidence gathered in this review, the Work Group were minded to say that the **current provision is not sufficient to meet the needs of young people.**

There was consensus from those consulted that **local youth facilities should be retained in each Town**, and that each facility needed to be upgraded and modernised, also that **current provision should be extended** to more evenings and holiday periods.

The Work Group found that there were good facilities in some towns and good practice, but that the **lack of youth worker capacity** meant that some facilities could not meet demand, specifically the Coneygre and Malthouse youth facilities. It was also found that there were **untapped funding resources** and that more could be done to focus on funding opportunities.

In other youth clubs based in shared facilities, there were **issues about access**, having sports facilities hired out during youth club times and the storage of equipment issues all of which had a detrimental effect on the youth work and impacted on the attendance.

Another factor raised in all forums was the need to **reach young people earlier** and the need to separate out the age groups, to **allow each age group to operate an age appropriate activity.**

The lack of consistency across the youth facilities in each of the Towns was an underlying issue, but the main theme from youth was that there was not enough **local youth provision**. Many travelled to Art and Sport provision but did not know about other provision close to where they live. More work may be needed to **map out youth facilities** and if they meet the needs of the local community.

Another key theme arising was the lack of **communication and promotion** of what was available and where, and also the need to review mechanisms used to communicate information.

The Work Group looked at other Local Authority provision and considered a wide range of advice and information relating to **good youth provision** and the **impact of youth work** on young people's futures, Health and Wellbeing and the impact of youth work on violent crime and communities. All of these factors relate directly to the Sandwell Vision and to the Sandwell Plan: Big Plans for a Great Place.

## OUR STRATEGIC OUTCOMES



### THE SIX OUTCOMES:

- The best start in life for children and young people
- People live well and age well
- Strong, resilient communities
- Quality homes in thriving neighbourhoods
- A strong and Inclusive Economy
- A connected and accessible Sandwell

Realising our vision in Big Plans for a Great Place is a huge undertaking and will mean breaking the cycle of poverty, improving support and outcomes in a child's early years, increasing skills and education attainment, reducing health inequalities, creating an environment for more inclusive economic growth and ensuring all residents are able of benefiting from new opportunities.

### Being a young person in Sandwell

When young people were asked if there is anything else they would like to say about being a young person in Sandwell, the most popular response was that it was challenging and difficult for a number of reasons such as school and not being listened to, lots of homework and exams, bullying and lack of support for young people particularly around mental health.

Comments were made that Sandwell is boring and there were no opportunities or nothing to do for young people and would be good to offer 'cheaper or free facilities' and ensure young people's voices are heard. Statements were made by young people saying, 'they felt scared due to mean people' and references

were also made to knife crime. Although most of comments made were negative, a few respondents did make positive statements saying they were 'happy', 'it's good'.

Taking all the evidence gathered into consideration and listening to the feedback from young people the Work Group concluded that the following priorities need to be addressed first to inform 7 recommendations:

<b>What</b>	<b>How</b>	<b>Why</b>
<b>Communication Plan</b>	R1	Young people, parents and youth workers told us that they did not know what was available and where. The way we communicate was not how young people want information to be shared.
<b>Wi-Fi and Dry</b>	R2	Dry – A place of our own, safe and dry. Wi-Fi – connection to communicate with friends and play games. Facilities and better use of what we have. Upgrade Equipment.
<b>Transport</b>	R3	Safe travel to facilities was raised by young people and parents, especially for vulnerable young people.
<b>Funding</b>	R4	Access to funding pots and future funding was raised to expand current provision. There is also a need to strengthen the current Youth Service offer with revenue investment.
<b>Sufficiency of Youth Offer</b>	R5	The demand for youth facilities was unmet, the need to work in a multi-agency approach was Identified.
<b>Capacity</b>	R6	If we want to do more youth work, more work with partners we will need more youth workers. If we want to extend the age range to accommodate young people earlier, we will need additional capacity.
<b>Democratic</b>	R7	SHAPE participation in the review and specifically in the Question Time evidence gathering session was innovative and successful and should be embedded in the democratic processes for future scrutiny work.

## 8.0 Recommendations

The panel recommends that;

1. **A Partnership Framework (to include a Communications Plan and Multi-agency approach)** is developed with young people, for young people and is specifically targeted to promote current activities and future opportunities using the experts within the council to provide a joined-up plan that compliments services across the local authority.

This should consider how we currently communicate, what we currently communicate and the most effective platforms to use across a range of media.

A **Youth Symposium** should be held in early 2021 for all partners in the borough to help build a clear picture of what is available, build upon key themes arising from the Scrutiny Review, the multi-agency approach and develop closer partnership working for a joined-up offer for Sandwell. The youth symposium should draw together a joined-up approval to youth work and young people in Sandwell.

2. Young people should be afforded **safe, flexible, space of their own, with 'Wi-fi & Dry' as the basic offer in Sandwell**. The council should take a strategic approach and consider modelling 'space options' across the Borough's 6 towns, these could test:
  - a) Use of libraries within extended opening times – rethinking their use in the community
  - b) Mobile provision (through a bus or support vehicle).
  - c) Pop up shops and underused town centre units.
  - d) Leisure & Activity Centres.
  - e) Other council properties and schools.
  - f) New build, where no existing options are deemed suitable.
3. The council explores the option of providing **free or concessionary public transport for young people to enable better access to local youth activities, opening up Sandwell and all it offers**. Targeted provision should be considered in relation to vulnerable young people and those with Special Educational Needs (SEN).
4. The council should **take a more strategic approach to funding** and explore existing funding pots through a better use of regional partnerships and directories. Better alignment could be made to **complimentary activity within the voluntary sector** (such as SVCO's



community grants) and **to the corporate social responsibility objectives** of local businesses.

5. The Council should **develop a renewed 'Youth Offer'** which clearly identifies the very positive activities that are currently on offer and addresses those gaps which would enable a more bespoke approach. The **National Youth Agency's Standard Quality Mark Framework** should be used to measure the capacity, quality and sufficiency of youth facilities in Sandwell.
6. A renewed youth offer would aim to close the gaps in provision and ensure sufficiency of youth facilities, but in order to do would require an increase in capacity and therefore the resources required to deliver the provision would need to be reviewed.
7. Following the success of the **Question Time session** held during the review, it is recommended that quarterly Question Time sessions be scheduled into the Scrutiny Work Programme, with Shape forum the Cabinet Member / Champion for Children and Young People.

## **9.0 Evaluation of the Scrutiny Process**

An evaluation of this review will inform the development of the scrutiny function in Sandwell. The Working Group will refer any matters outside the review remit to other scrutiny work streams, which will help to shape the scrutiny work programme for 2020-21.

The review enabled members to:

- lead on the review and work closely with core officers;
- use technology and social media channels to gather evidence and inform the public;
- engage with service users and parents through a schedule of site visits and forums across the Borough and the needs of the service.
- be the public voice, question and challenge services;
- make recommendations for service improvement to the Cabinet Decision Makers.

## **10.0 Comments from the Working Group**

The Work Group would like to thank all young people and members of the public and partners who participated and contributed to the consultation process and forums to gather evidence for the review.

The Work Group valued the contribution of members of the SHAPE youth forum, young people have participated at all stages of evidence gathering and held a question time session to challenge the work group as part of the democratic scrutiny process.

- The evidence gathered presents a snapshot of what young people ‘Have Need and Want’ in relation to youth facilities in Sandwell in Spring 2020.
- The review findings and recommendations are the catalyst to start a larger piece of work to develop a sustainability strategy and multiagency and collaborative approach to youth facilities in the future.
- The Work Group highlighted some quick wins that the Council has already addressed and it has made recommendations for change which focus on longer-term and transformational change that will be considered in a wider forum, which will need strategic planning and resource. Our review was supported by an officer group and the scrutiny team we agreed the focus of the review and agreed which methods to use to get underneath the issues and identify the gaps in provision. We used tools and techniques to reach out and engage with stakeholders, to enable us to listen to the what providers and service users had to say.

Youth facilities in Spring 2020 is a moving picture due to Covid-19 and the need for Youth Facilities to adapt and change is even more important now.

### **Chairs comments**

“There have been numerous advantages of this Youth Facilities Review Group, I have received many complimentary comments and would like to sincerely thank officers for managing this process to meet best practise in local government. Three themes on which I would like to make observation are;

- **Quality:** The quality of research, engagement with stakeholders and documents was excellent. The involvement of officers, councillors, young people and partners was clear, with defined roles and responsibilities.
- **Relationships:** The positive tone of engagement with young people, parents and partners sets a framework for ongoing productive relationships between the council and community.
- **Young people focus:** Throughout the review process, best-practice was followed and due to the thoughtful involvement from councillors and officers, we have produced a set of serious recommendations about meeting the needs of young people and this will result in real enhanced services.”

**Councillor Rajbir Singh**  
**Chair Children's and Education Scrutiny Committee.**  
**Councillor for Bristnall ward.**

## **Contributors:**

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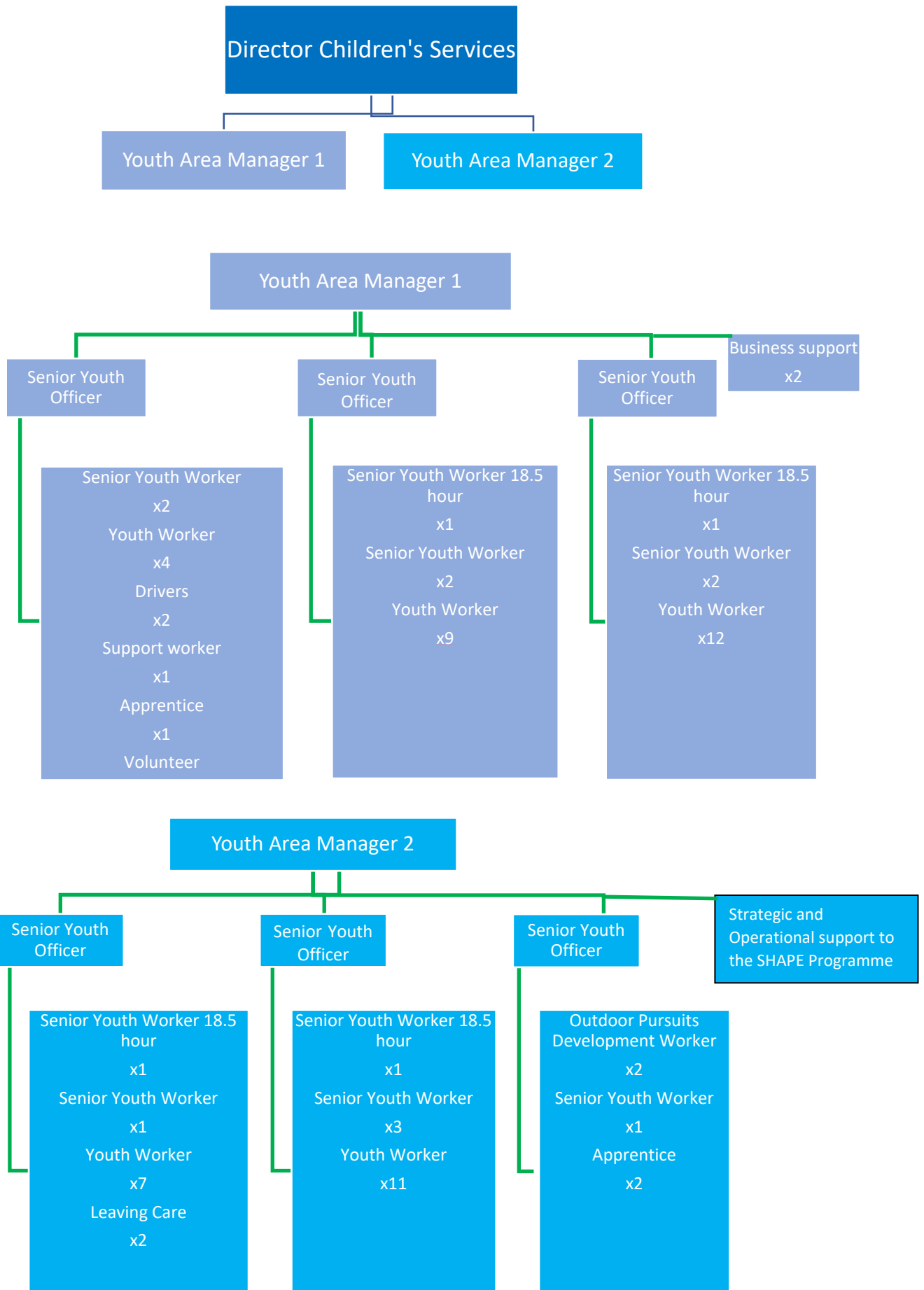
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## **Organisations**

West Midlands Police  
The Factory Birmingham  
Sandwell Council of Voluntary Organisations (SCVO)



Feedback Table			Appendix 2
Feedback from Youth Services Review Survey #mychillzone			Feedback from SHAPE survey relating to Youth Facilities
Oldbury			Oldbury
Have	Need	Want	
None	Somewhere for young people to go	Something for young people to do	<ul style="list-style-type: none"> <li>• The parks referred to were Perrys Park, Warley Woods, Barnford Park and Hurst Green. However other parks in nearby towns such as Lightwoods Park, West Smethwick Park, Haden Hill, Britannia Park and Sandwell Valley.</li> <li>• Youth Clubs – Many young people had never been to a youth club, others went to Kings Community Church, brownies, girl guides, Christ Church youth club.</li> <li>• Leisure Centres – Langley Leisure Centre, Portway Leisure Centre. Other towns Haden Hill Leisure Centre, Thimblemill Leisure Centre, Harry Mitchell Centre, Hadley Stadium. Out of Sandwell - The Crystal Leisure Centre.</li> <li>• Food Outlets – McDonalds, KFC, Subway, chip shops, Pizza Pan, Saphari, Delightful Desserts, Greggs. Others away from Oldbury include Nandos, Five Guys, Starbucks, Big Johns, Pizza Hut, Dominos</li> </ul>
Not sure – Have facilities for younger children	More after school activities and activities during school holidays that are suitable for older children.	Something for older children during school holidays.	
Don't know	Youth club. Langley youth club in langley park was great. Now it is shut, and park gates are locked we chill on the high street which is not ideal. Would like to see partnership with local restaurants to do cooking classes and fund raising for Langley.	Cooking lessons, annual local sport events for residents to raise money for the town. More life skills workshops.	
No regular ones that I have seen advertised	West Bromwich Albion (WBA) kicks - (only mini kicks at the moment).	WBA Kicks Barnford Park sessions during the Summer holidays (like the ones run a couple of years ago)	

			<p>and Burger King. Out of Sandwell include Yo Sushi and Wagamamas</p> <ul style="list-style-type: none"> <li>• Town Centre – Oldbury High Street, Retail Park but more responses for West Bromwich Town Centre and Ikea at Wednesbury Retail Park. However, the majority claimed they visited Bullring and Merryhill shopping centres, a few said Harborne high street and Halesowen</li> <li>• Home environment – Own home, Family, friends, relative's homes</li> <li>• Out of Sandwell – Birmingham, Kings Norton, Bournville, Cotteridge, Redditch, Solihull, Sutton Coldfield, Halesowen, Dudley, West Bromwich Albion Stadium</li> <li>• Entertainment – Cinema, Starbucks, Star City, Odeon, Bowling, shops, swimming pool, restaurants, cricket club, concerts, arcades, flipout, dessert shops, ice skating, mini golf, shopping. One references was made that there needs to be more under 18s entertainment venues</li> <li>• Other – More under 18s, under 16s, more malls, rugby and cricket clubs</li> </ul>
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Feedback from Youth Services Review Survey #mychillzone			Feedback from SHAPE survey relating to Youth Facilities
Rowley Regis			Rowley Regis
Have	Need	Want	
Youth club at Brickhouse and the youth bus	A bigger youth centre with wi-fi and a tuck shop.	Somewhere to go that is safe and clean and I can play my music.	<ul style="list-style-type: none"> <li>• The parks referred to were Haden Hill, Britannia Park. Other parks referred to were Netherbrook park and Baremore park.</li> <li>• Youth Clubs – Stanley’s youth club, Brickhouse youth club</li> <li>• Leisure Centres – Haden Hill Leisure Centre</li> <li>• Food Outlets – McDonalds, KFC, Ginos, Dixys, Nandos, Eat Central</li> <li>• Town Centre – Blackheath, Merry Hill, Walsall, Birmingham City Centre</li> <li>• Home environment – Own home, Family, friends, relative’s homes</li> <li>• Out of Sandwell – Walsall, Langley, Dewsbury, London, Quinton</li> <li>• Entertainment – Under 18s club, parks, leisure centres, Cinema, Merryhill</li> <li>• Other – Pub, Merryhill</li> </ul>
<p>Councillor comments – Activities for youth in Rowley Regis.</p> <p>At Youth Rowley, Go Play Rowley Regis, Beam Sandwell, JUST YOUTH - Detached Youth Work, Oakham – Tividale, Rowley Youth Club</p>			

Feedback from Youth Services Review Survey			Feedback from SHAPE survey relating to Youth Facilities
Smethwick			Smethwick
Have	Need	Want	
Lightwoods Park, Victoria Park and Warley Woods	More youth exercise machines to keep fit. More outdoor toys for the youth to enjoy and play with friends/family.	More youth exercise machines to keep fit. More outdoor toys for the youth to enjoy and play with friends/family.	<ul style="list-style-type: none"> <li>• The parks referred to were Victoria Park and West Smethwick Park and others were other areas of Sandwell such as Lightwoods Park &amp; Warley Woods</li> <li>• Youth Clubs – Admiral Club, Halesowen or Oldbury. A few responses said they don't go</li> <li>• Leisure Centres – For swimming they attend Langley Leisure Centre and Thimblemill Leisure Centre. A few mentioned Crystal Leisure Centre in Stourbridge</li> <li>• Food Outlets – McDonalds, KFC, Starbucks, Nandos, Pizza Hut, Delightful desserts, Toby Carvery, Chip shop, Mr Singhs, Chicken.com</li> <li>• Town Centre – Smethwick Linden Road and the other comments were Birmingham city centre, Merry Hill, Bullring, Dudley, West Bromwich town centre</li> <li>• Home environment – Own home, Family, friends, relative's homes</li> </ul>



			<ul style="list-style-type: none"> <li>• Out of Sandwell – Leicester for family, Merryhill, Quinton, Dudley, Stourbridge</li> <li>• Entertainment – Star City, cinemas, reel cinema, Starbucks, inflation, rockup, Broadway plaza, football clubs</li> <li>• Other – Gurdwara, Arkham Asylum, Merryhill</li> </ul>
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**Councillor visit feedback**

Several youth facilities listed were no longer available. We need to update information about what we have.

Visit to African French Speaking Community Support highlighted:

- The netball club is the only activity held since June 2019 for girls aged 12 to 24. The initiative is funded by Sports England for 2 years. They would like to do more but do not have the funding
- This is one of the only activities in the area that young girls can get involved in which does not impact on cultural sensitivities. Especially for girls from BAME communities where some parents are not allowing girls to participate in activities after school where boys are present.
- Not many opportunities for youth activities in the area. Relates to issues where young people are getting drawn into mischief and crime and there are gang related issues aligned to this.
- The type of activity that would attract youth include Music, Dance and Sports.
- There is a lack of opportunities for young people in the area to go on trips outside of school. Many children do not ever get to go away and some provision to take young people on trips is needed.
- Partnership working between organisations in the area is non-existent and information sharing on initiatives and activities isn't happening
- Accessibility - Referral not required; people can just turn up on the day. Although it's difficult to access the building during activities times as it's out of hours and reception staff are not on-site.
- Staff - Very welcoming and approachable. Working very well with participants.
- Space - The only space available for the session was a sports hall which was adequate for the netball session.

- Atmosphere - Very positive atmosphere and participants were getting on and having a lot of fun.
- Activities - The provision is only funded to hold one netball session a week.
- Online presence - Details are available on social media and are promoted on-line

Smethwick Windmill Youth Club - Tuesday & Thursday - 6.30pm - 8.30pm

During the visit the member spoke to 3 youth workers and 5 participants of the session. Feedback included:

- Accessibility issues – due to the restrictions in the building access was not easy. An intercom system was in place but was not user friendly. Both staff and participants recognised this is a major barrier. It was creating a closed environment
- The space was rented from the centre therefore there were issues around storage space and not been having whole control of what the areas could be used and for equipment storage.
- Participants recognised the club keeps them away from involvement in crime and trouble on the streets, including involvement in drugs and gangs. The participants praised the service and the youth workers.
- There was acknowledgment that more needed to be done to engage young people through arts, dance, music, sports, cricket, football and trips, more games, pool tables and swimming.
- Potential tournaments and working with other youth clubs
- The youth bus initiative was talked about, but young people felt this wasn't a solution to providing a safe and inclusive place for young people to engage in.
- Funding for trips and opportunities to do something different was suggested
- Accessibility – they identified issues with accessing the building and it not been user friendly. Referrals to the service are not needed.
- Staff - Very enthusiastic and engaged with participants very well.
- Space - Really good-sized room however there wasn't many activities/recourses visible for the participants. Also, there was the option of using a sports hall on site.
- Atmosphere - Very relaxed atmosphere and everyone seemed to be enjoying themselves and getting on
- Activities - Mainly socialising with the options of games and sports activities.
- Online presence - All promotion is done online.

