

Cabinet

Date: Thursday, 11 June 2020
Time: 1.45 pm
Venue: Virtual Meeting Streamed Online

Membership

Councillor Izzi Seccombe (Chair)
Councillor Peter Butlin
Councillor Les Caborn
Councillor Colin Hayfield
Councillor Kam Kaur
Councillor Jeff Morgan
Councillor Jeff Clarke
Councillor Andy Crump
Councillor Heather Timms

Items on the agenda: -

1. General

(1) Apologies

(2) Members' disclosure of Pecuniary and Non-Pecuniary Interests

(3) Minutes of the Previous Meeting

To approve the minutes of the meeting held on 14 May 2020.

5 - 8

(4) Public Speaking

To note any requests to speak on any items that are on the agenda in accordance with the Council's Public Speaking Scheme (see footnote to this agenda).

2. Covid - 19 Recovery and Reform

9 - 20

Cabinet is asked to approve a series of proposed recovery objectives and principles and revisions to the Council's Change Portfolio.

Cabinet Portfolio Holder: Councillor Izzi Seccombe

- 3. Warwickshire Place Shaping Programme** 21 - 30
- A report that seeks approval to the objectives for the Warwickshire Place Shaping Programme and agreement to the investigation into the establishment of a Warwickshire Recovery and Investment Fund.
- Cabinet Portfolio Holders: Councillors Izzi Seccombe, Peter Butlin and Kam Kaur.
- 4. Covid-19 Economic Recovery** 31 - 42
- This report seeks approval to the proposed approach to economic recovery for Warwickshire County Council as an initial framework to inform the Place, Economy & Climate theme of the Change Portfolio.
- Cabinet Portfolio Holder: Councillor Izzi Seccombe
- 5. SEND Change Programme** 43 - 66
- A report asking that Cabinet approve the development of a SEND & Inclusion Change Programme,
- Cabinet Portfolio Holder: Councillor Colin Hayfield
- 6. Delegated Budget Scheme - Covid Response and Long-Term Scheme Proposals** 67 - 74
- This report sets out changes to the Delegated Budget Scheme and seeks approval to implement them for the 2021/22 financial year.
- Cabinet Portfolio Holder: Councillor Jeff Clarke
- 7. Historic Bridge Maintenance Programme - Capital Programme Entry** 75 - 78
- Cabinet is requested to approve the addition of the Historic Bridge Maintenance Programme to the capital programme at an estimated cost of £6.30m, funded from the Capital Investment Fund and the Department for Transport Challenge Fund 2a.
- Cabinet Portfolio Holders: Councillor Peter Butlin and Councillor Jeff Clarke

8. 2019/20 Financial Outturn Report as at 31 March 2020 – Capital and Revenue 79 - 162

This report informs Cabinet of the Council's financial performance in 2019/20 and set's out the budget year end position.

Cabinet Portfolio Holder: Councillor Peter Butlin

9. Treasury Management Outturn 2019/20 163 - 182

A report that asks Cabinet to consider and comment on Treasury Management outturn in respect of 2019/20.

Cabinet Portfolio Holder: Councillor Peter Butlin

Monica Fogarty
Chief Executive
Warwickshire County Council
Shire Hall, Warwick

To download papers for this meeting scan here with your camera



Disclaimers

Disclosures of Pecuniary and Non-Pecuniary Interests

Members are required to register their disclosable pecuniary interests within 28 days of their election or appointment to the Council. A member attending a meeting where a matter arises in which s/he has a disclosable pecuniary interest must (unless s/he has a dispensation):

- Declare the interest if s/he has not already registered it
- Not participate in any discussion or vote
- Must leave the meeting room until the matter has been dealt with
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests must still be declared in accordance with the Code of Conduct.

These should be declared at the commencement of the meeting

The public reports referred to are available on the Warwickshire Web

<https://democracy.warwickshire.gov.uk/uuCoverPage.aspx?bcr=1>

Public Speaking

Any member of the public who is resident or working in Warwickshire, or who is in receipt of services from the Council, may speak at the meeting for up to three minutes on any matter within the remit of the Committee. This can be in the form of a statement or a question. If you wish to speak please notify Democratic Services in writing at least two working days before the meeting. You should give your name and address and the subject upon which you wish to speak. Full details of the public speaking scheme are set out in the Council's Standing Orders.

Cabinet

Thursday, 14 May 2020

Minutes

Attendance

Committee Members

Councillor Izzi Seccombe (Chair)
Councillor Peter Butlin
Councillor Les Caborn
Councillor Colin Hayfield
Councillor Kam Kaur
Councillor Jeff Morgan
Councillor Jeff Clarke
Councillor Andy Crump
Councillor Heather Timms

Officers

Monica Fogarty, Chief Executive
Nigel Minns, Strategic Director for People
Mark Ryder, Strategic Director for Communities
Paul Williams, Democratic Services Team Leader

Others Present

Councillors Chattaway, Adkins, Roodhouse and Kondakor

1. General

Prior to the commencement of the meeting Councillor Izzi Seccombe (Leader of the Council and Chair of Cabinet) thanked all officers for their continuing hard work during the Covid-19 crisis. In particular she thanked Corporate Board for its leadership.

That the meeting was the first by Warwickshire County Council to be held and streamed remotely was noted.

(1) Apologies

There were no apologies given for this meeting.

(2) Members' disclosure of Pecuniary and Non-Pecuniary Interests

None

(3) Minutes of the Previous Meeting

The minutes of the meeting held on the 20th February 2020 were agreed as an accurate record. There were no matters arising.

(4) Public Speaking

No members of the public had registered to speak at this meeting.

2. Complaints Policy

Councillor Kam Kaur (Portfolio Holder for Customer and Transformation) introduced this report explaining that complaints handling is now supported by a case management system. This, she felt would improve support for customers and reduce the number of complaints being made. In addition, it would support the delivery of the Council Plan and the People, Commercial and Digital Strategies.

Councillor Jerry Roodhouse (Leader of the Liberal Democrat Group) reminded the meeting that there are occasions when elected members have cause to submit complaints. He asked that the document be amended to reflect this. In addition, Councillor Roodhouse asked that the timescales for the process of complaints be made clearer and accompanied by a commentary. Finally, recognising that other strategies, including the Council Plan will in the light of Covid-19 need to be reviewed it was suggested that this document will need to take account of that.

Councillor Richard Chattaway (Leader of the Labour Group) requested that an annual report on complaints be produced. Councillor Chattaway also asked that a clearer indication of the time it takes to process a complaint would be welcomed.

Resolved:

That Cabinet approves the Complaints Policy attached as an Appendix to the report.

3. Amalgamation of Ridgeway and Round Oak Schools

Councillor Colin Hayfield (Portfolio Holder for Education and Learning) introduced the report stating that it had been prompted by a need to increase special education needs provision in Warwickshire. A consultation exercise had been undertaken although the response rate had been low.

Councillor Richard Chattaway and Councillor Helen Adkins raised a number of concerns over leadership at Round Oak School and suggested that a decision at this time would be inappropriate. The reasons behind the establishment of an Interim Executive Board at Round Oak School were explored. Cabinet was informed that this related to financial management and was not a reflection of performance. As some of the matters raised were of a personal nature it was agreed that Councillor Chattaway and Adkins should receive responses after the meeting.

- 1) That Cabinet approves the amalgamation of Round Oak and Ridgeway Schools
- 2) That Cabinet authorises the Strategic Director for Communities to take such steps as he considers necessary to enable the amalgamated school to open from September 2020

4. Review of Care Leaver Offer

Councillor Jeff Morgan (Portfolio Holder for Children's Services) summarised the key elements of the published report. He added that he was proud of the care leaver offer in Warwickshire and that it is looked upon as an exemplar in other parts of the country.

Councillor Keith Kondakor, noting the provision of driving lessons for care leavers, pointed out there exist other forms of transport and that the resources used to provide those lessons could be used for the development of other skills. He welcomed the provision of funds for gym membership but suggested that the heading should change to "physical activity". Finally, it was suggested that the use of gym memberships by care leavers should be monitored.

Councillor Richard Chattaway observed that the present Covid-19 crisis makes now a bad time to be leaving care.

In response to previous statements Councillor Jeff Morgan noted that whilst there may be other skills that young care leavers could be taught the reality is that they want to learn to drive cars. He agreed that gym membership should be monitored and committed to provide a note to Councillor Chattaway regarding support for care leavers during the current pandemic.