Feedback from Youth Services Review Survey #mychillzone			Feedback from SHAPE survey relating to Youth Facilities
Tipton			Tipton
Have	Need	Want	
Youth club at Malthouse and youth bus on Tibby	A dedicated youth centre or youth cafe, where we can do what we want, have access to Wi-Fi and socialise with friends.	Youth Centre that is open 5 evenings a week and on Saturdays.	<ul style="list-style-type: none"> <li>• The parks referred to were Victoria Park and Jubilee Park. Other Sandwell parks visited were Brunswick Park, Langley park and out of Sandwell include Cannon Hill park</li> <li>• Youth Clubs – No youth clubs were stated.</li> <li>• Leisure Centres – Tipton Sports Academy. Other centres include Haden Hill Leisure Centres and Wednesbury Leisure Centre</li> <li>• Food Outlets – McDonalds, Nandos, Bella Italia, KFRC, Night Garden, Jade, Star Pizza</li> <li>• Town Centre – those mentioned in Sandwell include Wednesbury Retail Park and West Bromwich. Out of Sandwell Birmingham was mentioned.</li> <li>• Home environment – Own home, Family, friends, relative's homes</li> <li>• Out of Sandwell – West Bromwich for shopping, Dudley Castlegate, Birmingham</li> <li>• Entertainment – Under 18s parties, cinema, dance, Castlegate Showcase</li> </ul>
None	Clubs, sports, supervision and advice	I don't know	
Unsure	Happy Programme	Anything to help get kids off streets	
None	Clubs and access to school facilities	As above	

			<ul style="list-style-type: none"> <li>• Other – Merryhill</li> </ul>
<b>Feedback from Youth Services Review Survey #mychillzone</b>			<b>Feedback from SHAPE survey relating to Youth Facilities</b>
Wednesbury			Wednesbury
Have	Need	Want	
No comments received			<ul style="list-style-type: none"> <li>• None received</li> </ul>
<p><b>Wednesbury North Blast youth club (building lives around sound truth)</b>  The young people need more equipment and need more social interaction. Getting them involved in joining teams etc football maybe taking them to a game.</p> <p>They feel let down sometimes and need more support and advise around knife crime meeting with the local police team why are they never coming to meet them at the youth club? They said they need inspiring.</p>			
<b>Feedback from Youth Services Review Survey #mychillzone</b>			<b>Feedback SHAPE survey - Youth Facilities</b>
West Bromwich			West Bromwich
Have	Need	Want	
Park Basketball Area	Youth Group for teenagers including mentors	Social Club	<ul style="list-style-type: none"> <li>• The parks referred to were Hill top park, Dartmouth and Sandwell Valley Youth Clubs – 1 person stated they attend a youth club but didn't state which one</li> <li>• Leisure Centres – Meet friends in West Bromwich Leisure Centre</li> <li>• Food Outlets – McDonalds</li> <li>• Town Centre – New Square</li> </ul>
Lyng Community Association clubs is	Places to go on a weekend, during the day and evening.	Drop in youth centres, places to play sports, music clubs	

nearest that I know about			<ul style="list-style-type: none"> <li>• Home environment – Own home, Family, friends, relative’s homes</li> <li>• Out of Sandwell – None mentioned</li> <li>• Entertainment – None specifically mentioned</li> <li>• Other – None mentioned</li> </ul>
<p>There were no Youth Clubs in Hateley Heath Ward. SMBC GoPlay service currently contracted by Hateley Cross Big Local to provide research data with recommendations for a Young Voices legacy project in the Ward area. Was not able to visit the school workshops, gaining access to schools proved difficult.</p>			
<p>Tanhouse Youth Club, Great Barr (Tuesdays and Thursdays) has always been successful. Recent events highlighted at tasking in the area had an impact on numbers attending the Youth Club. Promotional work to engage new young people into the club was taking place, youth workers from Tanhouse were going out on outreach work in the area and encouraging young people to use the Tanhouse facility. At this stage I don’t feel we need additional youth work, we just need to promote what we have and encourage young people to use it.</p>			
<p>Additional Comments SEN provision across Sandwell</p>			
<p>Meadows School</p> <p>A visit to Meadows school resulted in a number of comments and suggestions made by parents who have children that attend the Meadows School. One parent was very proactive in involving their children in groups/clubs. These are current activities and ideas put forward by the parents:</p> <ul style="list-style-type: none"> <li>• Good Shephard Church has a community cinema and is well attended with 35 children.</li> <li>• Sneed Water Centre has paddle boarding, raft building, and canoeing. They supply wet suits and toilets are available.</li> <li>• Indoor skate park in Bentley, Wolverhampton. Cost £45 for family. Consider reducing cost.</li> <li>• Fennox BMX skate park in Perry Bar.</li> <li>• Swanpool in Dartmouth Park. The boating swans cost approx. £10 for 20 minutes, perhaps a more reasonable charge of £5 for 30 mins could be introduced. Also, is it possible to introduce paddle boarding/canoeing.</li> </ul>			

- Portway Lifestyle Centre offer a family pass. The children attend skating on a Friday night 6.00pm-7.30pm. perhaps more child friendly activities here? There is a small pool that perhaps could be used.
- The Fort in Dartmouth Park was not being used, so this would be perfect for Sandwell to utilise the building with a children's centre/youth zone.
- Dartmouth Park could offer the Tennis Courts for free?
- Link with the Bicycle shop at Dartmouth Park, potential for a Bikeability course/Sandwell 'Doctor Bike'.
- Dartmouth Park climbing rope facility is not being utilised. Ideal for Sandwell Youth workers to facilitate an activity.
- Consider a multi-facility for Tenpin Bowling/Ice Skating in West Bromwich/Sandwell.
- Create an outdoor/indoor Skate/Scooter/BMX ramp at Sandwell Valley/Lion Farm Playing fields/Sandwell,
- Young people attend a breakdance/graffiti artist session run by David at Breakmission ([www.breakmissioncommunity.com](http://www.breakmissioncommunity.com)). Cost is £3 per session with reductions for more than one child.
- Young people attend a forest club where they sing at the GAP in West Bromwich.
- Young people attend Go Play sessions and asked for more sessions.

#### Additional Comments – SHAPE Survey / forum visits

SHAPE survey responses: 78 general responses were received

- The parks referred to were Warley Woods, Lightwoods Park, Haden hill Park, Cradley Heath Park, Netherbrook Primary School Park, Perrys Park, Hurst Green Park, Highfields. Out of Sandwell the following parks were mentioned - Baremore Park, The Dell park, Netherton park, Queens Park, Clent Hills, Woodgate Valley, Howley park, Olive Hill Park, Grove Park
- Youth Clubs – Most responses were left blank or a 'no' which means they don't attend a youth club. Those who did respond stated Five Star community club, 1st Netherton Scouts troop, boys brigade, CAMHS. One person stated the youth club they attended had closed down.
- Leisure Centres – Haden Hill Leisure Centre, Langley, West Bromwich Leisure Centre. Other centres visited include crystal, Halesowen, Harborne, Windley

## Appendix 3

### Six Towns of Sandwell

Sandwell town profiles and infographic summaries are available through the links below.

<https://www.sandwelltrends.info/sandwell-town-profiles/>

Town	Population	Children (under 16)
<b>Oldbury</b> Bristnall, Langley, Old Warley Oldbury	3 <sup>rd</sup> highest 52,285 residents 11,479 under 16's 33,499 16-64	26% in poverty  29% first language is not English
<b>Rowley Regis</b> Blackheath, Cradley Heath and Old Hill, Rowley Tividale	4 <sup>th</sup> Highest 51,255 residents 10,859 Under 16's 31,524 16-64	28% in poverty  14% first language not English
<b>Smethwick</b> Abbey, Smethwick, Soho & Victoria St Paul's	2 <sup>nd</sup> Highest 60,033 residents 15,680 Under 16's 37,840 16-64	32% in poverty  53% first language not English
<b>Tipton</b> Tipton Green, Princes End Great Bridge	5 <sup>th</sup> Highest 41,080 residents 9,386 Under 16's 26,065 16-65	35% in poverty  24% first language not English
<b>Wednesbury</b> Friar Park, Wednesbury North Wednesbury South	Lowest 39,160 residents 8,582 Under 16's 24,223 16-64	32% in poverty  24% first language not English
<b>West Bromwich</b> Great Barr with Yew Tree, Greets Green and Lyng, Charlemont with Grove Vale, Hateley Heath, Newton West Bromwich Central	Highest 80,647 residents 17,263 Under 16's 49,999 16-64	28% in poverty  38% first language not English

**Voluntary sector funding****Appendix 4**

Breakdown of the Youth Funding for 2018/19 and 2019/20 – this is for both internal and external funding awards.

<b>NAME OF ORGANISATION</b>	<b>ACTIVITY / PROJECT DETAILS</b>	<b>TOWN</b>	<b>Amount</b>
<b>2018-2019</b>			
We Are Bearwood	Skate Board School at Lightwoods Park	Smethwick	£600
Positive Activities Innovative Development	Sports Summer Project	Smethwick	£2,237.94
Positive Activities Innovative Development	Sports Summer Project	Smethwick	£1,959.94
Community Connect Foundation	Duke of Edinburgh Award	Smethwick	£1,870
Krunch	NA	Oldbury	£2,372.40
Stanley's Youth Club	Stanley's Youth Club Musician Sessions	Rowley Regis	£1,500.00
Oakham Evangelical Church	Equipment for Youth Club	Rowley Regis	£574.39
Stanleys Youth Club	Trip	Rowley Regis	£1,396.00
Rowley COG	Rowley Choices	Rowley Regis	£2,788.90
RSA Academy	CSE Workshop	Tipton	£780.00
Complete Kidz CIC	Youth Tipton Summer Activities	Tipton	£3,868.40
Hill Top Youth Club		Wednesbury	£ 2,521.45
Youth Services	Blast application	Wednesbury	£ 1,285.60
Wodensborough Community Amateur Boxing Club	Boxmax - boxing equipment	Wednesbury	£1,719.00
(617) Sandwell Air Scouts	Contribution towards running costs	Wednesbury	£1,250
Childrens	Teamworx	West Bromwich	£2,500.00
Youth Services	Hateley Heath Project	West Bromwich	£514.47



Moose Marial Arts Academy	Karate Wado-Ryu	West Bromwich	£1,739.69
Friends of Yew Tree and Tamebridge	Christmas Pantomine	West Bromwich	£1,134
Latifah Fultali Complex	Homework Club	West Bromwich	£4,838
<b>2019-2020</b>			
Paraochial Church Council of St Hilda, Warley Woods	ST Hildas Youth Group	Smethwick	£1,800.00
Tividale Academy	Girls Football Development	Oldbury	£3,832.37
Old Hill Cricket Club	Cricket Equipment	Rowley Regis	£2,145.00
Shell Corner Youth Company	Photo Art	Rowley Regis	£1,287.11
Tipton Christian Community Church	Teenscene	Tipton	£1,750.00
Time Step Dance	Time to Cheer	Tipton	£1,300.00
Jubilee Jaguars	Sports Club running sessions	Tipton	£1,145.00
SMBC Youth Services	Hill Top Youth Club - projects delivered by SMBC Youth Services (non grant)	Wednesbury	£1,173.22
SMBC Youth Services	Hill Top Youth Club - projects delivered by SMBC Youth Services (non grant)	Wednesbury	£4,477.95
Creative Academies (based at YMCA)	Just Play - project for outdoor youth activities	Wednesbury	£4,862.64
Friends of Wednesbury Library	Knit and Natter presents Father Christmas at Hilltop Library	Wednesbury	£182.30
SMBC Youth Services	Hateley Heath Youth Project - projects delivered by SMBC Youth Services (non grant)	West Bromwich	£1,009.42
Yemeni Community Centre	Youth project	West Bromwich	£2,995.93
481 Royal Air Cadets (West Bromwich)	Funding contribution towards equipment for Duke of Edinburgh	West Bromwich	£2,441.70

## Sandwell Vision Ambitions

	<p>1. Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.</p>
	<p>2. Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.</p>
	<p>3. Our workforce and young people are skilled and talented, geared up to respond to changing business needs and to win rewarding jobs in a growing economy.</p>
	<p>4. Our children benefit from the best start in life and a high quality education throughout their school careers with outstanding support from their teachers and families.</p>
	<p>5. Our communities are built on mutual respect and taking care of each other, supported by all the agencies that ensure we feel safe and protected in our homes and local neighbourhoods.</p>
	<p>6. We have excellent and affordable public transport that connects us to all local centres and to jobs in Birmingham, Wolverhampton, the airport and the wider West Midlands.</p>
	<p>7. We now have many new homes to meet a full range of housing needs in attractive neighbourhoods and close to key transport routes.</p>
	<p>8. Our distinctive towns and neighbourhoods are successful centres of community life, leisure and entertainment where people increasingly choose to bring up their families.</p>
	<p>9. Sandwell has become a location of choice for industries of the future where the local economy and high performing companies continue to grow.</p>
	<p>10. Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities.</p>

**Youth Facilities Review Process Evaluation  
Feedback Table**

An evaluation form was circulated to members of the working group via google forms. The feedback will be useful to shape the process for future Working Group reviews.

1	Were you clear on the focus of the review and the intended outcomes?	Yes 3 (100%)
2	From the scene setting report and briefing did you have a level of understanding of the issue(s)?	Yes 3 (100%)
3	What information do you think the background report missed or what more could it have included?	More information on voluntary organisations. The report is very comprehensive and did not lack any information. It covered most of the required information. Some information regarding similar reviews undertaken by other LAs would have been helpful.
4	On a scale of 1-5, (1 being lowest and 5 being highest), how far did you feel you could influence the following ?	The scope of the review highest (66.7%) high (33.3%) The evidence gathering process highest (100%) The recommendations Highest (100%)
5	How useful did you find the tools in the review process: Scoping meeting Project plan Evidence pack Links to best practice Self research Meetings with core officers Social media surveys Visits to youth facilities	All tools were ranked very good or good


	Key stakeholder forums Visit to other facilities Question Time Workshop to evaluate findings	
6	Do you think the use of social media channels helpful?	Yes (66.7%) Don't know (33.3%)
7	Which platforms did you find most useful on your laptop or mobile device?	Most useful 100% google search and facebook. 33.3% Youtube (66.7%) Instagram, Snapchat, Skype (0%)
8	Do you think you had enough access to information and support during the review process?	Yes (100%)
9	What did you find most useful, how did it benefit you and what do you need more of in future reviews?	Meeting the service users and providers - very useful to hear how everything works at delivery level I really enjoyed the workshop/conference at Conegre Arts Centre. It was good to get feedback from the Youth Workers to improve the Youth Service provision in Sandwell. Meeting with all the stakeholders, it gave me insight about how our services are being perceived by different stakeholders, more in-depth discussion with stakeholders.
10	How effective do you think the visits to facilities were to gather evidence and meet stakeholders? (1 being lowest and 5 being highest)	3 very effective (100%)
11	What did you find most useful and how did it benefit you?	Meeting the youth workers and hearing the experience they have with access, equipment and also meeting parents to hear the wellbeing and confidence boost

		<p>that young people get from youth services</p> <p>Talking to children and staff and looking at the facilities available. When carrying out surveys its good to speak to individuals to gather as much information as possible. Also, when viewing the facilities, I was able to see what was good and what was lacking and needed improving.</p> <p>Q&amp;A session, it was an opportunity for the youth members to raise their concerns and issues. You get know what are the real concerns that bothers them.</p>
12	How effective do you think the evidence gathering forums were, to meet partners and people who provide and use youth facilities? (1 being lowest and 5 being highest)	3 very effective (100%)
13	What do you need more of in future reviews?	<p>More opportunities to see the service in action - on site meetings and to hear different perspectives</p> <p>More involvement from all the stakeholders and more discussion platforms.</p>
14	How effective was the final work shop held to consider findings and draw conclusions? (1 being lowest and 5 being highest)	3 very effective (100%)
15	Do you feel that this review has been member led?	Yes (100%)
16	Do you feel that the conclusions and recommendations were shaped by the work group?	Yes (100%)

17	How far do you think that the Scrutiny review process achieved its objective? Give a score from 1-5. (1 being lowest and 5 being highest)	Highest (33.3%) High (66.7%)
18	What would you give as your level of understanding of the Scrutiny function now, after the review? Give a score from 1-5. (1 being lowest and 5 being highest)	Highest (33.3%) High (66.7%)
19	Do you have any further comments about the Scrutiny review process ?	<p>More in depth scrutiny I really enjoyed taking part in the scrutiny review process and I enjoyed working with all the members and staff. Deb your written report is outstanding, all 42 pages! I would like to take this opportunity to thank everyone involved in the process.</p> <p>My only comment is related to the questions I was given to ask the children and staff. They did not give me in-depth answers. The more direct approach of 'what you have, want and need' questions would have been better. Also, to ask the children what hobbies they have outside school and what they enjoy inside school and where else they visit, to enable a more bespoke session.</p> <p>I appreciate the hard work done by the scrutiny officers team in organising meetings and collaborating with different organisations.</p>

## REPORT TO CABINET

22 July 2020

<b>Subject:</b>	<b>Towns Fund Governance and Member Appointments</b>
<b>Presenting Cabinet Member:</b>	<b>Cllr Ali - Deputy Leader and Cabinet Member for Resources and Core Services and Inclusive Economic Growth Cllr Millard - Deputy Leader and Cabinet Member for Skills and Employment</b>
<b>Director:</b>	<b>Tammy Stokes Interim Director – Regeneration and Growth  Surjit Tour Director – Director Law and Governance and Monitoring Officer</b>
<b>Contribution towards Vision 2030:</b>	
<b>Key Decision:</b>	Yes
<b>Cabinet Member Approval and Date:</b>	Cllr Ali – 2 July 2020 Cllr Millard – 9 July 2020
<b>Director Approval:</b>	7 July 2020
<b>Reason for Urgency:</b>	Government Guidance was published in June 2020 and there is a need to respond urgently to put in place the required governance arrangements. The item did not therefore appear in the 28 day notice. The scrutiny chair has been notified.
<b>Exempt Information Ref:</b>	N/a
<b>Ward Councillor (s) Consulted (if applicable):</b>	No
<b>Scrutiny Consultation Considered?</b>	Yes – Cllr Rollins 10 July 2020

<b>Contact Officer(s):</b>	<p>Elaine Newsome – Service Manager, Democracy</p> <p>Rebecca Jenkins – Senior Lead, Service Improvement</p>
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## DECISION RECOMMENDATIONS

### That Cabinet:

1. Delegate authority to the Sandwell Towns Fund Superboard to approve the Town Investment Plans for West Bromwich, Smethwick and Rowley Regis for submission to Government.
2. Approves the Member appointments to the Superboard and Local Boards as set out in Appendix 1.
3. notes the governance requirements of the Towns Fund Guidance as set out in Appendix B.
4. authorises that the Chief Executive, in consultation with the Leader, the Cabinet Member for Inclusive Economy, and the Monitoring Officer, agree arrangements for the Governance of the Towns Fund Programme in accordance with the Government’s Towns Funds Guidance.

## 1 PURPOSE OF THE REPORT

- 1.1 The report sets out the governance arrangements for the Towns Fund Programme and proposed Member appointments to the Superboard and Local Boards.

## 2 IMPLICATION FOR VISION 2030

- 2.1 Ensuring our towns are vibrant, thriving centres of community activity is an essential element of Vision 2030. The Towns Fund is a key pillar of achieving the Vision through securing significant investment for 3 of Sandwell’s Towns.

## 3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 On 6<sup>th</sup> September 2019, it was announced that 101 Towns had been identified by Government to benefit from the Town Fund. In Sandwell, West Bromwich, Smethwick, and Rowley Regis were identified. On 1<sup>st</sup> November 2019, the Government released the Town Fund prospectus, providing some additional information about the purpose and scope of the funding as well as setting out key timescales for progressing the Town Fund.



- 3.2 Detailed guidance on the Towns Fund was published in June 2020.
- 3.3 The objective of the fund is to drive the economic regeneration in Towns to deliver long term economic and productive growth through;
- 3.3.1 **Urban regeneration, planning and land use;** ensuring towns are thriving places for people to live and work, including by; increasing density in town centre, strengthening local economic assets including local cultural assets; site acquisition, remediation, preparation, regeneration; and making the full use of planning tools to bring strategic direction and change.
- 3.3.2 **Skills and enterprise infrastructure:** driving private sector investment and ensuring towns have the space to support skills and small business development.
- 3.3.3 **Connectivity:** developing local transport schemes that complement regional and national networks, as well as supporting the delivery of improved digital connectivity.
- 3.4 The Town Fund comprises £3.6b of funding across 101 towns. A maximum investment of up to £25m in each Town is available. The amount of funding allocated to each Town will be based on the Town Deal agreed with Government.
- 3.5 The Towns Fund Prospectus published in November 2019 outlined that Sandwell Council is required to lead on the development of Town Deal Boards and that the Town Deal Boards should comprise a wide range of key stakeholders from community, business, voluntary, public-sector and faith organisations. Town Deal Boards should be chaired by someone from the private sector.
- 3.6 To co-ordinate the three Towns Fund bids in Sandwell, an overarching Towns Fund Superboard was established with three Town-level boards reporting into this Superboard.
- 3.7 Jude Thompson, President of the Blackcountry Chamber of Commerce was invited to chair the Superboard and has accepted the appointment.
- 3.8 The Superboard has met twice in December 2019, and February 2020 to start to explore ideas for the Towns Fund bids.
- 3.9 A Town Deal is an agreement in principle between Government, the Lead Council and the Town Deal Board, which in Sandwell is called the Towns Fund Superboard. The Town Deal will cover a period of up to five years.

- 3.10 In February 2020, Cabinet approved the award of contracts for consultancy support to deliver the Town Fund for Smethwick, Rowley Regis and West Bromwich
- 3.11 Following receipt of detailed Towns Fund guidance in June 2020, appointments to the Sandwell Superboard and Local Boards need to be confirmed and governance arrangements implemented that are compliant with the guidance.

## 4 THE CURRENT POSITION

- 4.1 Due to Covid-19, Government Guidance on the Towns Fund programme was delayed and timelines for the Towns Fund Programme pushed back.
- 4.2 Detailed guidance was published in June 2020 which contained a number of specific requirements around the governance of the Towns Fund programme, the responsibilities of the Lead Council and the Town Deal Board, details around the projects to put forward in the TIP, the style of the TIP document, and expectations around consultation and engagement.
- 4.3 On 30 June 2020, Government announced that Towns Fund areas would be eligible for additional funding to deliver projects in line with the Towns Fund criteria and for delivery by end March 2021. Each of Sandwell's 3 Towns Fund Towns can apply for up to £750,000 capital funding and proposals must be submitted by 14 August 2020.
- 4.4 The process for the Towns Fund Programme is:
- Applications for projects of up to £750,000 (capital) per Town that can be delivered by March 2021 (14 August 2020)
  - Submission of Town Investment Plans (October 2020 and January 2021)
  - Heads of Terms Agreement signed
  - Town Deal Announced
  - Development of Detailed Business Cases
  - Release of Funding
  - Delivery of Towns Fund Projects (by 2026)
- 4.5 The first phase of the Towns Fund Programme is to submit a Town Investment Plan (TIP).

### **Governance Guidance**

- 4.6 The guidance details the following roles and responsibilities

#### 4.6.1 **Lead Council**

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Developing a delivery team, delivery arrangements and agreements
- Ensuring that decisions are made by the board in accordance with good governance principles
- Ensuring transparency requirements are met – through publication of information on their website or a Town Deal specific website
- Developing agreed projects in detail and undertaking any necessary feasibility studies
- Undertaking and required Environmental Impact Assessments or Public Sector Equalities Duties
- Helping develop detailed business cases
- Liaising with potential private investors in identified local projects and schemes
- Signing the Heads of Terms Agreement with government
- Monitoring and evaluating the delivery of individual Towns Fund projects
- Submitting regular monitoring reports to Towns Hub
- Receiving and accounting for the Town's funding allocation

#### 4.6.2 **Town Deal Board (Sandwell Superboard)**

The Town Deal Board will sign off each stage of a Town Investment Plan and Town Deal. The Board is responsible for:

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Developing and agreeing an evidence-based Town Investment Plan
- Establishing a clear programme of interventions
- Embedding arrangements in local plans (where appropriate) and undertaking Environmental Impact Assessments and fulfilling duties on public authorities under the Equalities Act, in particular, and the public sector equality duty.
- Coordinating resources and engaging stakeholders
- Ensuring communities' voices are involved in shaping design and decision making at each phase of development
- Ensuring diversity in its engagement with local communities and businesses
- Helping develop detailed business cases
- Overseeing each step of agreeing a Town Deal, and overseeing compliance with the Heads of Terms Agreement with government

4.7 **Membership** The Towns Fund Prospectus and Guidance detailed that Town Deal Board should comprise the following participants:

- A private sector chair

- All tiers of local government
- The MPs representing the town(s)
- The Local Enterprise Partnership
- Local businesses and investors
- Community / local voluntary community sector representatives
- Other relevant local organisations such as FE colleges or Clinical Commissioning Groups

## **Sandwell Towns Fund Governance**

- 4.8 The Sandwell Superboard will operate as the ‘Town Deal Board’ as defined in the Government’s Towns Fund Guidance.
- 4.9 The three Local boards (one each for Rowley Regis, Smethwick and West Bromwich will operate as sub-groups of the Superboard and will make recommendations to Superboard.
- 4.10 The Towns Fund Superboard will be responsible for:
- Leadership/ Direction of Towns Fund - Provide strategic direction across all of the Town Deal Areas
  - Coherent Governance - Ensure a coherent approach across all of the Town Deal Areas, maximising cross town initiatives where possible
  - Consistency - Ensure interventions are not competitive across the Town Deal Areas and act to build the local economy
  - Alignment to Strategic Priorities - Ensure alignment of the Town Investment Plan (T.I.P) to Local, Regional and National strategies
  - Shape and Approve Town Investment Plans
  - Approve the Stakeholder Engagement Plan
- 4.11 The Town Deal Local Boards will be responsible for:
- Developing the strategy and vision for the town
  - Develop and agree an evidence-based T.I.P and inform the Town Deal, including the amount of investment secured
  - Develop a clear programme of interventions
  - Coordinate resources and influence stakeholders
- 4.12 Scrutiny of the Towns Fund Programme will be provided through the Council’s scrutiny arrangements. Economy, Skills, Transport and Environment Scrutiny Board considered an initial presentation on 4 February 2021.

## **Membership**

- 4.13 The Superboard membership has been compiled in adherence to the Government’s guidance. A membership list is attached within Appendix 1.

- 4.14 Two Member seats on the Superboard are to be appointed to. It is proposed that the Leader, and the Cabinet Member for Inclusive Economic Growth be appointed to the Towns Fund Superboard.
- 4.15 The Local Boards for Rowley Regis, Smethwick and West Bromwich are sub-groups of the Superboard. To reflect the intentions of the guidance, the Local Boards are also composed of a range of stakeholders with a Chair drawn from the private sector. Business Ambassadors Chris Hinson (SIPS) and Alan Taylor (MIGlass) have been invited to Chair the West Bromwich and Smethwick Local Boards respectively, and Adrian Eggington (BCHG) has been invited to and chair Rowley Regis Local Board. All have accepted the invitation.
- 4.16 It is proposed that the relevant Town Lead Member, and following Cabinet Members be appointed to the Local Boards as follows:
- 4.16.1 Rowley Regis Local Board
- Rowley Regis Town Lead – Cllr Ashman
  - Cllr Crompton
  - Cllr Millard
- 4.16.2 Smethwick Local Board
- Smethwick Town Lead – Cllr Ahmed
  - Cllr Ali
  - Cllr Shaeen
- 4.16.3 West Bromwich Local Board
- West Bromwich Town Lead – Cllr Melia
  - Cllr Taylor
  - Cllr Hadley
  - Cllr Underhill

### **Governance Arrangements and Terms of Reference**

- 4.17 The Council will act as the Accountable body for the Towns Fund, through which, if successful, funding will flow.
- 4.18 Following an offer of Heads of Terms from Government, full business cases will be developed for each of the Towns Fund projects which will be subject to the Council's capital appraisal assessment and approval from Cabinet.

- 4.19 Town Deal Boards are required to align with the Council's governance standards and policies. As such, a detailed Terms of Reference Document and Governance Procedure Rules will be produced for members of the Superboard and Local Boards to adopt including a Code of Conduct, adherence to the Seven Principles of Public Life (Nolan principles), declarations of pecuniary and non-pecuniary interests, and a register of gifts and hospitality.
- 4.20 Members of the Superboard and Local Boards will be given support and guidance to fulfil the governance requirements.
- 4.21 This report seeks approval for the Chief Executive in consultation with the Leader, Cabinet Member for Inclusive Economic Growth and Monitoring Officer to agree arrangements for the Governance of the Towns Fund Programme in accordance with the Government's Towns Funds Guidance. This will include a Terms of Reference Document which will extend the Council's arrangements for co-opted Council Members to Members of the Superboard and Local Boards.
- 4.22 In line with the Towns Fund Guidance, agendas of Superboard meetings will be published within 5 clear working days and minutes within 10 clear working days through the Council's CMIS system
- 4.23 The Superboard will abide with the Council's arrangements for the consideration of public reports with the default position being that all papers are open to the public.

## **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 It is key that proposals are developed in partnership with the community, business and public-sector organisations. Key stakeholders drawn from a variety of sectors have been invited to participate in the Superboard and Local Boards.
- 5.2 There will be a period of community consultation as part of the development of the Town Investment Plans (TIP) which will take into account the requirement for social distancing.

## **6 ALTERNATIVE OPTIONS**

- 6.1 Alternative Members could be put forward for participation in the Superboard and Local Boards.
- 6.2 The proposal is for Cabinet Members to participate at Superboard and Local Board level along with the relevant Town Lead Members.

- 6.3 Alternative proposals for governance could be implemented. The proposals within this report adhere with the Government's Towns Fund Guidance which is a requirement to access the Towns Fund funding.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

- 7.1 The Towns Fund represents a unique opportunity for up to £75m funding to improve our towns and up to an additional £2.25m accelerated funding.
- 7.2 The Council will act as Accountable body and projects will undergo capital appraisal as part of development of detailed business cases.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 8.1 The Council is the accountable body for the Towns Fund and will sign the Heads of Terms agreement with Government along with the Chair of the Superboard.
- 8.2 The Member Code of Conduct will apply to the Superboard and Local Boards to ensure transparency and accountability of governance arrangements.
- 8.3 A detailed Terms of Reference Document and Governance Procedure Rules will be produced for the Superboard and Local Boards.
- 8.4 The Agendas and Minutes of the Superboard will be made available to the public.

## **9 EQUALITY IMPACT ASSESSMENT**

- 9.1 The potential investment gained through the Towns Fund offers the opportunity for Towns to 'level up' and put in place building blocks for economic prosperity.
- 9.2 Specific equality and diversity implications will be assessed and considered as part of individual projects brought forward for decision.
- 9.3 Superboard and Local Board Membership is drawn from a range of organisations and sectors.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

- 10.1 N/a

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

- 11.1 N/a

## **12 SUSTAINABILITY OF PROPOSALS**

12.1 Should application to the Town Fund be successful, funding will be used to deliver interventions across the three town areas which will create sustainable, future proofed and resilient communities.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

13.1 N/a

## **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 N/a

## **15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 The proposal is for Cabinet Members to participate at Superboard and Local Board level along with the relevant Town Lead Members as detailed in the report.

## **16 BACKGROUND PAPERS**

Towns Fund Guidance, June 2020

## **17 APPENDICES:**

Towns Fund Guidance, June 2020

Towns Fund Governance Document

**Tammy Stokes**  
**Interim Director – Regeneration and Growth**

**Surjit Tour**  
**Director – Law and Governance and Monitoring Officer**



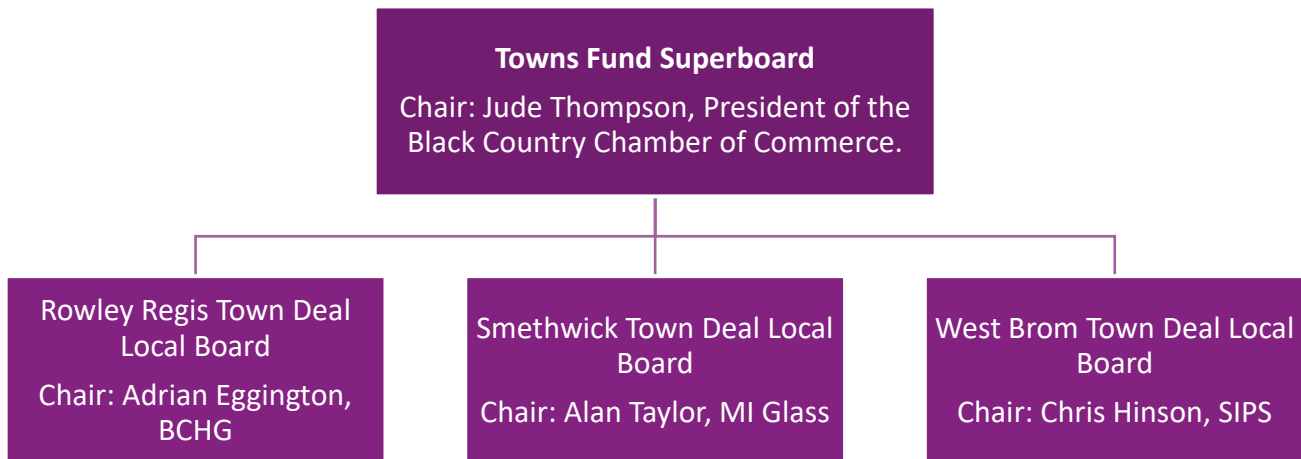
# Towns Fund Governance Document July 2020

## 1. Purpose of Document

- 1.1 The purpose of this document is to outline the governance arrangements for Sandwell’s Towns Fund Programme.
- 1.2 It includes Roles and Responsibilities, Code of Conduct for Board Members, Decision Making arrangements, Scrutiny arrangements, Transparency and Accountability and a List of Members of the Towns Fund Superboard, and three Local Boards

## 2. Governance Diagram

- 2.1 Governance will be provided to this programme through the Towns Fund Superboard, and three Local Boards.



- 2.2 In accordance with the Towns Fund Guidance published June 2020, the Sandwell Superboard will be classed as the *Town Deal Board* and form the body which makes the Towns Fund Agreements with Government. The three Local Boards will be constituted as working groups of the Superboard.

### 3. Roles and Responsibilities

#### 3.1 Towns Fund Superboard

3.1.1 The Superboard will sign off each stage of a Town Investment Plan and Town Deal.

3.1.2 The Sandwell Superboard is classified as the **Town Deal Board** in accordance with the Government's Towns Fund Guidance (June 2020)

3.1.3 The Superboard is responsible for:

- **Leadership/ Direction** - Provide strategic direction across all of the Town Deal Areas
- **Coherent Governance** - Ensure a coherent approach across all of the Town Deal Areas, maximising cross town initiatives where possible
- **Consistency** - Ensure interventions are not competitive across the Town Deal Areas and act to build the local economy
- **Alignment to Strategic Priorities** - Ensure alignment of the Town Investment Plan (T.I.P) to Local, Regional and National strategies
- **Shape and Approve Town Investment Plans**
- **Approve the Stakeholder Engagement Plan** – ensuring that communities' voices are involved in shaping design and decision making at each phase of development, and ensuring diversity in its engagement with local communities and businesses
- **Town Deal** - overseeing each step of agreeing a Town Deal and overseeing compliance with the Heads of Terms Agreement with government.
- **Upholding the Seven Principles of Public Life (Nolan Principles)**

3.1.4 The Chair of the Superboard is responsible for:

- Upholding the Seven Principles of Public Life (Nolan Principles)
- Leading the Superboard to achieve its objectives, maintaining an overview of activity, and championing the supporting partnership working
- Ensuring that decision are made by the Board in accordance with good governance principles
- Signing the Heads of Terms Agreement with government

#### 3.2 Town Deal Local Boards (Rowley Regis, Smethwick and West Bromwich)



3.2.1 The Town Deal Local Boards are constituted as working groups of the Superboard.

3.2.2 The Town Deal Local Boards will be responsible for:

- Developing the strategy and vision for the town
- Develop and agree an evidence-based T.I.P and inform the Town Deal, including the amount of investment secured
- Develop a clear programme of interventions
- Coordinate resources and influence stakeholders
- Helping develop intervention business cases

3.2.3 The Chairs of the Town Deal Local Boards are responsible for:

- Upholding the Seven Principles of Public Life (Nolan Principles)
- Leading the Local Boards to achieve their objectives, maintaining an overview of activity, and championing the supporting partnership working
- Reporting progress to the Superboard

### 3.3 Sandwell Council

3.3.1 Sandwell Council will be the Accountable Body for the Town Deal.

2.3.2 Sandwell Council is responsible for:

- Upholding the Seven Principles of Public Life (Nolan Principles)
- Developing a delivery team, delivery arrangements and agreements
- Ensuring that decisions are made by the Superboard are in accordance with good governance principles.
- Ensuring transparency through the publication of agendas and minutes of the Superboard on CMIS
- Developing agreed projects in detail and undertaking any necessary feasibility studies
- Undertaking any required Environmental Impact Assessments or Public Sector Equality Duties
- Helping develop detailed business cases
- Liaising with potential private investors in identified local projects and schemes
- Signing the Heads of Terms Agreement with Government
- Monitoring and evaluating the delivery of individual Towns Fund projects
- Submitting regular monitoring reports to Towns Hub
- Receiving and Accounting for the Town's funding allocation



## 4. Code of Conduct

All Members of the Superboard and Local Boards will sign the Councillor Code of Conduct which is based on the Seven Principles of Public Life (Nolan Principles) and contained within Article 13 of the Council's constitution.

Members of the Superboard and the Superboard as a whole will be required to declare and register any gifts and/or hospitality which will be maintained by the Council.

## 5. Decision Making

4.1. The Council's Principles of Decision Making will apply to the Superboard, as laid out in article 13 of the Council's Constitution. 'elected member' is taken to refer to Superboard member:

### 13.02 Principles:

- Proportionality (i.e. the action taken is proportionate to the desired outcome);
- Decisions are taken on the basis of due consultation and professional advice from officers (Decisions taken by elected members will be based on information provided in a written report prepared by the responsible officer/s);
- Respect for human rights and giving due regard to the Public Sector Equality Duty;
- A presumption in favour of openness (Reports will only be considered in private where they contain exempt information as defined in Schedule 12A to the Local Government Act 1972 (as amended)(see Part 4 Access to Information Rules – Rule 10);
- Clarity of aims and desired outcomes (The written reports submitted to elected members will contain a clear recommendation of the professional officer for every decision they are asked to take)

4.2 Quorum – the Superboard will be considered quorate with one quarter of voting members present.

4.3 Voting – any matter will be decided upon by a simple majority of those members present in the room and eligible to vote.

4.4 Confirmation of minutes - The Chair presiding shall put the question that the minutes submitted to the meeting be approved as a correct record.

### 4.6 Declarations of Interest

4.6.1 Members shall be required to declare interests in accordance with any relevant statutory provisions and the Members' Code of Conduct as set out in Part 5 of the Constitution.



4.6.2 Where a Superboard member has a disclosable pecuniary interest or pecuniary interest in the business of the authority he/she must withdraw from the room or chamber where the meeting considering the business is being held unless the member has obtained a dispensation from the Council's Monitoring Officer.

## **6. Scrutiny**

Scrutiny of Sandwell's Towns Fund Proposals will be provided by the Council's Overview and Scrutiny Arrangements.

## **7. Transparency and Accountability**

### **7.1 Superboard Agendas and Minutes**

- 7.1.1 The Council will publish Superboard meeting agendas on CMIS 5 clear days before the meeting.
- 7.1.2 Draft minutes of the Superboard will be published within 10 clear working days; and
- 7.1.3 Approved minutes of the Superboard will be published within 10 clear working days

### **7.2 Member profiles**

- 7.2.1 Profiles of Superboard Members will be published on CMIS.

### **7.3 Conflicts of Interest**

- 7.3.1 Members of the Superboard will be required to declare any conflicts of interest (commercial, actual and potential). This will be maintained by the council in a declaration of interest register which will be managed by Sandwell Council.
- 7.3.2 Members should take personal responsibility for declaring their interests before any decision is considered by the Superboard. These will be formally noted within the published minutes of meetings of the Superboard including action taken in response to any declared interest.



## 8. Membership

### 8.1 Towns Fund Superboard

Representative	Organisation	Individual
Chair	Jude Thompson - President of the Black Country Chamber of Commerce	
Board Members	Federation of Small Businesses (FSP)	Karen Woolley
	Homes England Rep	Philip Farrell
	LEP/ Local Business Leader	Ninder Johal
	Liberty Group – CEO Jahama Group	Dilip Awtani
	Local Board Chair – West Bromwich	Chris Hinson
	Local Board Chair – Smethwick	Alan Taylor
	Local Board Chair – Rowley Regis	Adrian Eggington
	MP (Halesowen and Rowley Regis)	James Morris
	MP (Warley)	John Spellar
	MP (West Bromwich East)	Nicola Richards
	MP (West Bromwich West)	Shaun Bailey
	Sandwell College CEO	Graham Pennington
	SCVO CEO	Mark Davis
	SVCO Board Member	Geoff Foster
SMBC Leader	Cllr Maria Crompton	
SMBC Cabinet Member for Inclusive Economic Growth	Cllr Danny Millard	
Transport for West Midlands	Sandeep Shingadia	
WMCA	Gareth Bradford	
Sandwell Youth Parliament	Rep to be confirmed	
Police Representative	Rep to be confirmed	
SMBC Officers (attending in advisory capacity)	SMBC CEO SMBC Executive Director, Children Services SMBC Executive Director, Neighbourhoods	David Stevens Lesley Hagger Alison Knight Tammy Stokes



	SMBC Interim Director - Regeneration and Growth SMBC Monitoring Officer	Surjit Tour
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## 8.2 Town Deal Local Boards

<b>West Bromwich</b>		
<b>Representative</b>	<b>Organisation</b>	<b>Individuals</b>
<b>Chair</b>	Chris Hinson (SIPS) – Business Ambassador	
<b>Core Representatives</b>	Local Cabinet Members  Town Lead Member WMCA Officer Level West Bromwich BID West Midlands Police  Sandwell & West Birmingham CCG	Cllr Taylor Cllr Hadley Cllr Underhill Steve Melia Officer Level TBC Lisa Hill Sgt Michael Bradley Sgt Steve Horton Andrew Lawley
<b>Local Community Representatives</b>	Albion Foundation Kaleidoscope	Rob Lake Monica Shafaq (CEO)
<b>Cultural Representative</b>	Multistory	Emma Chetcuti (Manager)
<b>Town Specific</b>	YMCA Sandwell College	Steve Clay (CEO) Simon Griffiths
<b>BME and/or Faith Representative</b>	West Bromwich African Caribbean Centre	Shane Ward
<b>Voluntary Sector Representative</b>	Greets Green Community Enterprise The Gap Centre SCVO	CEO Wendy Brookfield  Andrew Bent Leona Bird
<b>Young People's Representative</b>	Representative tbc	
<b>SMBC Officers attending in an advisory capacity</b>	SMBC Director Town Lead SMBC Employment and Skills SMBC Service Manager for Culture SMBC Interim Director – Regeneration and Growth SMBC Service Manager – Assets	Stuart Lackenby Kelly Thomas Jane Lillystone  Tammy Stokes David Harris



<b>Rowley Regis</b>		
<b>Representative</b>	<b>Organisation</b>	<b>Individuals</b>
<b>Chair</b>	Adrian Eggington – Black Country Housing Group (BCHG)	
<b>Core Representatives</b>	Local Cabinet Members	Cllr Crompton Cllr Millard
	Town Lead Member	Lorraine Ashman
	WMCA Officer level	Officer level TBC
	Business Ambassador	Andy Smith
	Business Rep and Local Resident	Wayne Edwards
	West Midlands Police	Sgt Nicola Rock Sgt Cheryl Reed
	Sandwell and West Birmingham CCG	Andrew Lawley
<b>Local Community Representatives</b>	Lion Farm Big Local	Helen Trueman
	Agewell	Deborah Harrold
	Murray Hall Community Trust	Manjula Patel
<b>Cultural Representative</b>	Black Country Touring	Ruth Harvey
<b>Town Specific</b>	Sandwell College	Graham Pennington
<b>BME and/or Faith Representative</b>	Central Methodist Church	Mrs C Chambers
	Cradley Heath Central Mosque	TBC
<b>Voluntary Sector Representative</b>	Cradley Heath Community Link	Alecia Baker
	SVCO	Leona Bird
<b>Young People's Representative</b>	Representative tbc	
<b>SMBC Officers attending in an advisory capacity</b>	SMBC Employment and Skills	Kelly Thomas
	SMBC Service Manager for Culture	Jane Lillystone
	SMBC Interim Director – Regeneration & Growth	Tammy Stokes
	SMBC Service Manager – Assets	David Harris





<b>Smethwick</b>		
<b>Representative</b>	<b>Organisation</b>	<b>Individuals</b>
<b>Chair</b>	Alan Taylor (MI Glass) – Business Ambassador	
<b>Core Representatives</b>	Local Cabinet Members  Town Lead Member WMCA Officer level Business Rep and Local Resident West Midlands Police  Sandwell and West Birmingham CCG	CLlr Ali CLlr Shaeen Zahoor Ahmed Officer level TBC Omar Rashid Sgt Joanne Parke Sgt Carl Fox Andrew Lawley
<b>Local Community Representatives</b>	Brasshouse Community Centre	Jennifer Harrison
<b>Cultural Representative</b>	Brushstrokes	David Newall
<b>Town Specific</b>	Sandwell College Action for Children Liberty Engineering	David Holden Kerry Hall John Wood
<b>BME and/or Faith Representative</b>	Guru Nanak Gurdwara	Jatinder Singh
<b>Voluntary Sector Representative</b>	St Albans Dorothy Parkes SCVO	Tonia Flannagan Robert Bruce Leona Bird
<b>Young People's Representative</b>	Representative tbc	
<b>SMBC Officers attending in an advisory capacity</b>	SMBC Director Town Lead SMBC Employment and Skills SMBC Service Manager for Culture SMBC Interim Director – Regeneration & Growth SMBC Service Manager – Assets	Lesley Hagger Kelly Thomas Jane Lillystone Tammy Stokes  David Harris





Ministry of Housing,  
Communities &  
Local Government

## Towns Fund guidance



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June 2020

## Ministerial Foreword

In the year since we launched our £3.6 billion Towns Fund, the country has faced a whole new set of challenges that we could not have predicted.