Resolved:

That Cabinet approves the revised care leaver offer to include:

1. a change in age for payment of council tax for all care leavers from the ages of 18-21 years to the ages 18-25 years old.
2. an increase to the age that a care leaver can claim a university bursary of £1000 up to the age of 25.
3. a winter fuel payment of £100 payable in November each year.
4. a counselling service to young people who wish to access their files should they wish to access this service (for any care leaver aged 18-25).
5. the purchase of a baby box for any eligible care leaver open to the Leaving Care Service who is a new parent including essential items such as nappies etc up to the cost of £50 for any care leaver aged 16-25.
6. the funding of a £200 flat rate payment to purchase essential items such as a cot, buggy, car seat for any eligible care leaver open to the service, aged 16-25, who is becoming a new parent.

5. Parent Carer Support Pathway

Councillor Jeff Morgan introduced the report explaining that the process set out covers the way in which parents and carers of children with disabilities obtain support. He emphasised that in future any assessment would review quality of and the needs of the individual rather than being a "tick box exercise".

That no services are to be taken away was emphasised.

Councillor Jerry Roodhouse (Leader of the Liberal Democrat Group) expressed concern over the digital divide and some people inability to access services. He suggested that any web pages should be designed in consultation with the people who will use them. In addition, if possible, there should be a dialogue with people who have had a negative experience with the service.

Resolved:

That Cabinet authorises the Strategic Director for People to implement the new Parent & Carer Assessment Pathway as set out in paragraph 2.3 of the report.

6. Any Other Business

None.

7. Reports Containing Confidential or Exempt Information

Agreed.

8. Exempt Minutes of the Meeting of Cabinet Held on 20 February 2020

The exempt minutes of the 20 February meeting of Cabinet were agreed.

9. Warwickshire Property Company

Following an introduction by Councillor Peter Butlin (Deputy Leader – Finance and Property) Cabinet agreed the recommendations as set out in the exempt report.

The meeting rose at 14.58

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Chair

Cabinet

11 June 2020

Covid-19 Recovery and Reform

Recommendations

That Cabinet:

- 1) approves the proposed recovery objectives and principles as set out in paragraph 2.2 of this report;
- 2) approves the revised Council Change Portfolio as set out in paragraph 2.6 of this report;
- 3) supports the approach to partnership working at regional, sub-regional and county level, and approves the joint recovery statement (Appendix A);
- 4) authorises the Chief Executive to commence the activity required to develop a recovery plan for presentation to Cabinet in September, with associated delivery plans; and
- 5) approves the establishment of four time-limited cross-party Member working groups aligned to the four recovery themes set out in paragraph 2.6.3 and chaired by the relevant Portfolio Holder, with nominations for membership to be sought from Group Leaders.

1.0 Background and context

- 1.1 The Covid-19 Pandemic is a global public health emergency which also creates unprecedented impacts on our communities and economy, both short- and long-term. As well as the significant challenges ahead, there are also opportunities from the lessons of the immediate response phase which are expected to change aspects of our way of life in the longer-term.
- 1.2 For the past three months the Council has focused on responding to the crisis, working closely with key partners, locally, regionally and nationally, including:
 - providing public health advice and guidance;
 - support to care providers;
 - ensuring effective delivery of adult and children's social care and public health services, supporting NHS capacity;
 - funding continuity of early years provision through a series of hubs;
 - establishing and operating the County's shielding Hubs and support to vulnerable residents including a dedicated, 7 day Covid-19 contact centre;
 - providing business support and advice;

- coordinating provision of PPE equipment;
- mortuary management;
- providing education and school planning and support;
- the Council's c4,500 staff moving to almost exclusive home working; and
- reassigning WCC staff to areas of need.

1.3 Whilst significant aspects of the response effort will continue, potentially into the medium-term, over the last month there has been a concerted focus on longer-term recovery from the crisis.

1.4 This paper provides Cabinet with an overview of the proposed approach to planning recovery and longer-term reform and seeks approval for the initial three month 'foundation' stage of recovery activity. Today's agenda also includes complementary reports setting out proposed strategic approaches to recovery in terms of place shaping and economic recovery.

2.0 Recovery framework

2.1 In line with our overall vision to ***make Warwickshire the best it can be, sustainable now and for future generations***, our proposed approach to recovery focuses on supporting delivery of Council Plan objectives.

2.2 The following principles and objectives have been developed with our partners to guide our approach to recovery:

WCC Recovery Principles:

1. positive – seek out the opportunities;
2. pace – move with speed and capitalise on existing momentum;
3. innovative – consider new ideas and thinking;
4. flexible – be responsive and flexible to changing conditions; and
5. embed – use existing structures where possible.

WCC Recovery Objectives:

1. to understand the short, medium and long-term impact of Covid-19 recovery for our communities, businesses and staff.
2. to coordinate the recovery protocol in line with the West Midlands and Warwickshire LRF procedures;
3. to inform future direction of the Organisation in terms of recovery and reform, ensuring the Council and wider county have the best opportunity to 'bounce forwards';
4. to align recovery activity with review and update of the Council Plan, MTFs, Change Portfolio, supporting strategies, risk and performance framework;
5. to co-ordinate effort and resource across all service areas and ensure a 'one Council' approach; and
6. to manage key stakeholder and partner relationships relevant to recovery, including line of sight on regional, sub-regional and national developments around recovery and reform and supporting translation of this for Warwickshire.

2.3 There are three key aspects of focus which will drive our recovery work:

- spatial levels;
- phasing; and
- change portfolio themes.

2.4 Spatial levels

2.4.1 Recovery will require coherent effort at various spatial levels:

- **National** – The pandemic is a national crisis. We continue to work closely with central government, the Local Government Association and other national bodies to remain in step with national policy and guidance.
- **Regional/Sub-regional** – Our recovery approach is aligned to the West Midlands-Warwickshire regional approach. The Chief Executive represents Warwickshire on the Regional Coordination Group.
- **County** – Locally, we have worked with colleagues from the District and Borough Councils, Police, Coventry and Warwickshire LEP and Growth Hub, and NHS partners to coordinate effort in both response and recovery phases. The Warwickshire Recovery Advisory Group, comprising Council Leaders and Chief Executives and key partners, has recently been established to co-ordinate recovery activity across the county.
- **Locally** – Voluntary and community sector groups, businesses, and town and parish councils are involved in the Covid-19 response. Elected Members will play a key role in mobilising this effort, working alongside the district and borough councils leading local place-shaping activity.

2.4.2 Regional governance arrangements are set out in Appendix B.

2.5 Phasing

2.5.1 Reflecting the scale of the challenge, our approach to recovery will need to be phased. Short-term reinstatement of services is connected to the longer-term 'reform' or 'reset' process, so our approach will involve different phases:

- **Foundations (0-3 months):**
 - standing up and reinstating WCC services in line with the national guidance about Covid-secure workplaces;
 - seizing immediate opportunities to support communities/business;
 - establishing recovery governance and approach; and
 - engaging with regional approach to setting recovery priorities including participating in the regional citizens' panel.
- **Consolidate (3-9 months):**
 - detailed regional impact assessment;
 - establish recovery programme at regional, county level; and
 - initiate priority change programmes/projects.

- **Accelerate (>10 months):**
 - longer term recovery for the Council, communities and economy;
 - delivery of key programmes to address future challenges; and
 - refreshing the Medium-Term Financial Strategy (MTFS) and Council Plan for 2021/22 onwards.

2.6 Change Portfolio Themes

2.6.1 The Council Plan, MTFS and Change Portfolio have been reviewed in the context of recovery. The Council Plan outcomes and objectives remain relevant to recovery, and it is proposed to update its foreword only at this time to reflect the changed context. To support delivery of the Council Plan objectives, a short recovery plan, covering 2020-21 and 2021-22, will be produced for Cabinet in September.

2.6.2 Based on current forecast financial Covid impacts, our intention is to manage in-year financial pressures during 2020-21 without re-setting the annual budget. The focus will be on the rolling refresh of the five-year MTFS from 2021-22 onwards for consideration at February's Council meeting.

2.6.3 Our assessment of the previous change portfolio suggests four themes should shape the future Council Change Portfolio to drive recovery (see Appendix C for indicative areas of focus):

- Place, Economy and Climate (including skills and education);
- Community and Voluntary sector;
- Health Wellbeing and Social Care; and
- Organisation (including the reinstatement of services).

2.6.2 These themes reflect both regional and county recovery activity. We will also consider how existing programmes and projects fit within the change portfolio. The themes will be shaped into detailed programmes during the Foundation phase of recovery. Immediate actions will also be progressed as proposed in separate reports on place shaping priorities and our support to business.