But we have seen towns and their communities, at the forefront of our national response to Covid-19, showing great adaptability and resilience. Our appreciation and pride in the places we call home is greater today than ever before.

I'm clear that towns should be at the heart of our nation's recovery and the Towns Fund has never felt more important. This investment into 100 towns across the country will galvanise local businesses and communities. It will show how government and places can come together to build more prosperous futures.

Our Towns Fund Prospectus, launched in September, set out our vision for the Fund and the first stages of the process. Today's publication of further guidance represents another significant step.

While the funds may take on a further purpose in helping us recover and rebound, the overarching objective of the Towns Funds remains the same: to drive the sustainable economic regeneration of our towns for long-term economic and productivity growth.

That is why I'm so pleased we haven't lost momentum. Since September, our towns have been working hard to establish Town Deal Boards and develop their Town Investment Plans. All towns should be incredibly proud of the progress they have made.

The Towns Fund is at the centre of our ambition to level up this country and make it a better place for everyone to live and work. I look forward to working with our towns and communities to make this a reality.

Simon Clarke MP  
Minister for Regional Growth and Local Government

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## 1. Introduction

- 1.1 On 6 September 2019 the government invited 100 places in England to develop proposals for a Town Deal, forming part of the £3.6 billion Towns Fund announced by the Prime Minister in July 2019.
- 1.2 Towns are home to some of our key businesses and employers, they host some of our world-leading universities and are where the majority of the population live. They serve as important centres to their surrounding areas, with shopping and leisure facilities and other services drawing in people from villages and rural areas.
- 1.3 Struggling towns, however, do not always have the fundamental building blocks of a strong local economy in place. The evidence shows they can face some significant challenges: an ageing population without the skills necessary to attract new firms; fewer people going on to and returning from higher education; fewer economic opportunities in the surrounding region; fewer opportunities for training and retraining; and less foreign direct investment than in cities. Growth is held back where this is compounded with poor transport and digital connectivity.
- 1.4 We know that towns have been working hard since September to establish Town Deal Boards and develop Town Investment Plans (TIPs) – and while many have had to deprioritise this work in the current crisis, all towns are keen to understand the next steps and how they can agree their Town Deal.
- 1.5 This guidance is intended to enable towns to finalise their TIPs and work with MHCLG to agree their Town Deals. It sets out key information about interventions in scope, and the roles of different stakeholders throughout the process, and shows the path towards the implementation of Town Deals.

### Town Deals and Covid-19 impacts

- 1.6 At the time of writing, we are facing a set of challenges on an unprecedented scale. We cannot predict exactly what the coming months will bring, and we are concerned that deprived towns may be hit harder by this crisis than elsewhere.
- 1.7 We have not changed the focus of the Towns Fund, nor the types of interventions we expect to support. The effects of Covid-19 have been felt directly by all towns, and the impact has been particularly acute for those with the vulnerabilities and weaknesses that the Towns Fund was set up to address. So this investment in towns is more needed than ever. The government wants to meet the long-term needs of left behind communities, and remains committed to levelling up.
- 1.8 The Town Deal may for some towns take on additional purpose as a key part of the efforts to recover and rebound from this crisis. The Towns Fund will enable the agreement of strategic investments by the end of the financial year, tailored to each

town's circumstances and the localised impacts of Covid-19. This is part of a wider package of support for places to respond to Covid-19, including measures to mitigate the immediate impact, such as the £12.3 billion funding to help small and rural businesses manage their cashflow through this period. Through supporting local economic plans and partnerships, the Towns Fund will help chart a course and lay the groundwork for levelling up over the longer term, as set out in the [UK government's Covid-19 Recovery Strategy](#).

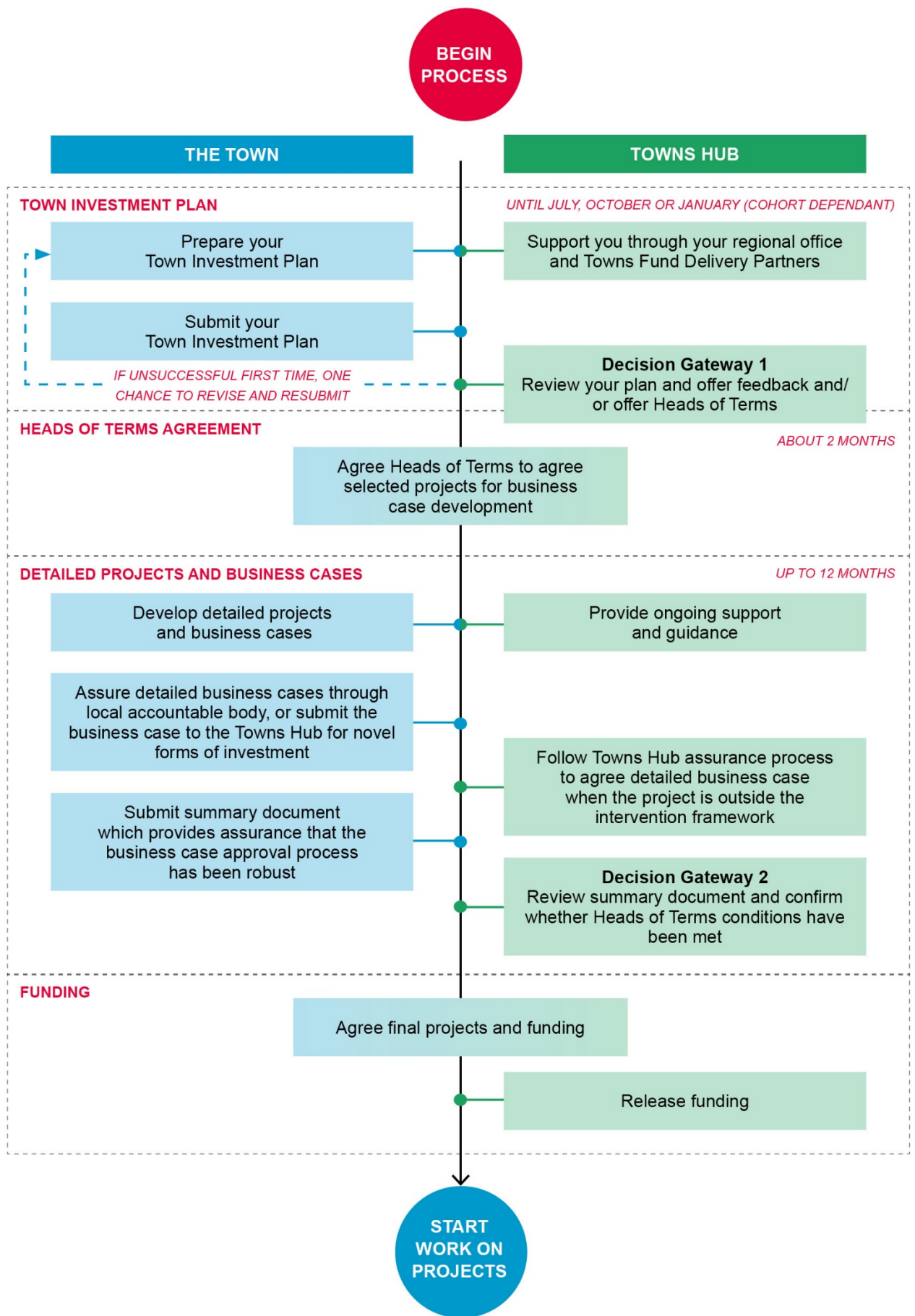
- 1.9 We will be flexible and responsive. We have pushed back the deadlines for submitting Town Investment Plans to reflect the ongoing uncertainty and the pressures on all partners on Town Deal Boards. We will continue to monitor the situation and where needed will provide towns with additional support to complete TIPs.
- 1.10 We would like all towns to outline in their Town Investment Plan how Covid-19 is impacting their local economy, and how this is reflected in their strategy and prioritisation. It may be that some priorities have shifted, or it could be that the same things are still critical – whichever is the case, it is paramount that Covid-19 forms part of the evidence base and is factored into decision-making.
- 1.11 Towns should take advantage of the opportunities presented to chart a sustainable course for their long-term growth. While there may be a case for mitigating the impacts of the crisis on key sectors and parts of town, we will not support measures that are purely short-term. We would like towns to focus on making adaptations which increase resilience and prosperity.
- 1.12 Town centres may be hit hard by the impacts on retail, adding to longer-running trends and pressures. In particular, towns may want to consider how they can reconfigure town centres for mixed uses. There may be other opportunities to make decisive changes for the long term, such as investing in sustainable modes of transport to take advantage of behaviour changes caused by lockdown. TIPs must include a wider spatial strategy, setting out why targeted areas have been chosen, what is being done to support other key areas of their town, and how this will support the town centre.
- 1.13 Towns should flag if they want to use their Town Deal as a key part of their recovery plans and set out how their proposed projects fit with other recovery measures. Towns in this position should highlight projects they believe are 'shovel ready' and the potential to tie in multiple lines of support to one deal.
- 1.14 Given the uncertainties, towns may wish to set out scenarios and hypotheses to underpin plans and ensure plans are flexible to evolving contexts and guidance. We expect to see projects prioritised that will be valuable against a number of possible scenarios, rather than large, risky investments.

- 1.15 Through MHCLG's Towns Hub we will provide resources and advice to help towns understand how Covid-19 will impact them in the future, and lessons about suitable interventions, opportunities and risks. Towns hardest hit by the pandemic and those to whom the deal is an essential part of their recovery planning will receive additional support.

### Towns Fund Process

- 1.16 The diagram below summarises the process for agreeing Town Deals and starting implementation. It has been designed to help strengthen the quality of Town Deals, building partnerships and strategies that will help guide investment and development over time. At the same time, it ensures sufficient oversight and assurance of how money is spent at a local and national level.
- 1.17 There are two phases, with a decision gateway at the end of each. First, towns will develop TIPs, which will be assessed by MHCLG to inform a Heads of Terms offer (given the submission is of sufficient quality). Towns will then develop agreed projects and business cases in detail, and government will assess that information before releasing funding for implementation.
- 1.18 We understand from our readiness assessments carried out over the past six months that towns had very different starting points, and towns have had varying ability to continue their work during the recent crisis. Towns will therefore be able to submit their TIPs in three cohorts, depending on when they will be ready.
- 1.19 Should towns fail to submit a TIP of sufficient quality, they will be given one more opportunity to do so. If they fail a second time, they will no longer be eligible for a deal. Through the Towns Hub, we will provide Town Deal Boards with the support they need to successfully complete the process.





## 2. Towns Fund purpose

- 2.1 Through the Towns Fund we will work with more places to address growth constraints and to ensure we chart a course of recovery from the impact of Covid-19. The overarching aim of the Towns Fund is to **drive the sustainable economic regeneration of towns to deliver long term economic and productivity growth**. This will be done through:

### Urban regeneration

Ensuring towns are thriving places for people to live and work, including by:

- Increasing density in town centres;
- Strengthening local economic assets including local cultural assets;
- Site acquisition, preparation, remediation, and/or development; and
- Making full use of planning tools to bring strategic direction and change.

### Skills and enterprise infrastructure

- Driving private sector investment and small business development; and
- Ensuring towns have the space to support skills and small business development.

### Connectivity

- Developing local transport schemes that complement regional and national networks; and
- Supporting the delivery of improved digital connectivity.

- 2.2 We know town centres and high streets are facing particular challenges. We are leaving the flexibility for towns to prioritise investment across the town – for example, in gateway areas, key education or employment sites. We would like to understand your plan for the town centre, to be included as part of the spatial strategy in your TIP.

- 2.3 Many towns face serious social as well as economic challenges. We suggest that towns incorporate this through a focus on inclusive growth. The Towns Fund investments are not intended to target the social challenges directly; these will be covered by other government policy and departments – although you may wish to include actions and investments in these spheres as part of the wider Town Deal.

- 2.4 TIPs should be guided by sustainability – economic, environmental, and social. The government has committed to a legally binding target to achieve net zero greenhouse gas emissions by 2050; clean growth represents a huge opportunity for the UK economy, and is a core principle of the Towns Fund. The current situation creates an opportunity to speed up the process of restructuring our industry, commerce and communities towards a greener future.

- 2.5 Towns and local authorities are well placed to coordinate clean growth investment in their local area, which can deliver decarbonisation, improved air quality and health, and economic growth.

### 3. What should be in a Town Deal?

- 3.1 A Town Deal is an agreement in principle between government, the Lead Council and the Town Deal Board, confirmed in a Heads of Terms document. It will set out a vision and strategy for the town, and what each party agrees to do to achieve this vision.
- 3.2 This document will be signed by the Secretary of State for Housing, Communities and Local Government on behalf of government. We expect the other signatories to be the chief executive or leader of the local authority and the chair of the Town Deal Board. Town Deals will cover a period of up to five years.
- 3.3 Each town has been invited to put together proposals for up to £25 million from the Towns Fund – although we will consider more than £25 million in exceptional cases. This core funding component of a Town Deal will be money from the Towns Fund. Towns are not in competition with one another – the amount of funding they are able to access will be based on the quality of their proposals and not related to the proposals brought forwards by others.
- 3.4 The Town Deal should also be a ‘wrapper’ for other investments, whether from other government departments or private investors. We would like the Towns Fund money to provide additionality, and help to bring in other funding, so Town Deals become more than the sum of their parts.

#### Interventions in scope

- 3.5 The Towns Fund is primarily a capital fund. We want to support projects that are viable and sustainable in the long term, and which build on the town’s assets and strengths. Interventions supported through the Towns Fund should be developed with input from the community, who should feel a genuine sense of ownership. We also want to support towns that are targeting interventions that will play a role in their immediate economic recovery.
- 3.6 All interventions should be designed to help generate local economic growth whilst taking into account the principle of clean growth.
- 3.7 The table below includes the outcomes, by intervention theme, that towns should be targeting through their interventions. These target outcomes should be used as a guide when towns are designing their investment plans. Examples of the types of outputs that might produce such outcomes – and therefore ones that towns should be considering – are also included in the table.

Intervention Theme	Outputs	Target Outcomes
Local transport	<i>Increase in the number of bus services; new or upgraded cycle and walking routes; new or upgraded road infrastructure; pedestrianised streets</i>	<ul style="list-style-type: none"> <li>Improved affordability, convenience, reliability, and sustainability of travel options to and from places of work</li> <li>Improved affordability, convenience, reliability, and sustainability of travel options</li> </ul>

		<p>to and from places of interest (especially shops and amenities)</p> <ul style="list-style-type: none"> <li>• Reduced congestion within the town</li> <li>• Enhanced high street and town centre experience that prioritises the health, safety and mobility of pedestrians</li> </ul>
Digital connectivity	<i>Provision of full fibre infrastructure with local authority as anchor tenant</i>	<ul style="list-style-type: none"> <li>• Increased utilisation of digital channels, by businesses, to access and/or supply goods and services</li> <li>• Increased ability for individuals to work remotely/flexibly</li> <li>• Encouraging further investment from network operators</li> </ul>
Urban regeneration, planning and land use	<i>Remediation and/or development of previously abandoned or dilapidated sites</i>	<ul style="list-style-type: none"> <li>• Enhanced townscape that is more attractive and more accessible to residents, businesses and visitors</li> </ul>
Arts, culture and heritage	<i>New or upgraded museums, theatres, community spaces, etc.</i>	<ul style="list-style-type: none"> <li>• Improved arts, cultural and heritage offer that is more visible and easier for residents/visitors to access</li> </ul>
Skills infrastructure	<i>Increase in the capacity and accessibility to new or improved skills facilities</i>	<ul style="list-style-type: none"> <li>• Increased share of young people and adults who have relevant skills for employment and entrepreneurship</li> </ul>
Enterprise infrastructure	<i>Increase in the amount of high-quality and affordable commercial floorspace; increase in the number of shared workspaces or innovation facilities</i>	<ul style="list-style-type: none"> <li>• Increased number of enterprises utilising high-quality, affordable and sustainable commercial spaces</li> <li>• Increased number of start-ups and/or scale-ups utilising business incubation, acceleration and co-working spaces</li> </ul>

3.8 The full intervention framework can be found in Annex A and sets out:

- The spatial focus of interventions;
- A broad set of acceptable outputs which should guide the design of specific interventions;
- Policies and strategies that interventions should align with; and
- The list of outcomes that we would expect interventions to target, along with a set of possible indicators that will be used to measure progress and success.

3.9 The intervention framework has been designed to allow flexibility for a broad range of interventions, so that towns can select those that are most suited to their unique circumstances. Towns should design their interventions so as to lead to the target outcomes. It should be noted that interventions outside of this framework are not automatically precluded, although they are likely to be subject to additional scrutiny in the business case phase.

3.10 For example, where towns face a flooding risk they may propose to address this in their investment plan. We might expect to fund new developments that were flood-proof, and flood defences as part of those developments. However, the focus of the

Towns Fund is on economic growth, and projects will have to be cognisant of this. (Details of specific flooding funding is set out in Annex B).

- 3.11 In all instances, towns will be required to demonstrate how their interventions will lead to the agreed outcomes using a convincing, well-evidenced Theory of Change. Further guidance on producing a Theory of Change can be found within [HM Treasury's Magenta Book](#) (page 24, section 2.2.1).
- 3.12 The fund is 90% capital. As a general rule, towns are asked to ensure that their funding bids concentrate on capital spend on tangible assets. In some towns, there may be a particular need for a small amount of revenue funding – perhaps to support implementation of a capital project. However, this will need to be fully evidenced and will be the exception.
- 3.13 The profile of the overall fund is from 2020 to 2021. We will agree specific funding profiles with each individual town based on their deal and projects.
- 3.14 In exceptional circumstances, an allocation of more than £25 million may be considered<sup>1</sup>. This will be limited to the most ambitious and credible investment plans, and towns will face a higher level of scrutiny of their plans:
- TIPs should credibly target not only transformational impacts for the town itself but for the wider region or at the national level.
  - TIPs must be top quality, with all of the Town Investment Plan (TIP) assessment criteria fully demonstrated
  - Towns will face a challenge session before a Heads of Terms is offered
  - For individual projects over £25 million business cases must be approved centrally through MHCLG rather than assured through a local Accountable Body .
- 3.15 Towns should not bid for the full £25 million or more unless there is an objective rationale to do so. It should be noted that the coherence of the Town Investment Plan (i.e. the complementarity of project proposals and their alignment with the town vision and strategic planning) plays a key role in the assessment of TIPs. Should a town bid for the full amount or more without a sound evidential backing, the town risks failing to secure a deal at the first attempt, meaning they have just one more chance to submit.
- 3.16 Towns will need to demonstrate that their proposed interventions have taken account of the following clean growth principle: *Investment from this fund should support clean growth where possible and, as a minimum, must not conflict with the achievement of the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.*
- 3.17 In practice, cost effective interventions might include:
- Investment in clean public transport
  - 'Gateway' areas around train stations

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<sup>1</sup> The maximum available is £50 million

- Other clean transport, including cycling infrastructure and electric vehicle charging points
- Low carbon buildings
- Infrastructure that reduces emissions from industrial areas
- Innovative energy efficiency measures, clean heat and power generation, and energy storage
- Regenerating and retrofitting existing buildings to be as low carbon as possible
- Carbon offsetting, e.g. planting trees
- Skills initiatives which support clean growth industries
- All development should be cognisant of flood risk and coastal erosion where relevant.

### Alignment with other initiatives and funding

- 3.18 To maximise the impact of the Towns Fund, we want to help towns align their plans with other existing government funds and initiatives. Towns should consider how the Towns Fund money may help crowd in and leverage other sources of funding. We hope that this will enable synergies, win-wins and multiplier effects, thanks to more place-focused policy.
- 3.19 A Town Deal for some towns might therefore involve agreeing to align Towns Fund monies with those from another government programme, or other public or private sector funding sources. Ideally, a Town Deal will serve as a ‘wrapper’ for a wide range of government interventions, in order to maximise both the impact of funding and the range of projects which can be funded.
- 3.20 Towns should indicate in their TIP where there exists any overlap with other government interventions, or where they plan to align Towns Fund monies with other investment. This could include aligning investment in transport infrastructure with the Department for Transport’s Restoring Your Railway Fund, or wider economic regeneration plans with MHCLG’s Brownfield Housing Fund. There are a range of funds offered by the Department for Education on skills and skills infrastructure, and from the Department for Digital, Culture, Media and Sport for digital connectivity, heritage, culture, sports, and tourism.
- 3.21 A list of funding programmes that align with the objectives of the Towns Fund is at Annex B. There may be other local, regional and national funding opportunities available that are not listed or other opportunities such as estate regeneration schemes. Towns should explore all possible avenues in the development of their investment plans.
- 3.22 For some funding programmes (such as those in the list below), the application process is likely to happen in parallel to the Towns Fund process. If towns are intending to apply for these other funds, we ask that you flag this in your TIP, and set out linkages, synergies and interdependencies between the Towns Fund and those possible investments.

- MHCLG’s Future High Streets Fund
  - DfT’s Restoring Your Railway (Beeching) Fund
  - HMG’s Freeports programme
  - Cabinet Office’s One Public Estate programme
  - DfE’s Further Education Capital Fund
  - MHCLG’s Development Corporations programme
- 3.23 The relevant departments will make their own assessment as to whether the project meets their criteria and should be taken forward through their own processes, in parallel to MHCLG’s. We will work to ensure government is joined up in how it assesses and awards these funds. Should this be agreed, alignment of the funds will be included as part of the Town Deal.
- 3.24 Some towns selected for a Town Deal have also been shortlisted for the Future High Streets Fund. As towns develop both proposals, they should ensure that they are fully aligned, building on a clear overall vision and strategy. The two funds cannot be used as match for each other but can fund complementary projects.
- 3.25 We also encourage collaboration and alignment with regional bodies and other levels of government. Where appropriate, towns should work with Local Enterprise Partnerships, Mayoral Combined Authorities and others to ensure coordination and shared learning. Some types of project may require sign-off by certain bodies, for example transport projects must have the full support of the lower and upper tier transport authorities and the local highways authority.

#### Co-funding and match funding

- 3.26 We would like to see co-funding and match funding where possible. Leveraging additional funding from other sources such as the private sector can be an effective means of widening the scope and ensuring the success of a project.
- 3.27 We know, however, that this may be difficult in some towns, especially in light of Covid-19 impacts. We have not set a minimum for match funding or private sector investment, and we will respect the different opportunities and constraints faced by different towns.
- 3.28 At a minimum we want to see evidence that towns have fully explored investment opportunities and sought to initiate discussions with potential investors as early as possible. Towns should demonstrate the level of buy-in already secured from a range of private sector players – whether this is recent or something built up over a number of years. Towns should set out how the level of co-funding secured is reasonable for their particular context, and make clear the level of commitment behind any match funding. We can provide support to towns on project finance and private sector investment.

### Case Example – Stansted Airport College



The Towns Fund prospectus highlighted the significant role colleges play in many local communities and that collaboration between education providers and businesses (large and small) is important to deliver a more highly skilled workforce. This can be achieved through investment in vital skills infrastructure.

Stansted Airport College is the first on-site aviation college at any UK major airport. It is a partnership between Harlow College and London Stansted Airport (part of the Manchester Airport Group). The College was specifically established to address skills shortages in the aviation industry. Construction began in October 2017 and the College opened to its first students in September 2018. Now in its second year of operation the College is at full capacity of 500 trainees.

The airport has between 300-400 live vacancies every week of the year, from entry level positions through to higher level technical positions. The strategic partnership provides a pipeline of talent for airport business partners, as well as providing 'a clear line of sight' to the workplace for young people. The College sits literally at the end of the runway – its location provides an inspiring and motivational environment for young people.

This is a significant and fundamental strategic partnership which included the 'gift' of £3.5 million land to build the new facility, as well as key links with the 220+ airport business partners. Employers were involved in the design of both the building and the curriculum. Their on-going commitment and support to work placements, visits, professional talks, volunteering and curriculum development is a vital part of the College's success. Impact is measured at multiple levels. Now at full capacity the £11 million centre delivers £2.3 million of benefit to the economy in terms of skilled trainees for the workforce.



## 4. Phase 1: Preparing a Town Investment Plan

- 4.1 Town Deal Boards are responsible for developing a Town Investment Plan that sets out a clear vision and strategy for the town. Plans should reflect local priorities and be co-designed with local businesses and communities. A Town Investment Plan will be used as the basis for agreeing the Town Deal, including the specific projects which will be funded and the agreement in principle/Heads of Terms (before entering into phase 2 where funding may be granted). For towns that are proposing a joint deal, a single Town Investment Plan must be developed with strategic fit for both towns.
- 4.2 TIPs should be long-term, strategic documents. They should provide the strategic case for Town Deals, with the evidential and analytical basis for the selection and design of the projects proposed in it. We would also like them to be broader than this: they should set out a vision for the town with broad ownership and a strategy that can set the direction for the economic turnaround of the town over a decade, including economic recovery from the current crisis.
- 4.3 TIPs should build on and recognise the good work that has already been undertaken in towns. We know many towns already have strong partnerships, and we are happy if these form a key foundation of the Town Deal Board. And in many places there are recent strategies and plans for the town which are highly relevant to Towns Fund objectives: we would hope TIPs align with and build on these.
- 4.4 To help contribute to broader ownership and longevity, the final Town Investment Plan should be published on the Lead Council's website (or a Town Deal specific website).

### Running a Town Deal Board

- 4.5 Town Deal Boards are responsible for producing Town Investment Plans, including putting forward suitable projects which align with the objectives of the Towns Fund, and for overseeing compliance with the Heads of Terms Agreement with government.
- 4.6 We hope that they can build on and strengthen existing partnerships in the town. It is also important to be clear how Town Deal Boards align with other place-based initiatives in towns. We would like to see evidence of a shared vision and commitment from a range of stakeholders, however this does not all have to come from Towns Fund-specific engagement.
- 4.7 A Town Deal Board should operate in a transparent and objective way for the benefit of the town it represents. We set out here and at Annex D governance requirements – this should fit within and complement existing arrangements for governance, assurance, audit etc. in the local authority and does not need to be wholly separate.

- 4.8 The Town Deal Board's membership should reflect the diversity of the town and surrounding area. The Towns Fund Prospectus stated that membership of Town Deal Boards should comprise:
- A private sector chair
  - All tiers of local government for the geography of the town
  - The MP(s) representing the town
  - The Local Enterprise Partnership
  - Local businesses and investors
  - Community/local voluntary community sector representatives
  - Other relevant local organisations, such as FE colleges or Clinical Commissioning Groups.
- 4.9 It will be important to ensure a balance of views are heard and to create opportunities for fresh perspectives and challenge, so membership could extend to those with other specific expertise, such as clean growth.
- 4.10 All Town Deals will need to have an Accountable Body which will be a council through which funding will flow. The Lead Council for the Town Deal (the Unitary Authority, Metropolitan Council, District Council or Borough Council for the town) will determine the appropriate Council to act as the Accountable Body (the Lead Council may take on this role or nominate an upper tier Authority where more suitable). Lead Councils have a seat on the board and take responsibility for ensuring that decisions are made by the Town Deal Board in accordance with good governance principles.

### **Roles and responsibilities**

**Town Deal Board** - The Town Deal Board will sign off each stage of a Town Investment Plan and Town Deal. The Board is responsible for:

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Developing and agreeing an evidence-based Town Investment Plan
- Establishing a clear programme of interventions
- Embedding arrangements in local plans (where appropriate) and undertaking Environmental Impact Assessments and fulfilling duties on public authorities under the Equalities Act, in particular, and the public sector equality duty.
- Coordinating resources and engaging stakeholders
- Ensuring communities' voices are involved in shaping design and decision making at each phase of development
- Ensuring diversity in its engagement with local communities and businesses
- Helping develop detailed business cases
- Overseeing each step of agreeing a Town Deal, and overseeing compliance with the Heads of Terms Agreement with government

**Town Deal Board Chair:**

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Leading the Board in achieving its objectives, maintaining an overview of activity, and championing and supporting partnership working

- Ensuring that decisions are made by the Board in accordance with good governance principles
- Signing the Head of Terms Agreement with government

**Lead Council** (acting as or with the Accountable Body):

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Developing a delivery team, delivery arrangements and agreements
- Ensuring that decisions are made by the board in accordance with good governance principles
- Ensuring transparency requirements are met – through publication of information on their website or a Town Deal specific website (where further reference is made in this guidance to publication on a Lead Council’s website this includes Town Deal specific websites)
- Developing agreed projects in detail and undertaking any necessary feasibility studies
- Undertaking any required Environmental Impact Assessments or Public Sector Equalities Duties
- Helping develop detailed business cases
- Liaising with potential private investors in identified local projects and schemes
- Signing the Head of Terms Agreement with government
- Monitoring and evaluating the delivery of individual Towns Fund projects
- Submitting regular monitoring reports to Towns Hub
- Receiving and accounting for the Town’s funding allocation

- 4.11 The Town Deal Board should have suitable governance arrangements that allow members to provide robust challenge, hold delivery partners to account and ensure that the benefits of the Town Deal are achieved. The governance arrangements should cover:
- Roles and responsibilities of the Board
  - Transparency of decision making
  - Details of how the Board will engage with the relevant partners and the community
  - How decisions will be scrutinised
  - How the Board intends to follow the local authority best practice for Committee and Board Secretariat and Governance
- 4.12 The membership and governance arrangements (including minutes of meetings and decision logs) of the Town Deal Board should be published on the Lead Council’s website.
- 4.13 Annex D provides further detail on the governance expectations, this includes information on the requirements relating to management of conflicts of interest and the publication of information.
- 4.14 Ahead of agreeing a Town Deal, checks will be undertaken to ensure Town Deal Boards are meeting all the governance expectations set out here and in the Towns Fund Prospectus.

## Community Engagement

- 4.15 Interventions supported through the Towns Fund should have the support of the community, through early and ongoing engagement and genuine partnership arrangements. Plans made with the communities that they affect are most likely to be successful, lead to innovation and creativity, and result in less controversy.
- 4.16 Where possible, communities should be part of originating ideas, setting objectives and visions rather than just giving feedback on proposals that are already some way along. If communities feel heard and are invested in the success of the project(s), this should ultimately help develop a sense of pride and connectivity to place and community. And for some towns, the existing sense of pride and identity in their town can be a valuable resource for change.
- 4.17 This is a key part of developing the Town Investment Plan and we want towns to demonstrate the buy-in they have secured with the community. We are not being prescriptive about how this looks, however – and it can and should build on existing partnerships, consultation and mobilisation in the local community. Towns may choose to use the capacity funding, provided December 2019, to support community engagement.
- 4.18 We recognise that engagement with local communities is made more challenging due to the Covid-19 pandemic. The response to Covid-19 has seen an increase in volunteering and community action, and we encourage towns to use this moment as an opportunity to harness this energy and embed community engagement.
- 4.19 We urge Town Deal Boards to be innovative in ensuring that a diverse range of stakeholders are consulted throughout the development of Town Investment Plans, making the most of what digital technology can offer to reach diverse communities and groups while also considering face-to-face engagement when it is possible. The Towns Hub can provide support and advice for community engagement in the Covid-19 context.
- 4.20 Asking the right questions, in the right way and at the right time, can draw out potential pitfalls and unexpected but effective solutions. For example, a new bus lane and bus route can either divide communities and further isolate or become the access route to both physical and social connectivity.
- 4.21 The level and quality of community engagement – what has been done so far and what is planned in the future – will be a key factor when assessing and agreeing the Towns Deals. Every TIP should also include a **stakeholder engagement plan** that demonstrates how the town will:

- Involve: Identify and involve the people/organisations who have an interest in the proposals and developments
- Support: Identify and show how you will overcome any barriers to involvement

- Evidence: Gather evidence of the needs and available resources and use this to agree the purpose, scope and timescale of the engagement and the actions to be taken
- Design: Agree and use methods of engagement that are fit for purpose, and demonstrate engagement throughout the project lifetime/Town Deal Fund
- Work together: Agree and use clear procedures that enable the participants to work with one another effectively and efficiently
- Share information: Ensure necessary information is communicated between the participants and everyone is looped into the information needed to make informed decisions
- Work with others: Work effectively with others who are already or could help with engagement for example the voluntary and community sector, social enterprises or relevant public sector bodies
- Improve: You may need to consider further developing the skills, knowledge and confidence of all participants
- Feedback: How will you feed back the results of engagement to the wider community and agencies affected, and show the impact this engagement has had
- Evaluate engagement: Monitor and evaluate whether the engagement achieves its purposes and adjust as necessary

## Content of the Town Investment Plan

4.22 As set out in the prospectus, the Town Investment Plans should:

- Set out investment priorities that could drive economic growth, supported by clear evidence, building on the strengths and assets of the town
- Demonstrate how investment will be targeted into the economic infrastructure listed around the objective of the fund
- Build on and add to existing partnerships and plans for the town, and complement pre-existing strategies such as Local Industrial Strategies, Skills Advisory Panel analysis, spatial strategies and local transport plans
- Consider the wider strategic approach, including Northern Powerhouse, Midlands Engine, the Oxford-Cambridge Arc and other pan-regional strategies
- Align with the government’s clean growth objectives

4.23 The Town Investment Plan should be in two sections; section 1 setting out the context, strategy and process planning; and section 2 setting out the details of project proposals. The expected content is set out below, and the **templates for sections 1 and 2 of the Town Investment Plan will be provided directly from the Towns Hub.**

TIP Section 1	
<b>Context analysis</b>	<ul style="list-style-type: none"> <li>• Map of agreed town boundary and other relevant context</li> <li>• The main challenges facing the town</li> <li>• Evidence of need, relevant to proposed projects</li> <li>• The town’s assets and strengths</li> </ul>

	<ul style="list-style-type: none"> <li>• Key opportunities for the town</li> </ul>
<b>Strategy</b>	<ul style="list-style-type: none"> <li>• Town vision, and headline outcomes and/or targets for 2030 or beyond</li> <li>• Strategy, outlining strategic planning, objectives and targets, spatial strategy, underlying evidence, analysis and rationale, and a description of priority areas for the short, medium and long term.</li> <li>• Mapping of all strategies, partnerships, programmes and investments relevant to the vision and strategy, and how they will be aligned</li> </ul>
<b>Engagement and delivery</b>	<ul style="list-style-type: none"> <li>• Clear evidence of buy-in from local businesses and communities, description of have been engaged throughout the development of this plan, and how this engagement will continue</li> <li>• Demonstration of commitments from private sector players, and ambitions for private-sector investment going forwards</li> <li>• High-level plan of business case development and appraisal for each project including the identification of the Accountable Body</li> <li>• High-level delivery plan with justification of deliverability</li> </ul>
<b>TIP Section 2</b>	
<b>Prioritised list of projects</b>	<p>Including the following for each project:</p> <ul style="list-style-type: none"> <li>• Project description, rationale and alignment with intervention framework</li> <li>• Theory of Change, projected outputs and outcomes</li> <li>• Estimates of project costs, timescales, spend profile, and estimated BCR</li> <li>• Funding secured from other sources, community and private sector involvement and major interdependencies</li> </ul>

4.24 Towns should set out in their TIP their assessment of the local impacts of Covid-19, and how these have been taken into account in their strategy and project prioritisation. Towns should flag if they want to use the deal as key part of their recovery plans, and set out how their proposed projects fit with other recovery measures. Given the uncertainties you may wish to set out scenarios and hypotheses to underpin plans, and ensure plans are flexible to evolving contexts and guidance.

4.25 Towns should also indicate where projects proposed are already well-developed and could be taken forwards quickly – for example, where a business case already exists, planning permissions secured, or are otherwise ‘shovel ready’. In these instances we would support towns to complete the second stage of the process quickly for those projects, so that funding can be released as soon as possible.

### Submitting the Town Investment Plan

- 4.26 We know from our initial engagement that towns will need to work at different speeds in developing proposals. To support this, we have set three deadlines for submitting Town Investment Plans.
- 4.27 **We will ask towns to confirm, within four weeks of the publication of this guidance, which cohort they would like to come forwards in – submitting their TIP by 31<sup>st</sup> July 2020 for cohort 1, by the end of October 2020 for cohort 2, or by the end of January 2021 for cohort 3.**
- 4.28 All towns must have submitted Town Investment Plans by the end of January 2021. All towns will have a second chance to submit their TIP if they are not successful the first time, no matter which cohort they first come forward in. You should work with your named town lead to determine which is the most appropriate for your town.
- 4.29 **You should submit your Town Investment Plan by email to the Towns Hub by the deadline** you have agreed with your named Town Deal contact.
- 4.30 Whilst we are keen to do deals and start the process of getting much needed investment into towns, we do not want any town to come forward before it is ready. There is **no advantage in coming first**: each Town Investment Plan will be assessed on its own merits.
- 4.31 Should you fail to meet the agreed deadline or submit proposals or projects of insufficient quality which do not meet the criteria and conditions, you will have the opportunity to resubmit at a subsequent deadline. If you do not submit, or submit proposals of insufficient quality by March 2021, then your town is likely to be deemed ineligible for this round of funding from the Towns Fund. You may be eligible to apply for a future competitive round of the Towns Fund.

## **Case Example – The Lincoln Transport Hub**



High quality and well-designed infrastructure is critical to supporting local economies and sustainably improving living standards, with reliable transport connectivity one of the keys to spreading prosperity in towns.

In Lincoln the bus station was recognised as inadequate, with sub-standard facilities, condition and general amenities. Similarly, there was a general acknowledgement that the absence of a central shoppers/visitors' car park was constraining both retail and visitor activity in the city. Railway station access, parking and services were also generally recognised as being 'out of step' with the expectations of a 21st Century city.

The £30 million Lincoln Transport Hub scheme, led by the City of Lincoln Council, was part-funded by an £11m investment from the Department for Transport and a further £2m Local Growth Fund investment from the Greater Lincolnshire Local Enterprise Partnership. The main purpose of the scheme was to provide an integrated and improved transport hub that enabled both the bus and railway stations to cope with increased passenger numbers and crucially open the possibility of more services in the future.

Completed in 2018 the Hub has transformed the city centre providing a new 14 bay state-of-the-art bus station and a new 1,001 space multi-storey car park. The road network around the Hub has been improved and includes traffic calming measures. New public realm has created better pedestrian connectivity and encourages healthier lifestyles by providing cycle paths and easy to navigate walkways from the railway station into the city centre. Additionally the railway station forecourt has been reconfigured to create a dedicated pedestrian area leading into the city centre.

The Hub has received feedback in local media indicating that it has made a positive impact on life in Lincoln and created an improved first impression and visitor experience to the city. The scheme has also helped unlock development of the wider retail areas of the city, offering further retail, office and residential accommodation including private investment in the Cornhill area adjacent to the station.



## 5. Decision Gateway One: Reviewing Town Investment Plans

### Our consideration of Town Investment Plans

- 5.1 As part of the first decision gateway, Town Investment Plans will be considered in two stages. The first stage will consist of a review of the TIP in its entirety (sections 1 and 2) using the criteria below. Where there is clear evidence of all the standards below being met, TIPs will progress to the second stage of the review where the Towns Hub will then review in more detail the individual project proposals in section 2 of the TIP. Where the standards haven't been met, clear feedback will be given and there will be one more opportunity to resubmit the TIP at a later date, as agreed with the Towns Hub.
- 5.2 This first decision gateway (the TIP review and detailed project assessment) will be coordinated by the Towns Hub, including officials from MHCLG and from other government departments (from both local and national levels), and including individuals covering policy, finance, and management as well as specific sectors or technical areas.
- 5.3 Town Investment Plans must demonstrate how Covid-19 is impacting their local economy, and how this is reflected in their strategy and prioritisation. It may be that some priorities have shifted, or it could be that the same things are still critical – whichever is the case, it is paramount that Covid-19 forms part of the evidence base factored into decision-making. Strategies and priorities should aim for long-term adaptation and transformation, rather than short-term mitigation of impacts.
- 5.4 TIPs must include a wider spatial strategy, setting out why targeted areas have been chosen, what is being done to support other key areas of their town, and how this will support the town centre. We recognise that towns may also serve as crucial parts of interconnected regional economies, and as rural hubs. Investment will only be available within the agreed town boundary. However, we welcome any benefits to the wider economy that the town deal can bring.