2.6.3 Given our accelerated progress in developing the Council's Change Programme, there is no longer a requirement for a Change Programme Director. Instead, we will engage a strategic partner to support the strategic development of the final change portfolio, bring in best practice from elsewhere and provide assurance that the change portfolio is fully aligned to the Council's ambitions; the challenges recovery will present; and opportunities to build on the previous transformation programme.

2.7 Approach to reinstating Council services and settings

2.7.1 The National Recovery Strategy was published in May 2020, accompanied by a range of guidance, "*Working Safely during Coronavirus*". Officers are applying this advice to consider how to stand services back up.

2.7.2 Many services have continued to operate within the physical and technical constraints of central government and Public Health guidelines throughout lockdown. Reinstatement will require a "new normal" operating environment for at least 12 months, based on impact and risk assessment, physical adaptations and staff engagement. Changes will be implemented in 2 phases:

- 3 month "foundation" phase - re-introduction of priority services; and
- 6-9 months in the "consolidation" phase to implement redesigned services based on service impact and risk assessments.

2.7.3 This process has been informed by learning from the response phase, particularly the results of a staff check-in survey on well-being and new ways of working, and analysis of the financial impact of Covid.

3.0 Timescale and next steps

3.1 In the three-month foundation phase, we will engage Members, staff, partners, business and the public on our recovery plan and change portfolio, including a citizen's panel convened by the West Midlands Combined Authority, and further staff engagement through a second check-in survey focusing on recovery.

3.2 Engagement with Members to help shape the approach to recovery will take place via four, time-limited cross-party Member working groups aligned to the four recovery themes set out in Section 2.6.3 and chaired by the relevant Portfolio Holder. It is intended that these working groups should have maximum flexibility in the way that they operate. They are not intended to operate as formal committees and the access to information framework will not be applicable. Officers will develop proposals for these working groups, including terms of reference, and nominations for membership will be sought from Group Leaders. Overview and Scrutiny Committees will also play a role in considering aspects of the Council's approach to recovery, as relevant to their remit, as our plans develop and are implemented. The next steps are highlighted in the timeline in Appendix D.

4.0 Financial Implications

4.1 Work on the Change Portfolio will be funded through the Transformation reserve; the investment funds created in the MTFS are available to support one-off investments which will support recovery effort. The refresh of the rolling five-year MTFS from 2021-22 onwards will be the key mechanism for incorporating longer-term financial impacts of Covid.

5.0 Environmental Implications

5.1 There are no direct environmental implications of the proposed recovery approach. Climate change is one of four recovery themes proposed - 'Place, Economy and Climate' – as part of the refreshed change portfolio.

Background papers	Name	Contact Information
Report Authors	Gereint Stoneman Sarah Duxbury	gereintstoneman@warwickshire.gov.uk sarahduxbury@warwickshire.gov.uk
Strategic Director	Rob Powell	robpowell@warwickshire.gov.uk
Portfolio Holder	Clr Isobel Seccombe OBE	isobelseccombe@warwickshire.gov.uk

The report was circulated to the following members prior to publication: Cllrs Seccombe, Butlin, Kaur, Chattaway, Roodhouse and Chilvers

Local Member(s): None

Other members: None

Appendix A - Warwickshire Councils' joint statement of intent on Covid recovery

The global Covid-19 pandemic has had profound impacts on all aspects of life: healthcare, the economy, our communities, our way of life and individuals' well-being.

The pandemic has shown our communities and local public services at their best: innovating to work in new ways; making better use of data and digital service delivery; collaborating more strongly; and unleashing the creativity, passion and common purpose of our people.

The pandemic has created immediate issues and risks which need careful management, but we have an opportunity to build back stronger and better. Recovery must support long-term action to address climate change, while ensuring a growing and sustainable economy can fund investment in public services and a more sustainable future.

As we begin our recovery from the pandemic, we will not return to how things were; together, we commit to ensure Warwickshire emerges stronger and to protect future generations by applying positive lessons from the pandemic.

Recovery will neither be a straightforward nor a linear process; we may move back into a 'response' mode if there are further peaks in the virus. We know the economic impacts will be profound and long-term. We will help individuals rebuild, and reinforce confident, resilient and sustainable communities. We will focus our joint work around the following objectives:

1. to drive economic recovery, business growth and regeneration, supporting sectors with the highest growth potential and also those most negatively impacted such as tourism; working with the education and training sectors, we will build skills to get people into work, training or new careers;
2. to recover in a way which helps address the climate change emergency, and sets Warwickshire up for a more sustainable, low carbon future;
3. to improve health, well-being and care in Warwickshire, supporting those most vulnerable and ensuring long-term improvement in population health;
4. to harness, and build upon our thriving voluntary and community sectors as a central part of making Warwickshire a great place to live;
5. to restore services and school provision safely, protecting staff, service users and the public; and
6. to ensure our organisations and services are strong, sustainable and fit for the future.

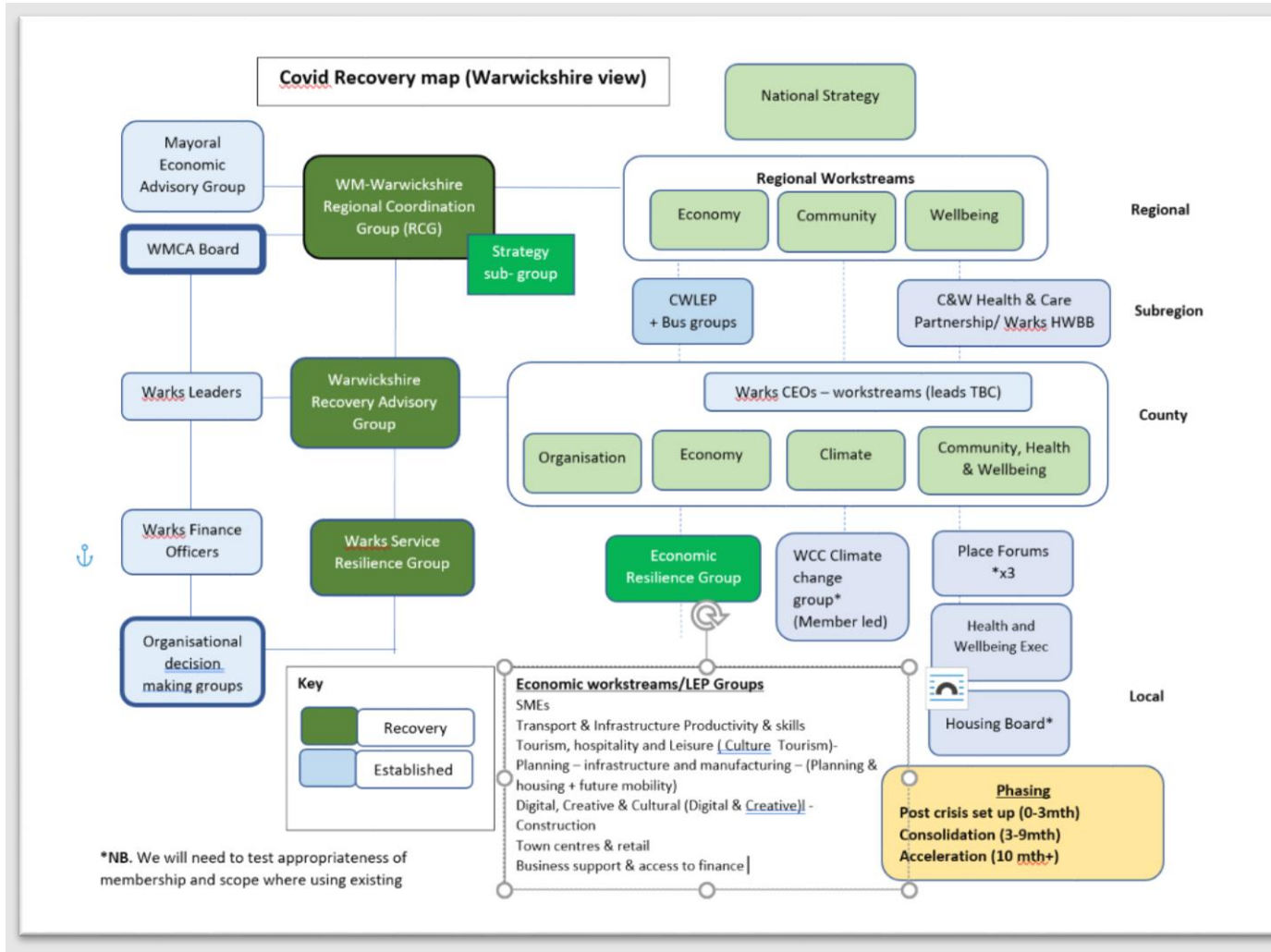
We are committed to working with our public, private and voluntary sector partners along with individual citizens to develop a stronger county after Covid-19, working at various levels:

- we will be engaged at national level in shaping the UK's recovery;
- our work will be part of regional efforts across the West Midlands and Warwickshire, and will align our work to the Combined Authority's recovery principles;
- sub-regionally, we will work with our partners in the natural economic geography of Coventry and Warwickshire;
- we will address strategic issues across the County through close collaboration between the County, District and Borough Councils, our NHS and Police partners, businesses and the voluntary and community sector; and
- our district, borough, town and parish councils will play a critical role shaping local places, high streets, public spaces and business estates.

Our joint work on recovery will be:

- flexible, dynamic and responsive as circumstances evolve;
- positive and innovative;
- rooted in our communities, engaging with them to develop our thinking;
- aligned with existing structures wherever possible, enhancing the strong relationships that characterise Warwickshire;
- collaborative, co-ordinated, and enabling progress at pace; and
- maximising our collective skills and resources.

Appendix B - Map of Regional, County and local Recovery groups

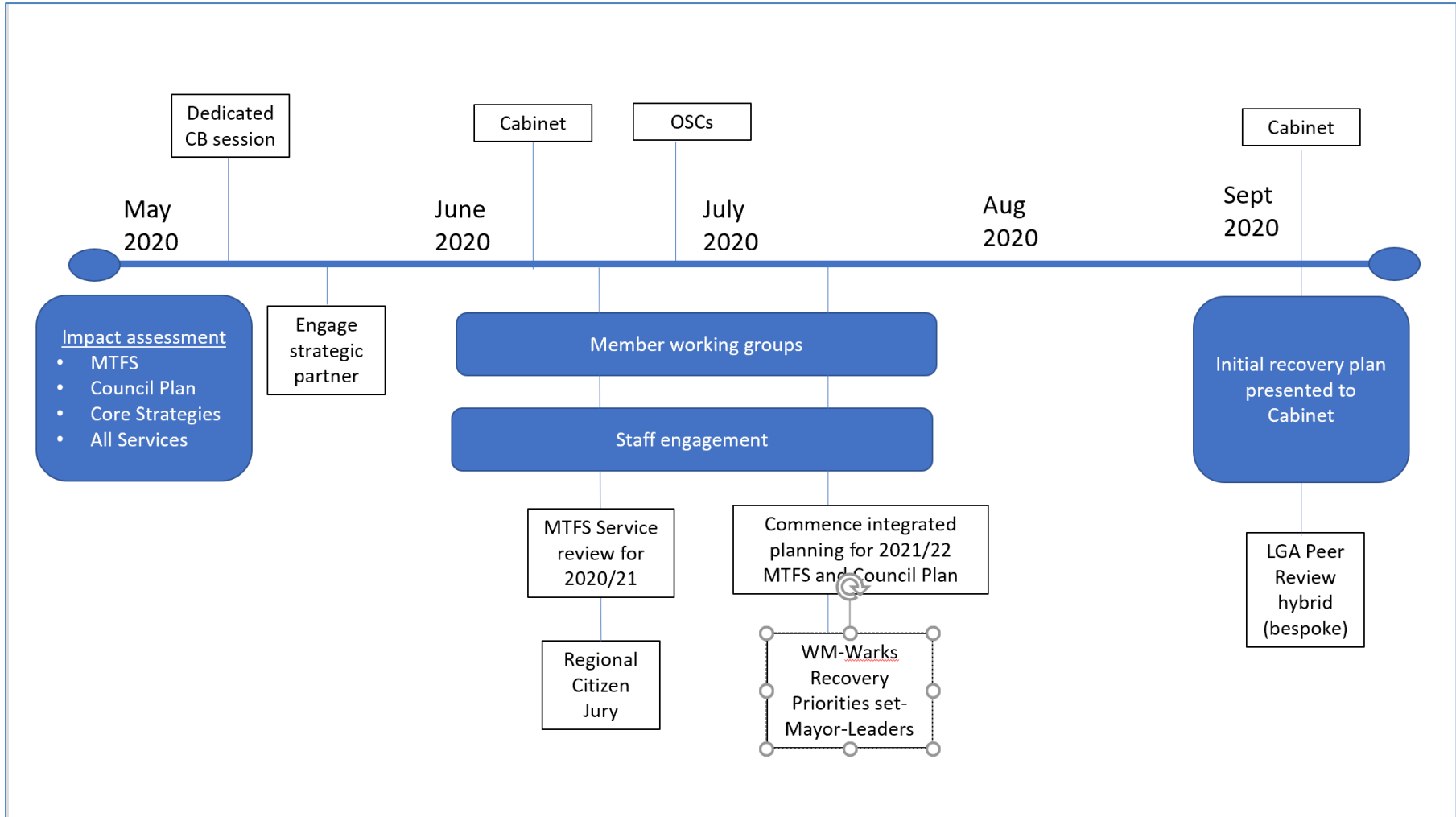


Appendix C - Key change portfolio themes

Programmes	Key considerations for Recovery (informed by desktop policy & impact assessment)	Related core strategies	Change portfolio elements
Place, Economy, and Climate	<p>Economy (see separate paper on today's agenda)</p> <ul style="list-style-type: none"> • Rural economy • Key sectors e.g. Tourism, automotive • Access to funding for businesses • Employment rates • Skills requirements and access to training, re-skilling <p>Place shaping (see separate paper on today's agenda)</p> <ul style="list-style-type: none"> • Impact for Town centres and high streets • Cultural sector impact including City of Culture • Reduced income for Universities • Use of public transport -accessibility <p>Climate</p> <ul style="list-style-type: none"> • Implementing the Climate Change action group's plans • Bouncing back greener • Reduced car journeys/re-designation of road space • Improving air quality 	Economic growth Property Commercial Local Transport Plan Place plans	<ul style="list-style-type: none"> • Climate change • Place shaping • Transportation • Business and economic recovery
Community	<ul style="list-style-type: none"> • Future role of the Voluntary sector /volunteer networks • Capturing Community action • Digitising volunteering and support for the vulnerable • New vulnerability, inequality and differential impacts of Covid • Financial vulnerability/increased unemployment • Impact of reduced/home school access 	<ul style="list-style-type: none"> • Voluntary & Community Sector Strategy • Education Strategy 	<ul style="list-style-type: none"> • Voluntary & community • Education Strategy • Fire Transformation

<p>Heath & Wellbeing and Social Care</p>	<ul style="list-style-type: none"> • Mental health • Homelessness • Delayed access to health care for non-Covid conditions • Delayed demand surge • Market sustainability for care homes • Assurance of social care providers • Increase in domestic abuse 	<ul style="list-style-type: none"> • Health and Well-Being Strategy 	<ul style="list-style-type: none"> • Adults • Children’s Transformation Programme • Warwickshire Cares Better Together
<p>Organisation</p>	<ul style="list-style-type: none"> • Staff wellbeing – DSE and mental health • Remote working • Importance of Data and digital • Financial impact – council tax/business rate income base • Investment base 	<ul style="list-style-type: none"> • Council Plan • MTFS • Our People • Digital and Technology • Property • Data • Customer Experience 	<ul style="list-style-type: none"> • Service redesigns • Data & Digital • Commercial strategy implementation • How We Work (including innovation strategy) • Customer Experience • Devolution • Marketing and Communications

Appendix D – Recovery timetable



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Cabinet

11 June 2020

Warwickshire Place Shaping Programme

Recommendations

That Cabinet:

- 1) Approves the objectives for the Warwickshire Place Shaping Programme, as set out as set out in paragraph 3.1 of this report.
- 2) Agrees to investigate the establishment of a Warwickshire Recovery and Investment Fund (WRIF) to support the County's post-Covid19 economic recovery and long-term place development.
- 3) Authorises the Strategic Director for Resources to establish effective governance arrangements for the Place Shaping Programme, including close collaborative working with key partners, and a robust framework for effective programme delivery.

1. Key Issues and Background

- 1.1. The phrase 'Place Shaping' describes local government's core strategic role to use its powers and influence to promote the general well-being of a community and its citizens, including creating an environment for business to flourish, by improving infrastructure, services, connectivity and sustainability to deliver a better quality of life. Ultimately the success of business is what will drive recovery of the Warwickshire and national economy.
- 1.2. This report brings together proposals to progress a number of key objectives from the Council Plan 2025 that significantly impact Warwickshire as a place. The Council Plan's quality and strength is borne out by the volume of objectives that remain as essential post Covid19, as they did pre Covid19. Place-shaping needs continuing at greater pace and proposes furthering collaborative work between the Council and key partners - public, private and voluntary sectors - to progress major projects by creating a Place Shaping Programme nestling within the Council's change programme.