### **TIP review (see Annex C for more details)**

Review of the Town Investment Plan		
Standard	Criterion	Evidence
Impact	Level of need	Details of the major challenges and problems in the town which could be addressed through Towns Fund interventions.
	Scale of opportunities	Details of major opportunities and unmet demand which could be capitalised on to boost growth and improve wellbeing

<b>Strategy</b>	Strength of vision, strategy and economic narrative	An evidence-based vision and strategy, aligned to the objectives of the fund and grounded in its context, including a clear demonstration how the strategy responds to local Covid impacts, and with a and a robust prioritisation process has been followed.
	Coherence of TIP	A coherent set of proposals forming a broader strategy which clearly addresses the needs and opportunities. Theories of Change developed for each project setting out clearly the assumptions and external factors.
	Capacity and alignment of proposals with ongoing initiatives	Details of how proposals would complement existing and planned work while providing additionality, including how it aligns with Covid recovery. Details of co-funding, delivery capacity and accountability.
<b>Partnerships</b>	Strength of collaboration with communities and civil society	Level of representation and institutional collaboration both in the production of the TIP and planned for the future.
	Strength of collaboration with the private sector and local businesses	Level of representation and institutional collaboration both in the production of the TIP and planned for the future.

#### 5.5 The best TIPs will:

- Include long-term strategic planning, and be based on sound evidence and analysis, with an understanding of the town’s context. It should also include a set of intervention proposals with a clear strategic fit, guided by evidence of ‘what works’ or by case studies of success from elsewhere.
- Clearly demonstrate how programme- and project-level planning responds to Covid-19 impacts in the short, medium and long term, and how it supports recovery and aligns with the clean growth principle
- Make clear the unique characteristics and assets of your town and set a path towards a realistic and sustainable future for the local economy, bearing in mind your assets, and the efforts and specialisms of other towns, avoiding replication or competition.
- Maximise the contributions from a variety of local stakeholders, demonstrating their buy-in, not just through their inputs to the TIP priorities, but also by setting ambitions for ongoing collaboration e.g. using collective impact or design thinking approaches.
- Take into account all the guidance in this document and the prospectus, including clean growth, community engagement, mitigating against Covid-19 related challenges, etc. You should set out how each aspect is relevant to your context rather than feel you have to take everything on board as a blueprint.
- Make a case for an appropriate amount of Towns Fund investment, rather than simply asking for the maximum £25 million regardless of the value of projects. We expect to see private investment and other sources of funding where this is possible and appropriate.

- A more detailed breakdown of the evidence that should be included in a TIP is included at Annex C.

## Project assessment

- 5.6 Where the TIP is of the required standard, government will assess the projects listed in the plan to decide on an initial funding offer. Final decisions will rest with ministers.
- 5.7 All towns will be able to put forward project proposals totalling up to £25 million (or more in exceptional circumstances). The exact amount offered, however, will depend on the total of all the projects that are assessed as viable.
- 5.8 At this stage, full business case development is not required. Towns will progress to developing business cases for agreed projects once Heads of Terms has been agreed. Towns are required, however, to set out the process of business case development and appraisal which they will undertake, including the identification of an appropriate Accountable Body with tried and tested local assurance mechanisms for government investment. We would also like towns to indicate the extent to which business cases have already been developed.
- 5.9 The Towns Hub will consider the in-principle case for and viability of each of the projects set out in the Town Investment Plan. The Towns Hub may:
- recommend in-principle agreement to projects, which can then be developed into a full business case
  - recommend in-principle agreement but with specific conditions attached which will need to be met before a full business case can be developed, such as progressing the business case through MHCLG
  - recommend that ministers do not agree to projects considered unviable.
- 5.10 The project approval process will take into account:
- the level of alignment with the intervention framework set out at Annex A
  - the use of evidence on what works and/or good practice
  - indicative benefit cost ratio (BCR) – grounded in sound judgements about additionality
  - technical quality
  - the scale of outputs and outcomes proposed and
  - whether the full potential for match funding has been leveraged
- 5.11 The extent of investigation and research by all selected towns into private sector investment or match funding will be assessed in order to be assured that the town has explored all viable options throughout the development of its Town Investment Plan. In some cases, a condition or action to work to leverage further funding may be set for the detailed project development phase.

5.12 Following the review of TIPs and assessment of projects, government will offer a Heads of Terms to be considered by the Town Deal Board. The final decision on Heads of Terms offers rests with Ministers.

### Heads of Terms

5.13 Where the TIP is of the required standard and contains viable projects, we will offer Heads of Terms. Heads of Terms are an agreement in principle for funding and will be in the form of a Memorandum of Understanding (MOU), signed by the Chair of the Town Deal Board, the Lead Council and by Ministers. The relevant MOU would also be attached to any funding that is allocated to each town.

5.14 The Heads of Terms will include:

- Allocated Towns Fund budget and financial profile
- List of projects to receive funding and recommended assurance route for business cases
- List of support agreed by other government departments [where applicable]
- Key conditions and requirements

5.15 Examples of conditions which may be attached include target figures for match funding, minimum benefit cost ratios, meeting a spend profile, requirement to engage with government bodies, improved value for money or confirmation of planning approval.

5.16 **Once a town has agreed to the Heads of Terms, the Town Deal will be announced.**

## Case Example – Cotgrave Town Regeneration (A46 Corridor Regeneration Phase 1 and 2)



The Towns Fund Prospectus highlights that investments in social infrastructure – town centres, community spaces, and libraries – can create spaces for people to meet and build on a town's pride of place.

Since the closure of its pit in 1993 Cotgrave had been in need of regeneration. Facilities in the town centre were old and no longer fit for purpose. Rushcliffe Borough Council worked with partners, including Homes England, on a place-based strategy to ensure that both public services and business opportunities were provided to support the growth of the town.

The resulting £10.5m regeneration project, part funded with a £3.0m investment from D2N2's Local Growth Fund programme, has created 136 jobs to date, providing a significant boost to the local economy and provides a possible model for a Towns Fund intervention.

The project included the construction of a new multi-service centre (the Cotgrave Hub) in the town centre, providing "one door" to public services: housing a GP surgery, police station, library, council contact point and community and voluntary services. The existing police station, library and health centre were demolished and replaced with new open space and landscaping, including a children's play area all to create a welcoming environment for shoppers. Shop units in the town square were improved to provide a fresh new look and improvements made to the appearance of the back of the shops. Flats above the shop units were converted into a new business centre, with nine office suites for local businesses. The works have increased the vibrancy and attractiveness of the area, both aesthetically and in terms of consumers having a greater variety of services and choice.

In addition, 15 new industrial units ranging from 750 to 2,000sq and 463 new homes were constructed on the former Cotgrave Colliery site, on the outskirts of the town centre.

A comprehensive regeneration of the town centre was therefore carried out. This provides a possible model for Towns Fund interventions seeking to create an enhanced townscape, one that is more attractive and more accessible to residents, businesses and visitors.

## 6. Phase 2: Developing detailed projects and business cases

- 6.1 Following the agreement of Heads of Terms, towns will have up to one year to develop agreed projects in detail, complete and assure comprehensive business cases, and submit a Summary Document to MHCLG to show that this has been completed in line with the agreed conditions and requirements in the Heads of Terms. Where we have agreed in Heads of Terms to fast track a project, this stage of the process can proceed considerably faster.
- 6.2 This phase will build on the strategy in the TIP, taking steps towards its realisation, and getting the agreed projects ready to implement.
- 6.3 This work will include the development and assurance of business cases, and could also include:
- Technical studies and assessments
  - Detailed project design
  - Planning actions, documents and processes
  - Community and stakeholder engagement
  - Discussions with potential private investors, work on funding agreements, etc.
  - Public Sector Equalities Duties and Environmental Impact Assessments
  - Negotiation and agreement with other bodies
  - Setting in place delivery arrangements and plans with clear roles and adequate local capacity
  - Developing monitoring and evaluation frameworks, KPIs etc.
- 6.4 During this phase, Towns will be in close contact with their named Towns Hub lead. They will also be receiving capacity support and guidance from the external supplier which MHCLG appointed in May 2020. The Towns Hub will ensure support is available to towns who need it most.
- 6.5 We will work with relevant partners nationally and regionally to ensure complementarity with other initiatives, and to create opportunities for towns to connect with each other where there are shared interests (e.g. if they are undergoing similar projects).

### Business case assurance

- 6.6 Towns with agreed Heads of Terms for a Town Deal will be required to produce a fully costed business case for each of the agreed projects, setting out the details of how each will be delivered. They should be sufficiently detailed and robust to pass through local assurance mechanisms (or that of MHCLG, should they be utilised).
- 6.7 There are two routes for agreeing business cases:
- Using MHCLG financial processes. This will normally be where the project is outside the scope of the intervention framework, it is a novel and unusual investment, or a project has scored amber in its project assessment

- Using the agreed Accountable Body’s green book-compliant assurance processes. This will be for the majority of business cases
- 6.8 The most suitable route for a Town’s business cases will be agreed at Heads of Terms. At that stage, we will also agree a forward plan with expected timescales for each business case.
- 6.9 Institutions with responsibility for public funds provided by government must observe HM Treasury guidance for assessing how to spend those resources. Lead Councils should refer to The Green Book and associated guidance as the main point of reference and advice on best practice. MHCLG has also produced best practice guidance for the development and appraisal of business cases and this is provided at Annex E.
- 6.10 Once the business case has been through assurance processes of the local Accountable Body , towns should present the Towns Hub with a summary which provides assurance that the business case approval process has been robust, along with details of the delivery arrangements, including financial commitments (more details on this are included in the next section).
- 6.11 Business cases for projects not fully aligned with the intervention framework will be assessed by the Towns Hub and will go through MHCLG assurance processes. The Towns Hub will assess business cases against a set of criteria, including:
- Level of evidenced need for investment
  - Whether the project delivers on the broader objectives of the Towns Fund and aligns with Covid-19 recovery and the clean growth principle
  - Ability to meet spending timetable set out in the heads of terms
  - Demonstration of additionality and ability to deliver on at least one of the expected outcome indicators set out in the intervention framework
  - Demonstration of local support for the project and confirmation of co-funding arrangements

At assessment, business cases must achieve a minimum standard to be approved.

### Producing and submitting a Town Deal Summary Document

- 6.12 Once detailed business cases have been developed for each project, towns must submit a Town Deal Summary Document to the Towns Hub. This should include:
- A list of agreed projects (including BCRs)
  - Details of business case assurance processes followed for each project
  - An update on actions taken in relation to the Heads of Terms key conditions and requirements
  - A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)

- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Confirmation of approval of planning applications
- Letters of approval from the Town Deal Board and Lead Council

6.13 Guidance on producing a Delivery Plan and a Monitoring and Evaluation Plan will be provided in due course.

6.14 **Town Deal Summary Documents can be submitted to the Towns Hub as soon as local timelines permit** and will not be held to cohort deadlines. Towns will have a maximum of 12 months from the agreement of Heads of Terms to develop business cases and submit a Summary Document of sufficient quality to the Towns Hub.



### Case Example: LightPool, Blackpool



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The Towns Fund Prospectus highlights that investments in a town's cultural assets, as part of an integrated regeneration strategy, can rejuvenate places, lead to positive economic outcomes at a local level and attract tourists who will bolster local businesses.

One example of doing this comes from the £2.5m Blackpool LightPool project, which provided a radical transformation of Blackpool's iconic Illuminations and acted as a catalyst towards a more sustainable business model. Funding of £1.9m was provided through the Coastal Communities Fund (CCF) which aims to encourage the economic development of UK coastal communities by awarding funding to create sustainable economic growth and jobs.

The project introduced a number of new elements into the existing illuminations offer providing greater levels of interaction for visitors, as well as further integration into the retail centre of the town, providing additional economic benefits for local businesses, beyond the existing illuminations sites that are seafront-centric.

The headline attraction was digitally mapped projections onto the Blackpool Tower building, accompanied by bespoke audio. Amongst other innovative developments, the Grundy Art Gallery was given over to an artistic "sensory systems" light installation during the illuminations period, opening the illuminations to a new demographic group, and providing a daytime attraction

Independent evaluation estimated that the LightPool project generated an additional 487,888 visits to Blackpool in 2016, whilst visitor spend attributable to LightPool in 2016 is estimated to have indirectly created, supported or safeguarded 657 jobs in Blackpool. On average each visitor to Blackpool over the 2016 illuminations period spent £159 in the town, with those who had experienced LightPool spending £209 in Blackpool.

## 7. Decision Gateway Two: funding release and implementation

### Assessing detailed project submissions

- 7.1 Once towns have developed detailed business cases for their agreed projects and submitted all the required documentation as part of the Summary Document, government will carry out a high-level assessment of the document before releasing funding, including a check of Town Investment Plan stage criteria, confirming whether Heads of Terms criteria have been met.
- 7.2 When business cases have been formally approved, and the Summary Document has been signed off, year 1 of the project funding will be approved by MHCLG and released to the Lead Council. This process will include confirmation of funding decisions from another government department which had previously offered conditional support for the project.
- 7.3 In instances where towns wish to adjust plans subsequent to the agreement of Heads of Terms, towns must be proactive in notifying the Towns Hub of the details of these adjustments, and where substantive adjustments have been made to projects, they will be reassessed using the project assessment criteria set out at decision gateway one.
- 7.4 Once the Town Deal is agreed, funding for the first financial year will be released to the Lead Council. The Heads of Terms and any other conditions will be attached as a MOU, to be signed by the Chair of the Town Deal Board, the Chief Executive of the Lead Council (and the upper-tier authority, if acting as the Accountable Body) and MHCLG Ministers.

### Implementation

- 7.5 When the first year of funding is released, implementation of the Town Deal will proceed, with each following year's funding delivered based on progress.
- 7.6 To ensure the successful delivery of their projects, towns – led by the Lead Council – will implement agreed projects and set up internal monitoring and evaluation arrangements. Lead Councils will also need to meet the external monitoring and evaluation conditions and ensure they submit regular reports to timetable.

### Monitoring and Evaluation of the Towns Fund

- 7.7 A condition of receiving Towns Fund funding will be providing regular feedback on progress, to allow for monitoring and evaluation of projects.
- 7.8 At least every six months (or more regularly, if agreed with the Towns Hub) Lead Councils will be required to provide government with a comprehensive set of data relating to each Town Deal project, including both total and forecast spend, and

output metrics. These returns will need to be scrutinised and signed off by the Accountable Body's Section 151 Officer or equivalent. However, it is recognised that for periods, Lead Councils may not have a lot to report.

7.9 The precise data requirements will be agreed with towns in due course; however, Key Performance Indicators might include:

- Lead council meeting key project delivery milestones
- Key expenditure milestones being met by the Lead Council
- Expenditure on the project total: forecast and actual
- Match funding, broken down by sector (public/ private/ third sector) – actual and forecast
- Contractual Commitments – actual and forecast
- Key outputs delivered by projects. These may include business start-ups, jobs and skills developed, investment and businesses attracted. Towns will be required to provide monitoring returns of outputs for three years post completion of projects
- Activities and implementation of ongoing community collaboration and partnership working

7.10 The Towns Hub will also conduct an annual review, assessing progress, understanding issues and agreeing any actions to be taken forward by each town. Continued funding is linked to the effective delivery of the deal.

7.11 The Towns Hub will also:

- Run a process for assessing year-end returns, managing annual budgets and recommending payments
- Manage monitoring and evaluation support and capacity support
- Develop any new guidance as appropriate
- Feed lessons from implementation into new policy

7.12 Towns will be required to be involved in the evaluation of both their specific projects and the overall Towns Fund programme. We will provide further details on monitoring and evaluation – including a detailed Monitoring and Evaluation Framework – in due course.

7.13 Support will be provided by the Towns Hub for monitoring and evaluation, including:

- Town- and national-level monitoring and evaluation
- Support for town learning and adaptation
- Support for town delivery capacity

### **Case Example: Ada Lovelace House, Kirby-in-Ashfield**



The Towns Fund Prospectus highlights that each town will have different assets, and a unique path to prosperity. It recognises that in many post-industrial towns office space is affordable but is not always well connected to workers or attractive to business.

A £289k redevelopment project part funded with a £143k investment from D2N2's Local Growth Fund Programme, the redevelopment of Ada Lovelace House has created 11 jobs to date.

Ada Lovelace House in Kirkby-in-Ashfield town centre was constructed in 1933 and is a well-known local landmark. It was originally a health centre and has subsequently been used by County Council Social Services and by Nottinghamshire Police. The project was designed to redevelop 2,000 square feet of commercial floor space within the building and during construction work placements were offered to 14 young people.

When construction was completed in 2017, the new Ada Lovelace house featured 1,623ft net new floorspace, providing high quality offices with shared communal space and open-plan meeting areas for up to 7 creative and digital starter businesses, linked to graduate retention. The project has delivered its outcomes ahead of schedule and the local authority is planning a second phase of delivery due to the success of this scheme.

A successful example of smaller-scale urban regeneration which also provides infrastructure for local enterprises, the Ada Lovelace House redevelopment shows what can be achieved by utilising local assets, even with a relatively small budget.

## 8. Support and next steps

### The Towns Hub

- 8.1 You should allow sufficient time to develop your Town Investment Plan and take advantage of all the support on offer. The Towns Hub will provide support with the aim that every town is able to submit a high -quality proposal for funding of up to £25 million.
- 8.2 This Towns Hub consists of the central towns team within the Cities and Local Growth Unit (CLGU) in MHCLG, towns-focused colleagues in CLGU's regional teams, and the Towns Fund Delivery Partnership led by Arup.
- 8.3 Each town has a named representative from the Hub in the CLGU regional team, and one in the Towns Fund Delivery Partnership. The named contacts will be towns' first points of contact for guidance and will continue to provide support throughout the development of your Town Investment Plan and beyond.
- 8.4 The Towns Hub will also evaluate the emerging Town Investment Plans, encourage innovation in addressing the needs of towns, share best practice, case studies of successful town regeneration and evidence of what works and build on the Towns Fund investments for potential future support to towns from across government.
- 8.5 The Towns Hub will also provide central coordination and develop shared resources. This includes developing a package of expert support with an external contractor. The support offered will vary according to the needs of the partners on your Town Deal Board, and the timescales you are working to.
- 8.6 The Towns Hub can provide support to towns on preparing Towns Fund plans. This might include advice on:
  - Town boundaries
  - Town Deal Boards
  - Town Investment Plans
  - Guidance on the scope of projects and how they might link with other funds, including their significance in relation to Covid-19 economic recovery if necessary.
  - Putting together business plans
  - Capacity support
  - Engagement with government departments
  - Towns Fund approval process

### Capacity support

- 8.7 Following the publication of the prospectus, Section 31 payments were provided to all towns, in order to ensure sufficient organisational capacity was available to engage with key stakeholders and develop proposals.

8.8 The capacity funding is intended to help fund:

- Feasibility studies
- Drafting plans
- Writing business cases
- Identifying of potential private investors
- Engaging and negotiating with investors
- Developing and implementing a stakeholder engagement plan

8.9 The Towns Fund Delivery Partnership will provide towns with consultancy support and advice through a contract with MHCLG. This tender was awarded in May 2020 to a consortium led by Arup that includes Nichols Group, Grant Thornton, FutureGov, Savills and Copper Consultancy.

8.10 Working as part of the Towns Hub, the Towns Fund Delivery Partners will be uniquely placed to work closely with towns in the development of their proposals providing advice across a range of core services and different subject topics:

Core Services	Topics
<ul style="list-style-type: none"> <li>• Visioning &amp; strategy</li> <li>• Regeneration, place design and built environment</li> <li>• Project prioritisation and feasibility</li> <li>• Local community engagement, consulting and stakeholder management</li> <li>• Learning, public sector development and transformation</li> <li>• Financial strategy and investment</li> <li>• Planning, social impact and public sector equalities analysis</li> <li>• Environmental monitoring and impact analysis</li> <li>• Digital services</li> </ul>	<ul style="list-style-type: none"> <li>• Transport and connectivity</li> <li>• Climate change</li> <li>• Social Value</li> <li>• Sustainable energy</li> <li>• Water and flood management</li> <li>• Local infrastructure</li> <li>• Youth and child friendly places</li> <li>• Public realm</li> <li>• Health and wellbeing</li> <li>• Crime and security</li> <li>• Innovation and digital</li> <li>• Housing, homelessness and repurposing buildings</li> <li>• Heritage</li> <li>• Creative, arts, culture and tourism</li> <li>• Education and skills</li> <li>• Fire</li> </ul>

8.11 We are currently working with the Delivery Partners to review the approach to delivering this support in response to the impact of Covid-19 and the implications for towns and the Towns Fund.

8.12 Further details on this support offer and how to access it will be available shortly.

8.13 Additional support will be available from other bodies with an interest in specific types of project. These include the Arts Council, Historic England, Visit Britain, and the Impact Investing Institute. We are working to ensure this is coordinated with the Towns Fund Delivery Partners.

## Next steps

- 8.14 Discussions should take place as early as possible to begin developing projects for a Town Investment Plan. This should include:
- Engaging with local communities and local businesses to ascertain their needs
  - Identifying additional sources of funding
  - Ensuring robust Town Deal Board governance arrangements are place
  - Effectively utilising capacity funding
- 8.15 We will be in touch to ask which cohort you would like to come forwards in, and to ask what support you will need from the Towns Fund Delivery Partners.
- 8.16 For further information and support, Lead Councils and Town Deal Boards may contact their local named contact from the Towns Hub.

## Glossary

**Business Case** – Following the agreement of Heads of Terms, towns will have up to one year to develop fully costed business cases for agreed projects and to submit a Summary Document to MHCLG to show that this has been completed in line with the agreed conditions and requirements in the Heads of Terms. These business cases should set out specific details of how each project will be delivered.

**Clean Growth** – As per the Industrial Strategy, clean growth refers to increasing income while ensuring an affordable energy supply for businesses and consumers, and cutting greenhouse gas emissions. It will increase our productivity, create good jobs, boost earning power for people right across the country, and help protect the climate and environment upon which we and future generations depend.

**Heads of Terms (HoT)** – Each Town Deal is an agreement in principle between government, the lead council and the Town Deal Board, confirmed in a Heads of Terms document.

**Lead Council** – Lead Councils (the Unitary Authority, District Council or Borough Council for the town) should, by default, act as are the Accountable Body through which funding will flow. Lead councils have a seat on the board and take responsibility for ensuring that decisions are made by the board in accordance with good governance principles.

**Memorandum of Understanding (MOU)** – The Heads of Terms for a Town Deal will be in the form of a Memorandum of Understanding, signed by the Chair of the Town Deal Board, the Lead Council and by Ministers. The relevant MOU would also be attached to any subsequent funding that is allocated to each town.

**Prospectus** – The Towns Fund Prospectus was launched on the 1<sup>st</sup> of November 2019, and explains how towns could prepare for a Town Deal, and gave details regarding capacity funding allocations for each town.

**Stakeholder Engagement Plan** - Every Town Investment Plan should include a stakeholder engagement plan that demonstrates how the town will involve key stakeholders, and how they will support and collaborate with them. The level of engagement will be a key factor in agreeing each respective Town Deal.

**Town Deal** – An agreement of up to £25 million that towns will finalise through their respective Town Investment Plan, which they will work with MHCLG to finalise by signing the Heads of Terms document.

**Town Deal Board (TDB)** – Town Deal Boards are responsible for producing Town Investment Plans, including putting forward suitable projects which align with the objectives of the Towns Fund, and for overseeing the delivery and monitoring of those projects.

**Town Investment Plan (TIP)** – A Town Investment Plan will sets out a clear vision and strategy for a town. Plans should reflect local priorities and be co-designed with local businesses and communities. A Town Investment Plan will be used as the basis to which agree the Town Deal, the specific projects and the agreement in principle/Heads of Terms (before entering into phase 2 where funding may be granted).

**Towns Fund** – The Towns Fund will provide the core public investment in Town Deals – additional funding may come from other sources or parts of government. The objective of the Fund is to drive



the economic regeneration of towns to deliver long term economic and productivity growth through urban regeneration, planning and land use; skills and enterprise infrastructure; and, connectivity.

**Towns Fund Delivery Partner** – The centrally-tendered supplier consortium that will deliver consultancy support to towns for context assessment, strategy, and project prioritisation. The consortium are led by Arup, and are also made up of Nichols Group, Grant Thornton, FutureGov, Savills and Copper Consultancy.

**Towns Hub** – The collective group of stakeholders that will be the core support for towns in the development of Town Investment Plans, business cases, and further documentation. The Towns Hub consists of the central team within the Cities and Local Growth Unit in MHCLG, regional colleagues who will be towns' first points of contact for guidance, and the Towns Fund Delivery Partners consortium led by Arup.

## Annex A: Intervention framework

The table below outlines the interventions in scope for the Towns Fund. For proposed interventions, towns will need to align with:

- **Outputs:** This sets out the kinds of intervention outputs that will be considered acceptable.
- **Alignment:** We would expect interventions to align with each of the policies and programmes listed, where these apply to your town.
- **Outcomes:** This lists the acceptable outcomes that we would expect to flow from your chosen interventions. Towns will be required to clearly demonstrate, through a Theory of Change (with supporting evidence and assumptions clearly set out), how your proposed projects will deliver one or more of the outcomes in the table below.
- **Outcome indicators:** These are the indicators that will be used to set targets and measure progress and determine whether the outcomes have been delivered.

### Spatial targeting:

- Interventions must be physically located within the agreed boundary for each town, even if beneficiaries may be broader (e.g. people living in the travel to work area may benefit from improvements to a town centre or transport connectivity).
- There will be a strong preference for interventions focused in the town centre, gateway areas, or key employment sites. Projects focused on out-of-town sites may be rejected or subjected to increased assurance through MHCLG.
- Towns will be required to undertake and include spatial analysis, setting out why the target areas have been chosen, what is being done to support other key areas of their town, and how their strategy will support their town centre.

	<b>Outputs</b>	<b>Alignment</b>	<b>Outcomes</b>	<b>Outcome indicators</b>
<b>Local transport</b>	<ul style="list-style-type: none"> <li>• New, revived, or upgraded train and tram lines and stations</li> <li>• New or upgraded road infrastructure</li> <li>• More frequent bus services or infrastructure upgrades e.g. digital bus shelters</li> </ul>	<ul style="list-style-type: none"> <li>• Beeching reversals and fund for rail improvements</li> <li>• Local Transport Plans</li> <li>• Transforming Cities Fund projects</li> <li>• Policies on low carbon and air quality</li> <li>• Local Industrial Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Improved affordability, convenience, reliability, and sustainability of travel options to and from places of work</li> <li>• Improved affordability, convenience, reliability, and sustainability of travel options to and</li> </ul>	<ul style="list-style-type: none"> <li>• Average time taken to travel to work by usual method of travel</li> <li>• Commuter flows</li> <li>• Number of trips by purpose and main mode</li> <li>• Vehicle flow</li> </ul>

	<b>Outputs</b>	<b>Alignment</b>	<b>Outcomes</b>	<b>Outcome indicators</b>
	<ul style="list-style-type: none"> <li>with Real Time information.</li> <li>• New or upgraded cycle or walking paths.</li> <li>• Wider cycling infrastructure such as cycle parking.</li> </ul>	<ul style="list-style-type: none"> <li>• Transforming Cities Fund projects</li> <li>• National transport plans and associated strategies e.g. HS2 growth plans</li> <li>• £250 million emergency active travel fund</li> <li>• Local Growth Fund</li> </ul>	<ul style="list-style-type: none"> <li>from places of interest (especially shops and amenities)</li> <li>• Reduced congestion within the town</li> <li>• Enhanced high street and town centre experience that prioritises the health, safety and mobility of pedestrians</li> </ul>	
<b>Digital connectivity</b>	<ul style="list-style-type: none"> <li>• Provision of specialist digital technologies to meet the needs of specific sectors</li> <li>• Infrastructure to support 5G or full fibre connectivity, where this is appropriate for the LA role, and with a clear outline of how proposals do not duplicate other national programmes and initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• 5G testbeds and trials</li> <li>• Local Full Fibre Networks Programme</li> <li>• Industrial Strategy Challenge Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Increased utilisation of digital channels, by businesses, to access and/or supply goods and services</li> <li>• Increased ability for individuals to work remotely/flexibly</li> </ul>	<ul style="list-style-type: none"> <li>• Internet access and usage by businesses</li> <li>• Perceptions of the place by businesses</li> <li>• 5G coverage</li> <li>• Number of people who work remotely at least some of the time</li> <li>• Broadband speeds</li> </ul>
<b>Urban regeneration, planning and land use</b>	<ul style="list-style-type: none"> <li>• Remediation and/or development of abandoned or dilapidated sites</li> </ul>	<ul style="list-style-type: none"> <li>• Future High Streets Fund projects or other relevant government regeneration schemes</li> </ul>	<ul style="list-style-type: none"> <li>• Enhanced townscape that is more attractive and more accessible to</li> </ul>	<ul style="list-style-type: none"> <li>• Perceptions of the place by residents/businesses/visitors</li> <li>• Land values</li> </ul>

	<b>Outputs</b>	<b>Alignment</b>	<b>Outcomes</b>	<b>Outcome indicators</b>
	<ul style="list-style-type: none"> <li>• Delivery of quality residential or commercial space in key locations (town centres, gateway areas, employment sites)</li> <li>• Delivery of new public spaces</li> </ul>	<ul style="list-style-type: none"> <li>• Local Industrial Strategy</li> <li>• High Streets Heritage Action Zones via Historic England, Transforming Places Through Heritage via the Architectural Heritage Fund</li> <li>• Youth Investment Fund</li> <li>• Local Growth Fund</li> </ul>	residents, businesses and visitors	
<b>Arts, culture and heritage</b>	<ul style="list-style-type: none"> <li>• New, upgraded or protected community centres, sports or athletics facilities, museums, arts venues, theatres, libraries, film facilities, prominent landmarks or historical buildings, parks or gardens</li> <li>• New, upgraded or protected community hubs, spaces or assets, where this links to local inclusive growth</li> </ul>	<ul style="list-style-type: none"> <li>• Discover England Fund</li> <li>• High Streets Heritage Action Zones via Historic England, Transforming Places Through Heritage via the Architectural Heritage Fund</li> <li>• Cultural Development Fund</li> <li>• Arts Council National Lottery Project Grants</li> <li>• Arts Council Creative People and Places</li> <li>• Local Growth Fund</li> <li>• Coastal Community Fund</li> <li>• Coastal Revival Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Improved arts, cultural and heritage offer that is more visible and easier for residents/visitors to access</li> </ul>	<ul style="list-style-type: none"> <li>• Number of visitors to arts, cultural and heritage events and venues</li> <li>• Perceptions of the place by residents/visitors</li> </ul>

	<b>Outputs</b>	<b>Alignment</b>	<b>Outcomes</b>	<b>Outcome indicators</b>
<b>Skills infrastructure</b>	<ul style="list-style-type: none"> <li>• Increase in capacity and accessibility to new or improved skills facilities</li> <li>• Availability of new specialist equipment</li> <li>• Increased and closer collaboration with employers</li> <li>• Increase in the breadth of the local skills offer that responds to local skills needs</li> <li>• Increased benefit for the public education over the long term</li> </ul>	<ul style="list-style-type: none"> <li>• Local skills plans.</li> <li>• Skills Advisory Panels</li> <li>• Further Education Capital fund (<i>details to be confirmed</i>)</li> <li>• T Level Capital Fund</li> <li>• Local Growth Fund</li> <li>• The Adult Education Budget (devolved to MCAs/delegated to GLAs)</li> <li>• National Careers Service</li> <li>• Where appropriate, Opportunity Areas and Opportunity North East</li> <li>• Local Digital Skills Partnerships</li> <li>• JCP Network (including the flexible support fund)</li> <li>• ESF investment</li> <li>• Youth Investment Fund</li> <li>• Cultural Development Fund</li> <li>• Civic University Agreements</li> <li>• National DfE policies including T-levels,</li> </ul>	<ul style="list-style-type: none"> <li>• Increased share of young people and adults who have relevant skills for employment and entrepreneurship</li> </ul>	<ul style="list-style-type: none"> <li>• Number of new learners assisted</li> <li>• % of learners gaining relevant experience/being 'job ready' (as assessed by employers)</li> <li>• % of working-age population with qualifications</li> </ul>

	<b>Outputs</b>	<b>Alignment</b>	<b>Outcomes</b>	<b>Outcome indicators</b>
		apprenticeships, and Institutes of Technology		
<b>Enterprise infrastructure</b>	<ul style="list-style-type: none"> <li>• Increase in the amount (and diversity) of high-quality, affordable commercial floor space</li> <li>• Increase in the amount of shared workspace or innovation facilities</li> <li>• Other schemes to support enterprise and business productivity and growth</li> <li>• Programmes of grants to local SMEs or employers in key sectors</li> </ul>	<ul style="list-style-type: none"> <li>• Local Industrial Strategy</li> <li>• DIT international trade advisors and associated activity</li> <li>• DIT Capital Investment work</li> <li>• DIT Export Strategy</li> <li>• DIT Foreign Direct Investment support</li> <li>• Enterprise zones, business improvement districts etc</li> </ul>	<ul style="list-style-type: none"> <li>• Increased number of enterprises utilising high quality, affordable and sustainable commercial spaces</li> <li>• Increased number of start-ups and/or scale-ups utilising business incubation, acceleration and co-working spaces</li> </ul>	<ul style="list-style-type: none"> <li>• Business counts</li> <li>• Number of enterprises utilising high quality, affordable and sustainable commercial spaces</li> <li>• Number of start-ups and/or scale-ups utilising business incubation, acceleration and co-working spaces</li> <li>• Business births, deaths and survival rates</li> </ul>

## Annex B: Potential government department interventions to align with the Towns Fund

Interventions from other government departments			
Government department	Fund or scheme	Summary	Possibilities for alignment with the Towns Fund
<b>Cabinet Office</b>	One Public Estate  <a href="https://www.local.gov.uk/topics/housing-and-planning/one-public-estate/about-one-public-estate">https://www.local.gov.uk/topics/housing-and-planning/one-public-estate/about-one-public-estate</a>	The One Public Estate programme provides revenue funding to cross-public sector partnerships for projects which seek to make better use of the public estate. These include service collaboration projects and releasing land for new homes.	Towns can flag in their Investment Plan where releasing or better utilising public sector property could play an important role in revitalising their town centre.
<b>Department for Digital, Culture, Media and Sport (DCMS)</b>	Discover England Fund (DEF)	The Discover England Fund supports the development of bookable tourism itineraries and experiences that seek to encourage tourists to explore English regions and destinations, growing visitor spend locally	Where a town has been involved or featured in a Discover England Fund project, they may wish to reference this in their Town Investment Plan, especially if they were interested in developing the local tourism offer.
	Arts Council place-based funds	<b>Arts Council National Lottery Project Grants</b> – an open access programme for arts, museums and libraries projects. This funds thousands of individual artists, community and cultural organisations.	If a Towns Fund town seeks to provide cultural opportunities for local people to engage with museums, libraries and the arts, or to develop those sectors within the local area, then Arts Council National Lottery Project Grants are an opportunity to apply for funding to develop and deliver projects.

		<p><b>Creative People and Places</b> - a funding programme which focuses on parts of the country where involvement with arts and culture is significantly below the national average. CPP invests in local partnerships and encourage community involvement.</p>	<p>A number of places which will benefit from the Towns Fund are already receiving funding from the Creative People and Places programme, or are eligible to apply to do so. Where a town is benefitting from this programme, there is an opportunity to align this funding and activity with the aims and ambitions of local people and the town, and to embed cultural opportunities in the vision for change.</p> <p>Eligible places - <a href="https://www.artscouncil.org.uk/creative-people-and-places/creative-people-and-places-2020-24">https://www.artscouncil.org.uk/creative-people-and-places/creative-people-and-places-2020-24</a> Existing beneficiaries - <a href="https://www.artscouncil.org.uk/creative-people-and-places/cpp-current-projects">https://www.artscouncil.org.uk/creative-people-and-places/cpp-current-projects</a></p>
	Historic England	<p><b>High Streets Heritage Action Zones</b> – A multi-million pound fund for Historic England to work with partners to find new ways to champion and revive our historic high streets. Launched in May 2019, 69 high streets across England have been selected to receive a share of the £95 million fund: <a href="https://historicengland.org.uk/services-skills/heritage-action-zones/regenerating-historic-high-streets/">https://historicengland.org.uk/services-skills/heritage-action-zones/regenerating-historic-high-streets/</a></p>	<p>If a Towns Fund town has a High Streets Heritage Action Zone, there is an opportunity to align the goals and to enlarge on both the existing community development work and the regeneration goals of the HS HAZ.</p> <p>In other towns, each Conservation Area is likely to have a Council-approved appraisal document including priorities for enhancement.</p>
	5G Testbeds and Trials <a href="https://www.gov.uk/government/collective-5g-testbeds-and-trials-programme">https://www.gov.uk/government/collective-5g-testbeds-and-trials-programme</a>	<p>The Programme is working to deliver the following objectives:</p> <ul style="list-style-type: none"> <li>● Accelerate the deployment of 5G networks and ensure the UK can take early advantage of the applications those networks can enable.</li> <li>● Maximise the productivity and efficiency benefits to the UK from 5G.</li> </ul>	<p>If a Towns Fund town is featured in a 5GTT project, we might expect local councils to be involved in the bid to ease rollout and local stakeholder management. This may be something to bring in out in the Town Investment Plan, and to consider when planning further connectivity interventions.</p> <p>5GTT funding will continue for 2020-22: further grants will be available to projects via competitive bidding in the 5G create competition launched 20th Feb 2020.</p>



		<ul style="list-style-type: none"> <li>● Create new opportunities for UK businesses at home and abroad and encourage inward investment. There is clear alignment with Towns Fund aims to drive local growth and improve regional connectivity.</li> </ul>	
<b>Department for Education</b>	FE Capital	<p>The fund was announced in the Budget on 11<sup>th</sup> March 2020.</p> <p>The government will provide £1.5 billion over five years (£1.8 billion inclusive of indicative Barnett consequential), supported by funding from further education colleges themselves, to bring the facilities of colleges everywhere in England up to a good level, and to support improvements to colleges to raise the quality and efficiency of vocational education provision.</p>	The fund is currently being developed. The first year of funding is 2021/2022.
	T Level Capital  <a href="https://www.gov.uk/government/publications/t-levels-capital-fund">https://www.gov.uk/government/publications/t-levels-capital-fund</a>	<p>Department for Education is making available £95 million to ensure T Level providers and students have access to the latest high quality equipment and facilities during their studies.</p> <p>This is the second wave of the T Levels Capital Fund, comprised of two different elements – the Building and Facilities Improvement Grant (BFIG) and Specialist Equipment Allocation (SEA).</p> <p>The T Levels Capital Fund (TLCF) will continue to help those further education providers at the</p>	<p>Applicants for BFIG are expected to provide a minimum funding contribution equivalent to 50% of the project value from own or third party resources.</p> <p>When developing their Town Investment Plans we encourage towns to consider how they can support T Level providers to submit applications for quality, well developed projects which will help to train the skilled young people that local businesses need, and leverage external investment to meet match funding requirements.</p>

		forefront of delivering these important reforms to be ready to teach T Levels from September 2021.	
	Supporting the wider skills system	A skills system that can deliver local and national needs, now and in the future.	Towns should consider how they would engage with their Skills Advisory Panel, skills providers, strategic partners and DfE to develop the skills landscape. Towns may want to consider how they will contribute to analysis, planning and implementing change in order to ensure plans are fit for the future.
	Opportunity Areas (OAs)  <a href="https://www.gov.uk/government/news/18m-extension-to-opportunity-area-programme">https://www.gov.uk/government/news/18m-extension-to-opportunity-area-programme</a>	<p>The OA programme is working to improve educational outcomes and raise social mobility in 12 of the most deprived areas of the country. It is currently funded up to August 2021.</p> <p>Interventions cover every life stage from pre-school to post-19. They include:</p> <ul style="list-style-type: none"> <li>• work in nurseries and pre-school settings to improve language, literacy and school readiness;</li> <li>• a wide range of school improvement programmes, including CPD for teachers, subject-specific programme like Maths Mastery, and training for senior leaders;</li> <li>• work to improve careers advice, information and guidance, with a focus on engaging local employers;</li> <li>• work to improve FE provision in the area, and to help more pupils from deprived backgrounds to go on to HE.</li> </ul>	The 10 towns which are also OAs (or in OAs) should (a) engage with the local OA partnership board when developing their Town Investment Plans; (b) consider whether Towns Fund projects might support the OA objectives – particularly where those relate to FE, HE, skills or employability; and (c) consider how local businesses benefitting from Towns Fund investment can be encouraged to engage more fully in the local community by – for example – providing careers advice for schools, work experience placements, and apprenticeships.
	Opportunity North East	Through Opportunity North East (ONE) DfE is investing up to £24 million to improve	The towns from the North East include Bishop Auckland, Blyth, Darlington, Hartlepool, Middlesbrough, Redcar and Thornaby.