- 1.3. Collaboration on place shaping will need to combine local place shaping activity by district and borough councils, and the strategic, county-wide focus of Warwickshire County Council, all within the context of regional economic priorities of the West Midlands Combined Authority and Coventry & Warwickshire Local Enterprise Partnership and the One Public Estate Connecting Warwickshire partners programme. Place will need to look from a perspective of various groupings for example, from a health and care system perspective consideration of Warwickshire North, Rugby and South Warwickshire as 'places' where we are undertaking place based planning to deliver our health and well-being priorities and requirements to move to Place Integrated Care Partnerships. There are also Primary Care Networks within this structure.
- 1.4. Work to shape this programme had commenced prior to the Covid-19 pandemic; this work has been accelerated in recognition of its central role in Warwickshire's recovery. As well as driving delivery of key elements of the Council Plan, the Place Shaping Programme will support other core Council strategies:
 - the action plan to address the Climate Change emergency;
 - progression of a number of the Council's supporting strategies, including: the Economic Growth Strategy 2020-25; the Coventry and Warwickshire Health and Well-Being Strategy; the Property Strategy; the Heritage and Culture Strategy; the Voluntary and Community Sector Strategy; the Capital Strategy; the Commercial Strategy; and the Medium-Term Financial Strategy; and
 - delivery of major regeneration schemes such as Transforming Nuneaton and One Public Estate projects.
- 1.5. A decision by Cabinet today, will allow the development of the overarching Place Shaping Programme within which such core strategies sit. Each of the component strategies will drive forward at the pace already set for each, with some being of acute priority in the light of Covid. The Place Shaping Programme will afford the Council the ability to have both a strategic oversight and delivery focus, of how each element contributes to post-Covid recovery as well as their individual objectives and outcomes. Key progress milestones will be reported regularly to Cabinet, along with any decisions necessary to assess costs, benefits and potential funding options.

2. Strategic drivers for place shaping

- 2.1. The main strategic drivers for place shaping are set out below.
- 2.2 **Economic recovery:** the Council is aiming to deliver robust and sustainable economic recovery to support future growth, to improve its ability to retain the working-age population and attract more skilled working age people to the area along with commercial activity and investment by the private sector. Place shaping investment can clearly support economic growth by creating new employment space and by increasing spend in the local supply chain as well as investing in and lending to business where appropriate to do using a range of ways to do this.
- 2.3 **Rural growth and town centres:** our work on place shaping needs to support rural economic growth and prosperity, as well as shaping the town centres and high streets of the future, particularly in light of the significant impact of Covid-19 on both economies.
- 2.4 **Sustainability:** the Council has declared a climate emergency, and so economic recovery and future growth plans need to support a sustainable recovery, address climate change and build on the lessons from the Covid-19 pandemic about how we live, work and travel.
- 2.5 **Sustainable transport:** transportation and connectivity are a key focus. Supporting a sustainable travel and an integrated travel network will include; cycling, walking, electric vehicles, highways and public transportation.
- 2.6 **Housing:** The County needs a sufficient housing supply to attract and retain younger working age people through the provision of affordable and intermediate housing options. By supporting the delivery of or enabling or developing such residential property, the Council can assist partners to address shortages in specific areas which might not otherwise be met by commercial developers.
- 2.7 **Area Regeneration:** Warwickshire shows significant variation in average earnings and levels of deprivation. The 'Place Shaping' approach will support area regeneration and economic improvement which will help address deprivation and economic inequality by identifying and prioritising areas to regenerate on a physical and economic basis. This will support the objective of driving specific regeneration plans in each District and Borough patch.
- 2.8 **Commercial and investment:** The proposed Warwickshire Property Company is intended to support broad corporate and community objectives relating to economic growth; employment; housing provision; area

regeneration and income generation. The Covid pandemic has accelerated the exploration of an investment fund for the County, leveraging Council, private sector and other partner funding including utilising One Public Estate (OPE) to support a programme of investment in the County. These proposals are set out further in section 4.

- 2.9 **Digital and 5G:** there is a significant opportunity to build on the County's existing strengths in digital and gaming through development of the 5G network, broadband and connectivity, as well as increasingly using digital to support Council services to business and communities.
- 2.10 **Health and well-being:** this is a key feature of all of the strategic drivers of place shaping; ultimately, place-shaping needs to improve quality of life, tackle poverty and improve health and well-being outcomes. Place shaping should improve health and wellbeing outcomes and ultimately the poverty agenda. Place shaping needs to improve population health and well-being, especially post-Covid, working within the existing place-based planning across the health and care system.

3. Proposed programme scope and objectives

- 3.1 The Place Shaping Programme will focus on progressing a number of high impact projects to support delivery of the Council Plan. The outline objectives of the Programme are to:
- translate the place shaping ambition of The Council Plan into a programme of priority projects with robust business cases, delivery plans and resourcing;
 - deliver these major place shaping projects, which have a significant, long-term impact on the County or individual communities, to time, budget, quality and outcomes;
 - attract significant inward and other investment to Warwickshire to support place shaping objectives; and
 - align all place shaping activity within the Council and across the County.
- 3.2 The themes of place shaping activity are set out in the Appendix, which shows how each theme contributes to the Council Plan and indicative initial priorities for the place shaping programme. Specific projects being scoped include:
- Establishing a Warwickshire Property Company to focus on developing Council land and property and potentially other public sector land;
 - Rationalising Council property to drive economic recovery and support place-shaping ambitions;

- Collaborating with the District and Borough Councils to ensure there are significant County wide regeneration schemes supported by the County Council;
- Exploring the use of digital technologies and applications to support businesses, and connect volunteers and those needing support;
- Creating a Warwickshire Investment Fund to support recovery efforts and longer-term 'place' ambitions in the County; and
- Attracting major employers to Warwickshire, along with supporting existing businesses to grow.

3.3 Our approach to place will wrap around and dovetail with a number of Council approved and developing strategies such as Economic Growth, Skills, Heritage and culture, the Local Transport Plan, Rural growth, Digital and Data (including 5G), Climate change, Health and Wellbeing. Place shaping will also impact and deliver benefits against some of the United Nations Sustainable Development such as good health and wellbeing, decent work and economic growth and industry, innovation and infrastructure goals referenced in the Council Plan 2025.

4. Investigating a Warwickshire Investment Fund

4.1 It is proposed that the Council investigates the creation of a Warwickshire County Investment Fund (WCIF) to attract public and private investment into the County, including investment funding.

4.2 The model could allow the Council to reinvest any investment income it receives on a recurring basis to support place shaping priorities. The Council's balance sheet and reserves review will ensure any investment plans fit within the medium-term financial strategy (MTFS) ensuring affordability and appropriate risk mitigation and stress testing. This will of course need to be considered against other priorities given the expected impact of COVID-19 on the MTFS. Such a fund could comprise funding from some or all of the following sources:

- Warwickshire County Council;
- District and Borough Councils;
- Government, Non-Departmental and other Public Bodies;
- Private Sector Investment through banks and institutions;
- Other public sector funding sources such as PWLB and the Municipal Bonds Agency and pension funds; and
- Other private sector investors.

4.3 The Council should develop an investment approach to fund aspects of schemes in various ways. For example, in line with its Commercial Strategy, the Council could consider lending money and/or taking equity-based

positions in developments, housing, and infrastructure projects. There are also hybrid equity loan based products that could be used and the Council could use crystallisation events to return its investment at a pre-determined date. Risk mitigations techniques such as charges and guarantees will also be considered. The Council will need to ensure it has appropriate legal powers as well as the right skills and experience to deliver such a programme should it decide to directly provide or contract such a service.

- 4.4 Following a recent consultation the Government may narrow the definition of capital projects which qualify for Public Works Loan Board (PWLB) loans. This may lead to local authorities looking at alternative sources of funding, in particular those offered by the capital markets. For Warwickshire, this could facilitate reduced reliance on the Treasury and Central Government for funding and an opportunity to take greater control over our own finances by using alternative borrowing sources. This will be subject to market conditions and financial and legal due diligence.
- 4.5 There will be a significant multiplier impact from Warwickshire's place shaping expenditure on the supply chain and connected jobs throughout this and will ultimately help business with a focus to recover and improve the Warwickshire economy.

5. Performance Measures

- 5.1 The Place Shaping programme must demonstrate its contribution to Council performance. Measures of place shaping impact will be developed as part of programme scoping, to inform the Council's performance management framework.

6. Risk, Interdependencies and Constraints

- 6.1 Programme and individual project risks will be identified and managed throughout the development of the programme. Risk Registers will be prepared at programme and project level, monitored and updated. Each identified risk will need to be assessed in terms of scale of risk, likelihood of occurrence and mitigation strategy.
- 6.2 Risks include but are not limited to; flexibility of procurement; financial; policy and legislative changes; reputational; environmental; legal; and capacity and capability to deliver. Other constraints such as highways infrastructure and flood risk may emerge on a project by project basis in relation to specific developments. In addition, there will be several interdependencies to be considered.

7 Financial Implications

- 7.1 The initial work will be covered by existing resources. Both Council staffing and short-term expertise are already in place within the Council's Transformation and Change Programme. There are significant pressures on the MTFs and 2020-21 budget as a result of Covid, which will be worked through over the coming months. Place shaping activity is an important part of the solution to the medium-term financial pressures we will face.
- 7.2 Initial scoping work on the Warwickshire Investment Fund will need to produce robust and accurate projections using the review of the Council's balance sheet and reserves, as well as testing private sector, Council and Government capacity to contribute funding. The initial financial work will ensure the Council is well positioned to secure Government funding to support recovery post-Covid, with a strong focus on attracting investment into the County. Specific investments will be subject to the usual business case assessment processes.

8 Environmental Implications

- 8.1 There are no direct environmental implications as a result of the decisions set out in this report. For each project taken forward the business case will include an assessment of the environmental implications and these will be considered explicitly as part of the decision-making process.
- 8.2 There will be opportunities to drive climate change benefits and look at carbon neutral and low carbon initiatives as part of this work. These will form part of each initiative in more detail.

9 Background Papers

- 9.1 None.

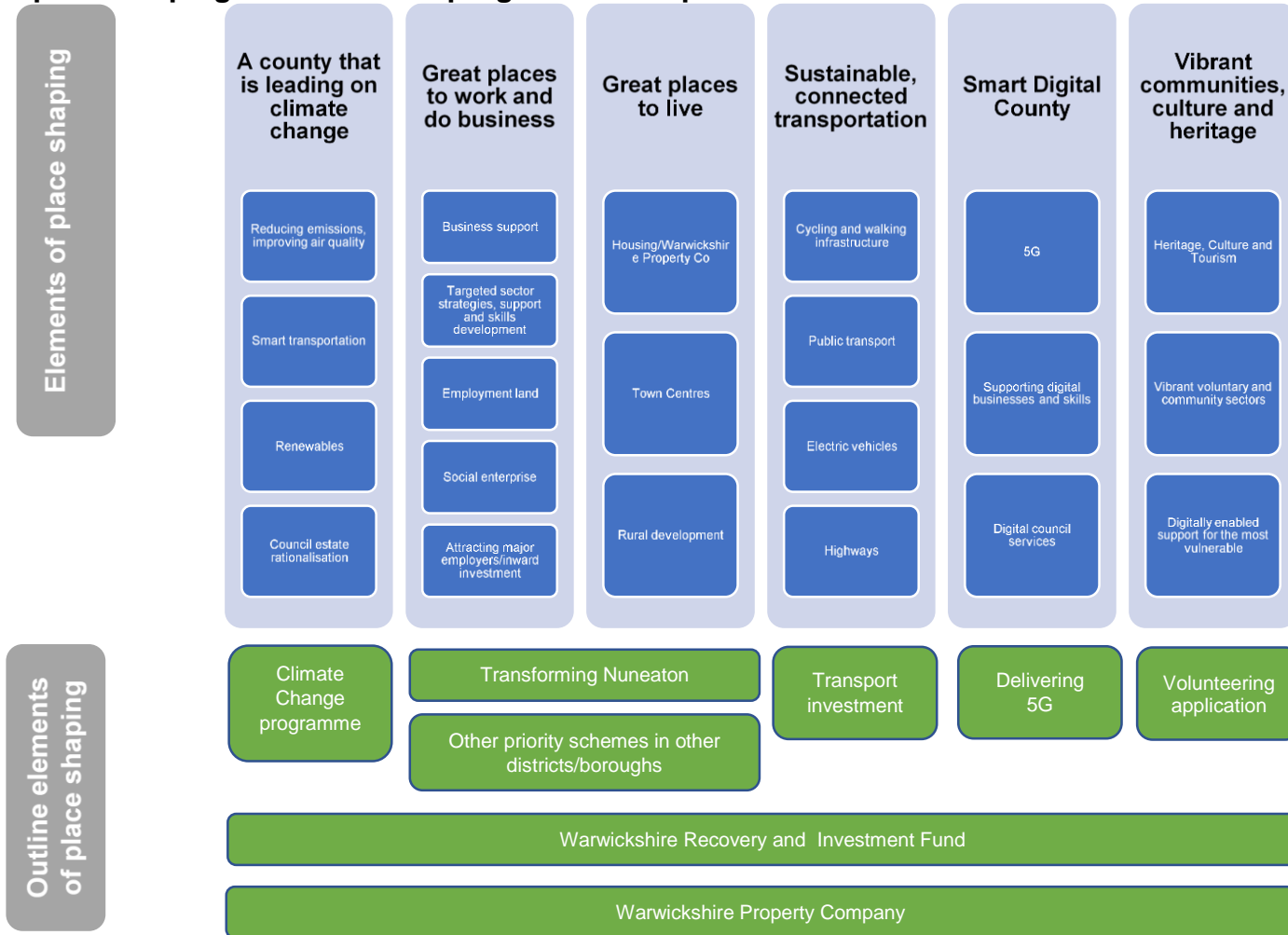
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	Cllr.Peter Butlin, Deputy Leader and Portfolio Holder for Finance and Property Cllr. Kam Kaur, Portfolio Holder for Customer and Transformation	
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The report was circulated to the following members prior to publication: Cllrs
Seccombe, Butlin, Kaur, Roodhouse, Chattaway, Chilvers, Cockburn

APPENDIX

Elements of place shaping and indicative programme components



Cabinet

11 June 2020

Covid-19 Economic Recovery

Recommendations

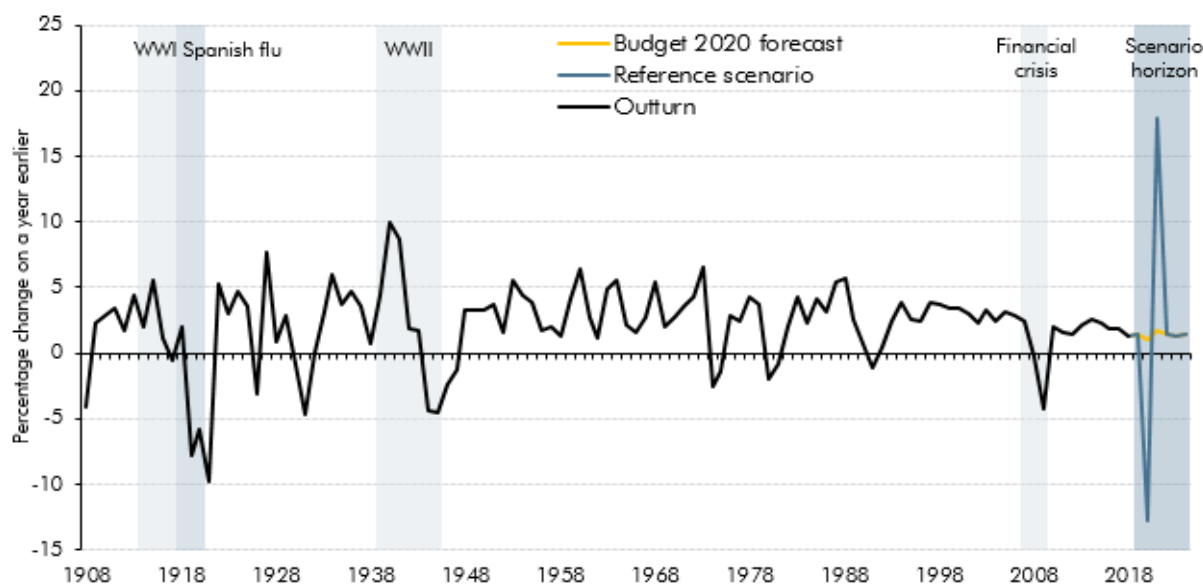
That Cabinet approve:

- 1) the proposed approach to economic recovery for Warwickshire County Council as set out in this paper, as an initial framework to inform the Place, Economy & Climate theme of the Change Portfolio, to be taken forward with members and partners.
- 2) the set of short-term support measures (set out in paragraph 2.7) recommended to support businesses and the economy in this immediate recovery foundation stage subject to the availability of funding.
- 3) the proposal to increase by £2.5m the indicative funding allocation of the “Place Shaping and Capital Investment Feasibility Fund” to a total of £7.5m, enabling this fund to support up to £4m of proposed economic recovery work, balanced by a reduction in the other investment funds proposed in section 3.