	<a href="https://www.gov.uk/government/publications/opportunities/north-east-delivery-plan">https://www.gov.uk/government/publications/opportunities/north-east-delivery-plan</a>	<p>educational and employment outcomes and boost the aspirations of young people in the North East. £12 million of the investment is targeted toward our five challenges, and up to £12 million of the investment will fund the advance roll out of reforms to the early career framework for teachers.</p> <p>Established in October 2018, the three-year programme (funded until 2022) will address 5 specific challenges for why the NE appears to perform worse than other regions across a range of education measures at KS4 and beyond.</p> <ul style="list-style-type: none"> <li>• Too few children continue to progress well into secondary school (Transitions)</li> <li>• To unlock the potential of key secondary schools in the North East (One Vision)</li> <li>• Some secondary schools struggle to recruit and retain good teachers (Teacher workforce)</li> <li>• Too few young people find a pathway to a great career (Careers)</li> <li>• Too few young people progress to higher education, and particularly the country's most selective institutions (Higher Education)</li> </ul>	<p>When developing Town Investment Plans if it involves schools, careers or higher education then please engage with the Opportunity North East team.</p> <p>Local businesses benefitting from Towns Fund investment can be encouraged to engage locally by providing careers advice for schools, work experience placements, and apprenticeships.</p>
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	<p>Institutes of Technology (IoTS)</p>	<p>IoTs are collaborations between employers, further education colleges and universities connecting high-quality teaching in science, technology, engineering and maths to business and industry and delivering provision tailored to local skills needs. They are being set up to address shortages of key STEM skills at higher technical levels that constrain growth across England. Employers play a key role in an IoT's governance, leadership as well as the design and delivery of the curriculum.</p> <p>The first 12 IoTs were set up through an open competition and are now coming on stream. The government confirmed at budget that it will increase the number of IoTs from 12 to 20 to address these gaps through a second competition. The prospectus for the Wave Two Competition was published on 19 February, with the Competition to formally launch later in the year.</p>	<p>Town Fund bids should consider existing Institutes of Technology in their Local Enterprise Area and the role that the IoT could play in supporting the successful delivery of parts of their Towns Fund proposal through skills training for local business and people. They might also wish to consider how investment through the Towns Fund could support the successful roll-out of Wave 1 IoTs.</p> <p>Where no IoT exists in a Local Enterprise Area, Towns Investment Plans should consider how a Wave 2 IoT bid could support their objectives in the Town Fund. For example, IoTs could play an important role in providing local towns with the skills businesses need to grow and develop. This could help town economies improve their productivity and growth and thus provide higher wage, higher skilled employment to more local people.</p>
<p><b>Department for Environment , Food and Rural Affairs (Defra)</b></p>	<p>25Year Environment Plan (25YEP) <a href="https://www.gov.uk/government/publications/25-year-">https://www.gov.uk/government/publications/25-year-</a></p>	<p>The government's 25 Year Environment Plan (25YEP), published in January 2018, makes major new commitments to connect people with the environment to improve health and wellbeing. The 25YEP sets out that spending time in the natural environment can improve mental health and feelings of wellbeing. It can reduce stress,</p>	<p>Towns should include any overlap with Environment Plan initiatives in their Town Investment Plan, and consider how best to align investment with wider plans to connect people with the environment.</p>

	<a href="#">environment-plan</a>	fatigue, anxiety and depression. It can help boost immune systems, encourage physical activity and may reduce the risk of chronic diseases. The Plan also commits to greening our towns and cities and making sure that there are high quality, accessible, natural spaces close to where people live and work, particularly in urban areas.	
	Flood and Coastal Erosion Risk Management (FCERM) Grant-in-Aid (GiA)  <a href="https://www.gov.uk/guidance/partnership-funding">https://www.gov.uk/guidance/partnership-funding</a>	This approach to funding flood and coastal erosion risk management projects shares the costs between national and local sources of funding, enabling greater ownership and choice on how communities are protected.  It also encourages more cost-effective solutions. Any project where the benefits are greater than the costs can qualify for a contribution from Flood and Coastal Erosion Risk Management (FCERM) Grant-in-Aid (GiA).	Towns which also seek to improve flood resilience may wish to access Grant-in-Aid partnership funding. Towns should flag this in their investment plans. Towns may be able to align this funding with towns fund monies, provided the proposed plans contribute directly to economic growth. We welcome a conversation with any towns considering this.
<b>Department for International Trade</b>	International Trade Advisers (ITAs) and associated activity	DIT's network of International Trade Advisers provide dedicated advice and support to SMEs across England to help them begin their export journey or expand to new markets. They work closely with local partnerships and business support bodies such as Chambers of Commerce and Growth Hubs. They are able to refer businesses to other DIT support, such as the Tradeshow Access Programme (TAP) and UK Export Finance.	Towns should consider where best to access DIT's network of trade advisors and assistance.

	<p>Capital Investment (CI) - Project Promotion &amp; UK regional investment Portfolios</p>	<p>DIT's Capital Investment Team (CI) has a network of specialists across the UK who are experienced built environment advisors working with LA's and LEPs. Through this team working with DIT's Investor Relations Team, CI are able to advise on potential investment from international markets and particular sovereign wealth, pension and other institutional funding mechanisms. This is set out in this guide produced with the LGA in 2019 <a href="https://www.local.gov.uk/lga-report-attracting-investment-local-infrastructure-guide-councils">https://www.local.gov.uk/lga-report-attracting-investment-local-infrastructure-guide-councils</a></p>	
	<p>Foreign Direct Investment-Service Overview</p>	<p>The Department for International Trade is responsible for ensuring the UK remains a leading destination for inward investment. It delivers a range of services to help investors understand specific opportunities in specific places across the UK as well as navigate the processes involved in starting or growing their business in the UK.</p>	<p>There are opportunities to ensure that DIT teams are aware of any internationally competitive proposition offered by towns, to ensure they can be effectively presented to investors where appropriate.</p>
	<p>Foreign Direct Investment-High Potential Opportunities</p>	<p>The High Potential Opportunities scheme aims to drive foreign direct investment into specific opportunities across the UK which would benefit from targeted promotion, with a particular focus on opportunities and places which are disadvantaged by a lack of market information.</p> <p>DIT works in collaboration with local partners and central government to identify High Potential Opportunities, develop compelling commercial</p>	<p>LEPs and investment promotion agencies across England, Scotland, Wales and Northern Ireland were invited to submit nominations for the second round of the High Potential Opportunities scheme by 17 April 2020. Nominations must include a clearly defined specific commercial opportunity, capable of attracting sustained investment. DIT aims to select up to 25 HPOs by June 2020.</p> <p>Towns may wish to flag any overlap in their investment plans.</p>

		propositions, and deploy DIT’s global network to promote them to international investors.	
<b>Department for Transport (DfT)</b>	The Restoring Your Railway (Beeching) Fund	<p>The Beeching Reversal Fund provides money to reinstate axed local rail services and restore closed stations. It has three components:</p> <ul style="list-style-type: none"> <li>• Ideas Fund: proposals to reinstate axed local services.</li> <li>• Accelerating Existing Proposals: the development of closed lines and stations which are already being considered for restoration.</li> <li>• Proposals for new and restored stations.</li> </ul> <p><a href="https://www.gov.uk/government/publications/re-opening-beeching-era-lines-and-stations">https://www.gov.uk/government/publications/re-opening-beeching-era-lines-and-stations</a></p> <p><a href="https://www.networkrail.co.uk/communities/passengers/station-improvements/new-stations-fund">https://www.networkrail.co.uk/communities/passengers/station-improvements/new-stations-fund</a></p>	<p>The Department for Transport has begun to consider bids from local areas interested in accessing funds for previously closed railways lines and stations as part of the Ideas Fund. These bids are being considered by the Beeching Assessment Panel; assessments are at an early stage. The third round of the New Stations Fund is also underway.</p> <p>Preliminary findings indicate that 29 towns selected for the Towns Fund have some overlap with proposals put forward for the Ideas Fund. This could be a new station in the town, or the reopening of a line that goes to, from, through, or indirectly serves the town.</p> <p>Towns should be aware where a Beeching Fund bid has been put forward, sponsored by the local MP. BEIS local teams can assist where this is not clear.</p> <p>As Beeching Fund bids are considered, there is scope for relevant towns to align their Town Investment Plans with the proposed Beeching plans. This could involve:</p> <ul style="list-style-type: none"> <li>• Increasing connectivity to and from a new station, or a station served by a reopened line/new service;</li> <li>• Focussing economic regeneration efforts on the areas surrounding new stations.</li> </ul>
	Transforming Cities Fund	The £2.5 billion Transforming Cities Fund aims to drive up productivity and spread prosperity	18 city regions are included within the TCF programme – 6 Mayoral Combined Authorities with devolved grants, and 12

		<p>through investment in public and sustainable transport in some of the largest English city regions. The Fund is focused on improving intra-urban (rather than inter-urban), making it quicker and easier for people to get around – and access better jobs. In this way, the Fund goes further than supporting just cities but helps their wider conurbation (suburbs, towns) gain improved access to the more productive employment in urban cores. The Fund also aims to address key priorities, including reducing carbon emissions, improving air quality, reducing congestion, unlocking housing, and encouraging innovation.</p> <p>As part of the National Productivity Investment Fund, the Transforming Cities Fund provide additional capital investment for productivity enhancing programmes. It also supports the Industrial Strategy, taking a place-centric approach to delivering investment in English city regions.</p> <p>The applications for the fund closed in 2018, but there is remains scope for overlap and alignment with Towns Fund investment.</p>	<p>shortlisted city regions which were selected in 2018 following a competitive process. Around half of the Fund (£1.08 billion) has been allocated to six Mayoral Combined Authorities (MCAs) on a per capita and devolved basis.</p> <p>For the other half of the Fund, £1.28bn of this has been allocated via a quasi-competitive process in two tranches. Tranche 1 saw an initial £60m announced at Spring Statement 2019 for 30 small local projects such as new bus service improvements, smart ticketing and new active travel routes to be delivered by the end of 2019-20.</p> <p>In Tranche 2, the remaining £1.22bn was allocated at Budget 2020 following a process of co-development in which DfT officials worked closely with the 12 cities to agree packages of investment instead of individual schemes, unlike a traditional bidding contest. (£117m of the £1.22bn has been held back to invest in Stoke-on-Trent, Norwich and Portsmouth subject to further business case approval.)</p> <p>Towns should indicate in their Investment Plans any overlap or planned alignment with the Transforming Cities fund.</p>
	Sustainable Travel Access Fund	The Sustainable Travel Access Fund was launched to encourage councils to offer sustainable transport initiatives which can improve access to jobs, skills, training and education.	<p>The overall total is £100 million.</p> <p>Sustainable Travel Transition year (2016/17)- £20 million  Access Fund (2017-20) - £60 million  Access Fund Extension(2020-21) - £20 million</p>



			<p>You can find the latest information about the current status of cycling and walking funds in the recently published report to Parliament:</p> <p><a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/863723/cycling-and-walking-investment-strategy-report-to-parliament.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/863723/cycling-and-walking-investment-strategy-report-to-parliament.pdf</a></p> <p>Towns should indicate any overlap in their Investment Plans.</p>
	£250 million Emergency active travel fund and £5 billion package for cycling and buses	£250 million emergency active travel fund will be released from a previously announced £5 billion package for cycling and buses to pay for 'pop-up bike lanes with protected space for cycling, wider pavements, safer junctions, and cycle and bus-only corridors. Funding received	
<b>Department for Work and Pensions</b>	ESF	The European Social Fund (ESF1420) programme in England is worth £3 billion over six years, and funds preparatory, additional and alternative employment and skills support to mainstream services for disadvantaged groups who face additional barriers and are furthest from the learning and labour market.	Towns may wish to flag any overlap in their investment plans.
	JobCentre Plus Network (including	Local presence with strong links to regional business, health care and training stakeholders.	Towns may should wish to consider utilising the JCP network in the development of their investment plans in order to avoid duplicating existing provision/plans.

	Contracted Employment	Key source of local labour market information.  Ideal link for design of joint services.	
<b>Ministry of Housing, Communities and Local Government</b>	Brownfield Housing Fund	MHCLG have launched a £400m fund to boost the supply of homes in local areas and bring under-utilised brownfield land in to use.	Final decisions about the design including scope, structure, and accountability will be made in the coming months. Once the fund is launched, and if your town is eligible, we would expect any plans to set out very clearly how the town investment plan and BHF aligns.
	Free Ports  <a href="https://www.gov.uk/government/consultations/freeports-consultation">https://www.gov.uk/government/consultations/freeports-consultation</a>	Freeports have three objectives: establish hubs for global trade and investment, promote regeneration and job creation, and create hotbeds for innovation.  Government launched a consultation on Freeports in February 2020. The deadline has been extended until 13 July 2020. Up to 10 Freeports will be designated.  Specific locations will be chosen in due course according to a fair, transparent and robust allocation process.	If towns would like to be considered as part of a Freeport, we advise they flag this in their TIP and set out how they think the measures proposed in the consultation could support the wider economic strategy for the town.
	New Development Corporation Competition  <a href="https://www.gov.uk/govern">https://www.gov.uk/govern</a>	MHCLG has £10 million available for up to 10 transformational housing and economic growth opportunities, focusing on regeneration, and are interested in speaking to areas that have innovative, bold and ambitious proposals. Funding will help them to explore delivery models that have been less commonly used in a	Development Corporations could serve as a useful delivery model for Towns Fund projects. Towns may wish to consider this as part of their investment plan.

	<a href="#">ment/publications/new-development-corporation-competition-guidance/new-development-corporation-competition</a>	<p>contemporary context, such as development corporations.</p> <p>The application process is currently open.</p>	
	<p>Single Housing Infrastructure Fund (SHIF)</p>	<p>Government is committed to introducing a new Single Housing Infrastructure Fund (SHIF) to provide the infrastructure needed to support new homes. At Budget 2020, the government confirmed it will launch SHIF at the forthcoming Comprehensive Spending Review.</p>	

## Annex C: Town Investment Plan Stage 1 Review Detailed Evidence

This table provides more detail on the kinds of evidence we will look for in TIP at stage 1 (across sections 1 and 2)

Town Investment Plan Evidence		
Section	Criteria	Examples of evidence
1. Impact	1.1. Level of need.	<ul style="list-style-type: none"> <li>• Details of (un)employment, income levels, deprivation and wellbeing.</li> <li>• Low-level employment.</li> <li>• Details of town transport challenges (e.g. insufficient links to existing assets, congestion and air quality issues).</li> <li>• Town centre vacancy rate and footfall.</li> <li>• Business growth challenges.</li> <li>• Land and development challenges.</li> <li>• Skills shortage and low educational attainment.</li> <li>• Crime and anti-social behaviour.</li> </ul>
	1.2. Scale of opportunities.	<ul style="list-style-type: none"> <li>• Likely to benefit from capital funding towards: urban regeneration, planning and land use; skills and enterprise infrastructure; and connectivity.</li> <li>• Demonstration that project proposals address/ capitalise on the major challenges/opportunities in the town.</li> <li>• Details of local commercial/industrial demand.</li> <li>• Level of private-sector co-funding.</li> <li>• Evidence that the differential impacts of proposed interventions have been considered.</li> <li>• Potential impact e.g. jobs created, GVA increase.</li> </ul>
2. Strategy	2.1. Strength of vision, strategy and realism of economic narrative.	<ul style="list-style-type: none"> <li>• A compelling vision for the future that is built around the town's unique circumstances with alignment to the objectives of the fund.</li> <li>• A clear strategy, built on sound evidence and analysis, balancing realism and ambition, overcoming key challenges to address needs and harness opportunities</li> <li>• Clear use of local knowledge to produce an investment plan grounded in its context.</li> <li>• Clear indication that the vision is aligned with Covid-19 recovery and the clean growth principle.</li> </ul>

		<ul style="list-style-type: none"> <li>• An indication that the process followed to prioritise interventions has included an element of spatial analysis, with a clear explanation of how the strategy will benefit the town centre.</li> <li>• Reference to wider strategic plans including (but not limited to) housing, transport, local growth and the Local Industrial Strategies.</li> <li>• Evidence of learning from best practice i.e. TIP is clearly informed by sound knowledge of local growth investment, formed through a process of clear and rigorous prioritisation and backed by sophisticated analysis.</li> </ul>
	2.2. Coherence of TIP – strength of linkages and rationale between need/opportunity, vision, strengths and projects.	<ul style="list-style-type: none"> <li>• A clear rationale for the vision in its context.</li> <li>• Coherent set of proposals forming a broader strategy which clearly addresses the challenges identified in section 1.1. (e.g. local housing shortage and high rate of empty retail units that could be addressed by mixed-use developments).</li> <li>• Theories of Change developed for each project proposal, including a comprehensive set of inputs/resources, outputs and outcomes/impacts, setting out clearly the assumptions and external factors (context).</li> <li>• Wider strategy that is geared towards alleviating private-sector-investment bottlenecks and/or targeting the most disadvantaged groups.</li> </ul>
	2.3. Capacity and alignment of proposed projects with existing and ongoing initiatives and match funding.	<ul style="list-style-type: none"> <li>• Details of existing and planned work in the town and wider region and the links to the TIP strategy and proposals</li> <li>• Alignment with Covid recovery needs and plans</li> <li>• Demonstration of the additionality</li> <li>• Details of co-funding for intervention proposals.</li> <li>• Delivery capacity and accountability arrangements</li> </ul>
3. Partnerships	3.1. Strength of past and planned collaboration with local communities and civil society.	<ul style="list-style-type: none"> <li>• Level of past and ongoing engagement/consultation and evidence it has been acted upon</li> <li>• Evidence of buy-in, support and/or ownership of the top priorities in the TIP</li> </ul>

		<ul style="list-style-type: none"> <li>• Level of collaboration in the production of the TIP (e.g. joint projects).</li> <li>• Level of representation and institutional collaboration both in the production of the TIP and planned for the future.</li> </ul>
	<p>3.2 Strength of past and planned collaboration with the private sector.</p>	<ul style="list-style-type: none"> <li>• Level of past and ongoing engagement, consultation and collaboration with business in the town</li> <li>• Level of collaboration in the production of the TIP (e.g. joint projects) or otherwise demonstrable support for TIP priority areas</li> <li>• Level of representation and institutional collaboration both in the production of the TIP and planned for the future.</li> </ul>

## Annex D: Town Deal Board governance guidance

We expect the Town Deal Board to align with the governance standards and policies of the Lead Council including around whistle blowing, conflicts of interest, complaints, and compliance with the General Data Protection Regulation (GDPR).

### **Roles and Responsibilities**

It is important that there are clear roles and responsibilities for oversight of the Town Deal.

The Town Deal Board should have a document, published on the Lead Council's website, which clearly sets out the roles and responsibilities and the governance and decision making processes for the Town Deal Board. This should include:

- Remit of the Board including terms of reference
- Board membership and roles
- Chair/vice-chair term and responsibilities
- Board structure including sub-committees and reporting arrangements
- Accountable Body arrangements

### **Code of Conduct & Conflicts of Interest**

All Town Deal Board members should sign up to a code of conduct based on the Seven Principles of Public Life (the Nolan Principles; see below). An example code of conduct can be provided to Town Deal Boards by the Town Hub named contact on request.

There should be clear processes in place for managing conflicts of interests (both commercial, actual, and potential) in decision making, and this must apply to all involved with the work of the Town Deal Board.

The Lead Council should provide guidance on the pecuniary and non-pecuniary interests individuals must declare, outline the process that Board members must follow for declaring interests and explain the process for requesting an exemption.

Town Deal Board members should then complete a declaration of interests which will then be held by the Lead Council. This can be in a format already used by the Lead Council or a template can be requested from the Towns Hub named contact.

All Board Members should take personal responsibility for declaring their interests before any decision is considered. The Lead Council must record action taken in response to any declared interest.

Additionally a register of gifts and/or hospitality provided to individual Town Deal Board members or the Town Deal Board as a whole should be maintained by the Lead Council.

## Transparency

In line with the principles of public life, it is important that there is transparency around the operation of the Town Deal Board. Transparent decision making is supported by the publication of information on the Lead Council's website and we expect the following standards to be applied:

- A documented decision-making process outlining the voting rights of the Board to be published
- Profiles of Board Members to be published
- All Board papers to be published on the Lead Council's website in advance of the meeting (within 5 clear working days)
- To promptly publish draft minutes of meetings on the Lead Council's website following the meeting (within 10 clear working days)
- To publish final minutes on the Lead Council's website, once approved by the Board (within 10 clear working days)
- Any conflicts of interest reported to be formally noted within the published minutes

It is important that the Town Deal Board abides by Lead Council governance and finance arrangements when considering private reports, with the default position being that all papers are open to the public

### **Nolan Principles: The Seven Principles of Public Life**

Through the Town Deal, the Town Deal Board will be responsible for oversight of a significant amount of public funding. As such, members of the Town Deal Board should fulfil their role as public-private partnerships whilst ensuring robust stewardship of public resources.

Members of the Town Deal Board and those supporting the activities of the Town Deal should adhere to the [Seven Principles of Public Life](#) (the Nolan Principles). The Lead Council will be responsible for ensuring that all Town Deal Board members understand these principles and how they apply:

- **Selflessness:** Holders of public office should act solely in terms of the public interest;
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships;



- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias;
- **Accountability:** Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this;
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing;
- **Honesty:** Holders of public office should be truthful; and
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

## Annex E: Business Cases and Value for Money

This annex does not replace or supersede the official guidance, rather it is intended as an accessible summary. Full guidance from HM Treasury can be found here:

<https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

Towns must have a clear and transparent basis against which projects and programmes are initially identified, prioritised and appraised relative to a set of credible options, assessed for value for money, commissioned and then delivered. This should all be set out clearly in the Summary Document.

Any proportionate business case must cover all elements of HM Treasury's 5-case model:

1. **Strategic case** – must show the rationale, background, policy context and strategic fit of the public expenditure or public intervention;
2. **Economic case** – with evidence of why a privately provided solution would fall short of what is optimal (market failure) and a list of options to achieve a better outcome. “Do nothing” should always be an option. There is no one size fits all for how many options or what makes a good economic case: some need distributional analysis, others evidence of unmet demand for a service. The case must build on robust verifiable evidence, consider additionality, and displacement of activity, and include a sensitivity analysis and a correction for optimism bias if risk is a factor for success. Value for Money is ideally demonstrated in a credible Benefit Cost Ratio, but where some of the costs and/or benefits cannot be monetised at the present time, the economic case should proportionally capture these impacts and specify a partial Value for Money measure. Wider benefits/costs should be considered and specified where these are sizeable, compared with the direct impacts;
3. **Commercial case** – demonstrate commercial viability or contractual structure for the project, including procurement where applicable;
4. **Financial case** – standard appraisal of financial implications of the project, including where applicable budgets, cash flow, and contingencies;
5. **Management case** – of how the project is going to be delivered referring to the Green Book to verify if there are mandatory methodologies applicable to the investment.

In addition to the Green Book, other appraisal guidance should be followed for specific thematic interventions where available.

Towns must ensure that the commercial, financial and management arrangements are appropriate for effective delivery. Where applicable, appropriate resources should be consulted for situation specific project appraisals. To assist with this, Infrastructure UK (now part of the Infrastructure and Projects Authority) has produced a [Project Initiation Routemap Handbook](#) and associated modules which provide a framework to support public and private sector infrastructure providers improve the delivery of their projects and programmes. Towns may find this helpful when reviewing these aspects of business cases.

Towns must have robust processes in place that ensure all funding decisions are based on impartial advice, where possible. There must be clear distinction between those acting as scheme promoters and those appraising programmes and projects and advising decision makers, so that the town is acting on impartial advice on the merits of (potentially competing) business cases. Named individuals responsible for ensuring value for money as well as scrutiny and recommendations for business cases (not necessarily the same person) should ideally be independent of the promoting organisation or where this is impractical, should sit outside the management unit responsible for developing and promoting the business case.