1. Executive Summary

- 1.1 The current Covid-19 pandemic is creating both a health emergency and an economic one. Practically all businesses are being affected, and the speed and scale of the lockdown are having significant impacts on the viability of many businesses and leading to a rapid increase of both “furloughed” staff and unemployment.
- 1.2 A recession, both within the UK and globally, is inevitable, and forecasters are currently predicting a significant drop in GDP for the UK economy. The Office for Budget Responsibility has recently produced what they term a reference scenario as to what could happen to the UK economy based on some assumptions around the length of a lockdown and how quickly the restrictions will be lifted. Their analysis suggests a drop in economic output of around 35% in Q2 of 2020, and an annualised reduction of c. 13% for the whole of 2020. This would be a fall greater than any other major economic shock since 1900, and three times more than the impact of the financial crisis of 2008/9. The OBR also estimate that unemployment could increase nationally to 10% of the working age population, a significant increase from the current rate of 3.9%.

Figure 1: GDP decline in historical perspective:

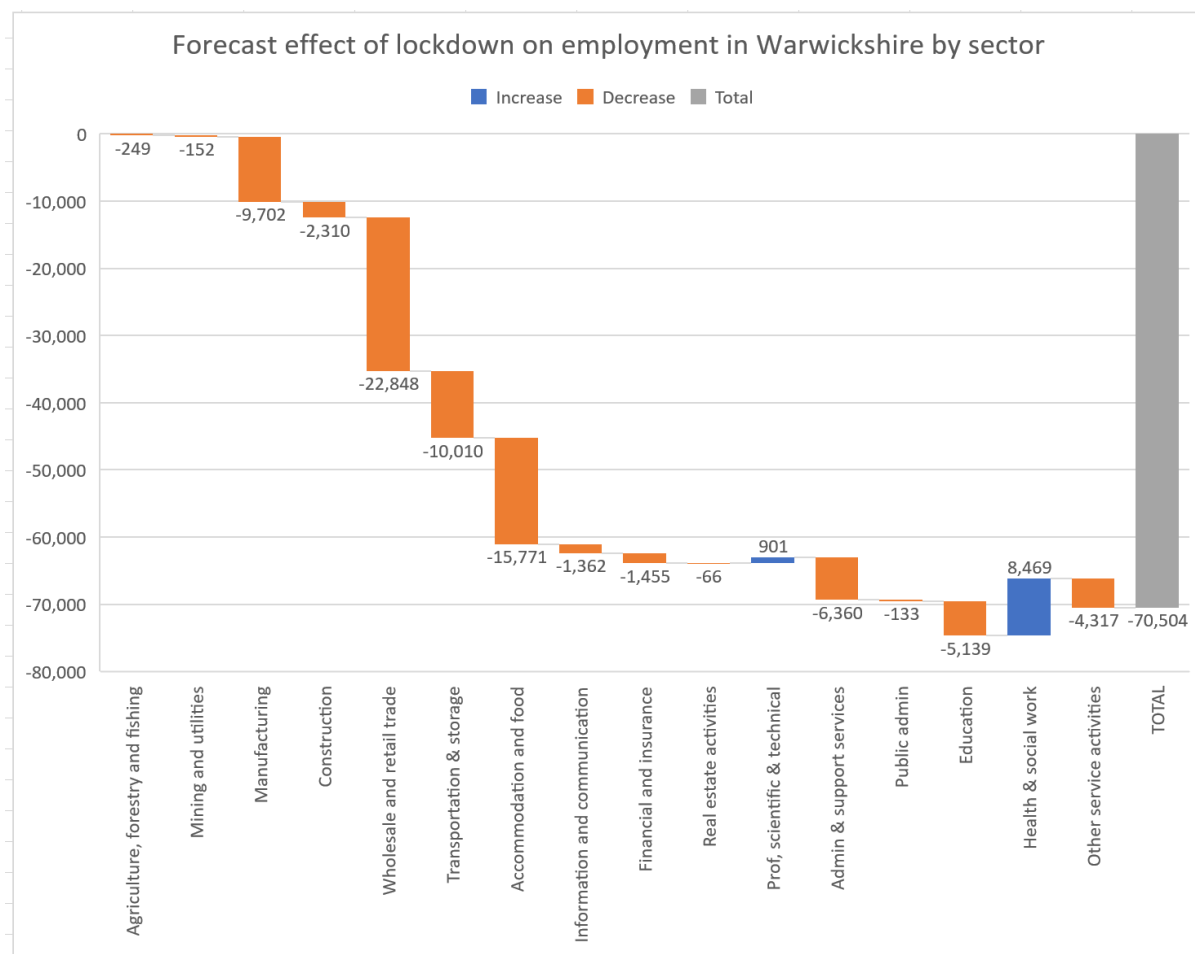


Source: Bank of England, ONS, OBR

- 1.3 Furthermore, different areas of the country will be impacted in different ways depending on sectoral composition of their local economy. Using the Office for Budget Responsibility's reference scenario, and applying their expectations to local economies, we have seen that areas of Warwickshire are going to be particularly negatively affected. Stratford District, due to its high concentration of manufacturing activity and reliance on the tourism and leisure industry, has been identified as being the fourth most negatively impacted local authority district in the UK, followed closely by North Warwickshire (11th) and Rugby (12th). However, it should be noted that other parts of the county are expected to perform relatively better, with Nuneaton & Bedworth placed at 244th (out of 383) and Warwick District 281st. However, even then, the economic output of Warwick District is expected to decline by around 34% in Q2.
- 1.4 As a result of the lockdown, many employees within the county have been furloughed, or had to accept reduced hours, and some unfortunately have already been made unemployed as businesses struggle to continue in this current situation. Certain sectors are more affected by this than others, which again has a differential impact across the national, regional and local economy. Figure 2 below highlights the impact on employment by sector of the lockdown for Warwickshire. Just over 70,000 jobs in total (around one quarter of the entire workforce in the county) are expected to have been "removed" from the economy (albeit one hopes temporarily as a result of the Job Retention Scheme and the furloughing of employees). In particular, employees within retail businesses, accommodation and food, and

manufacturing are significantly affected, and these three sectors alone account for over two-thirds of all jobs affected.

Figure 2: Forecast impact of lockdown on employment



1.5 It must be remembered, though, that in the decade that preceded this unprecedented pandemic crisis, Warwickshire was one of the fastest growing economies in the country, with very low levels of unemployment, high new business start-up rates, and a strong performer in attracting inward investment. The inherent strengths of the Warwickshire economy remain, which should enable us to be well positioned as the economy starts to recover. We continue to have a world class business base in future automotive technologies, advanced manufacturing and engineering, and digital creative industries, as well as strengths in wider technology-based activities and professional services. While our internationally renowned tourism offer will undoubtedly be very significantly impacted by the Covid-19 pandemic in the short and probably medium-term, the long term forecast remains strong.

1.6 Despite the need, therefore, to respond pro-actively to the current economic crisis, our longer-term ambitions and priorities contained within our recent WCC Economic Strategy remain sound and appropriate. However, the steps

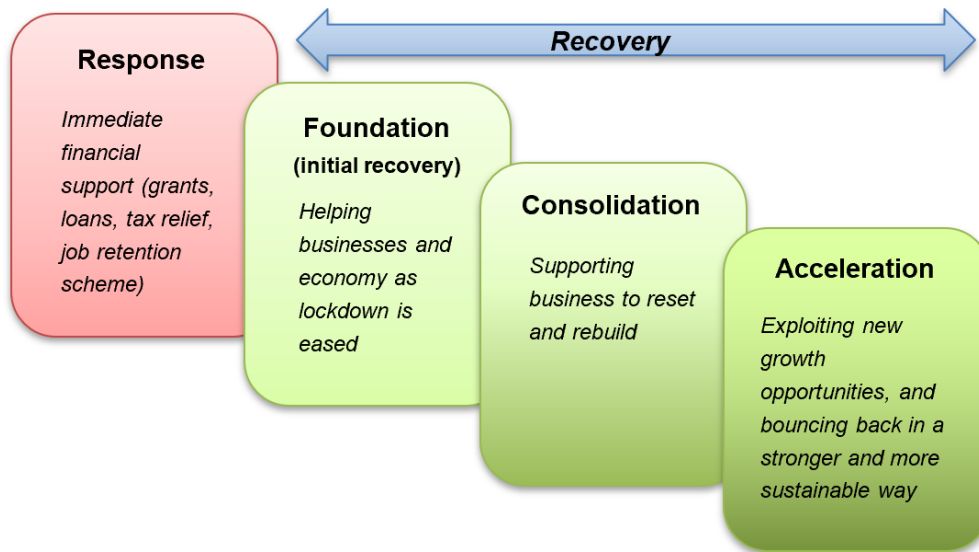
we need to take, and facilitate, to support our future growth may need to be amended and updated, and the importance of Warwickshire County Council taking a leading role in shaping the future economy has probably never been greater.

- 1.7 As we shape this future economy of Warwickshire, it is a highly opportune time to look to address and embed a strong approach to climate change to this work. All the local authorities within Warwickshire have declared a climate change emergency, and we have a unique opportunity to reset our activity and ensure that we are pro-actively addressing this challenge through our work with businesses, and on the economy more generally.
- 1.8 Working with the district and borough councils and Local Enterprise Partnership, collaborative effort is being focused on four recovery workstreams, including one on “Economy, Business & Climate”. This collaborative work on recovery will supplement the Council’s work to inform an overall Recovery Plan to be considered by Cabinet by end October and will be informed and shaped by Members through the Overview & Scrutiny Committees and Member-led Task & Finish Groups.
- 1.9 The following section sets out a suggested structure and approach to an economic recovery plan.

2. Developing an Economic Recovery Plan

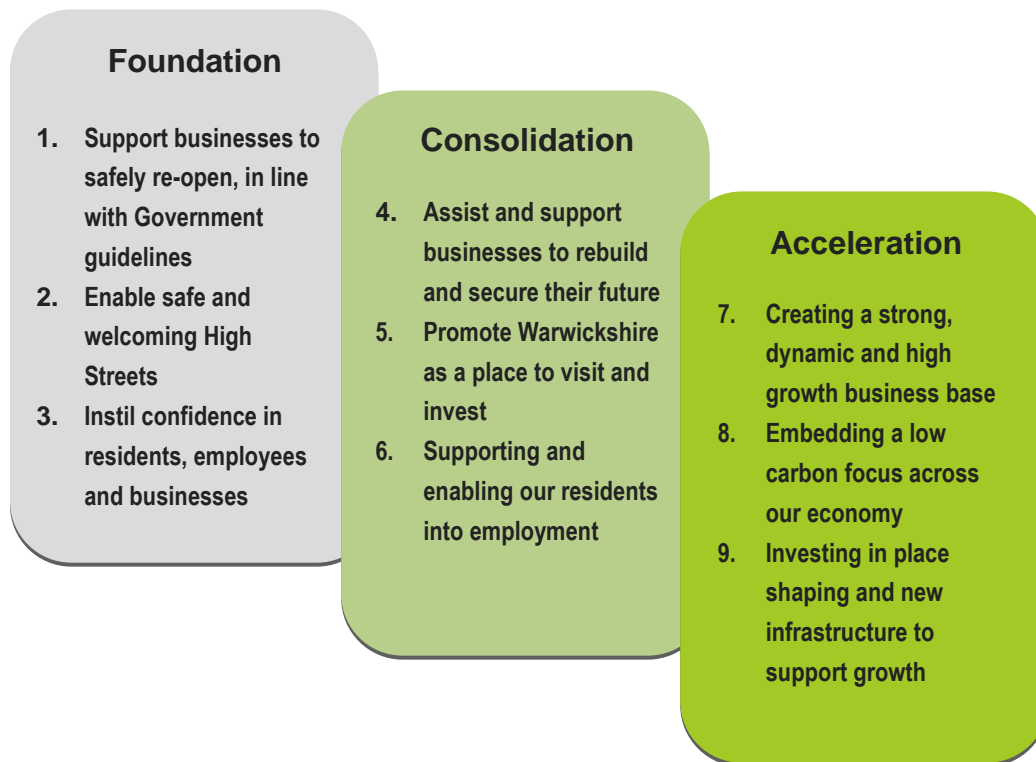
- 2.1 To guide and inform our work to support the recovery of businesses and the Warwickshire economy it is suggested that we look at this through the key phases of response and recovery, as shown in Figure 3 below. This phasing aligns with the emerging regional and sub-regional approaches to recovery, both within WCC, among the District and Borough Councils and the work of both the CWLEP and WMCA. At a Warwickshire level, this activity is being co-ordinated by the Recovery Advisory Group, comprising Council Leaders and Chief Executives, the CWLEP and Police.

Figure 3: Phased approach to economic response & recovery



- 2.2 Throughout this crisis, we have sought to work hard to align and co-ordinate our work with our various partners to avoid duplication, maximise efficiency and effectiveness, and ensure a coherent and co-ordinated approach. Initial response activity to support businesses in the immediate crisis phase has been co-ordinated between the local authorities within Coventry and Warwickshire, the C&W Growth Hub, Chamber of Commerce and Federation of Small Businesses. This partnership has become the bedrock for sharing plans on planning for recovery, and we are working closely with CWLEP and WMCA on supporting and accelerating plans to support the longer-term economic growth of the county, sub-region and region.
- 2.3 Through engagement and dialogue with partners, stakeholders, businesses, sector-based groups and across various teams within Warwickshire County Council, we have collated key issues, challenges and opportunities, and ideas that can be aligned to the key phases detailed above. These are summarised in Appendix A.
- 2.4 Based on the above analysis, a suggested set of key priorities are identified by each phase, as set out in Figure 4 below. These can be used as a basis for consideration by Members on the development of the recovery plan for the County Council.

Figure 4: Priorities of the Economic Recovery Plan



2.5 While the development of a considered and comprehensive Recovery Plan will necessarily take some time, there is an urgent need to consider and bring forward key activities to support our businesses in the Foundation and early Consolidation phase.

2.6 It is therefore proposed that the following key activities be rapidly developed into business cases, for consideration for funding from the County Council (via the Investment Funds as proposed in Section 3 below). These will be developed in close partnership with our District & Borough Councils, CWLEP, and other key partners; and wider funding support that may become available (i.e. through the Government’s recent “Reopening of the High Streets Safely Fund” to be allocated to the District & Borough Councils).

- **Covid Secure & Resilient** – bringing together the Council’s business support, regulatory and public health functions to provide effective and practical advice, guidance and support to businesses to help them safely reopen in line with Government guidance and in a manner that can provide confidence to their customers and employees. Advice from Trading Standards and Public Health, risk assessment visits from Warwickshire Fire & Rescue Service, commissioned specialist support where further help needed, and business planning and business support from Economy & Skills.
- **Helping businesses develop digital presence** – commissioned support to provide training and support to small businesses

(predominantly retail but other sectors as needed) to develop online trading, using existing contract framework. Develop partnership with “ShopAppy” platform to provide an online presence for town centres where this would be beneficial.

- **Tech Challenge** – tapping into the strength and depth of our local technology and digital creative sector to offer a Tech Challenge Fund, inviting local businesses to submit proposals that would develop a technological solution to help town centre businesses access and engage with local consumers; and to help cultural, creative and leisure based businesses reach and engage their audiences and consumers. Grants awarded to best submissions to develop product for use by local businesses.
- **Art Challenge Fund** – working with local art and cultural sector, and with City of Culture Trust, offer an Art Challenge Fund to invite artists to develop submissions to provide fun and creative ways to support safe movement and social distancing around our town centres. Grants awarded to best submissions across participating towns. Potential to be aligned well with the new Reopening of High Streets Safely Fund.
- **Covid Ambassadors** – exploration with District & Borough Councils, Town Councils and Business Improvement District organisations to establish a network of “Covid Ambassadors” who would be a physical presence in key towns (where appropriate) to provide advice and guidance and help with flow of movement of visitors. Provides reassurance and confidence to visitors and businesses (helping them manage queuing that may be needed outside their premises). Potential to be aligned well with the new Reopening of High Streets Safely Fund.
- **Marketing and promotion campaign** to provide confidence to residents and employees
- **Sustain, Survive, Grow** – a programme of intensive 1:1 engagement with businesses to review their business and financial position, explore diversification or growth options, and help them develop a forward plan. Utilising a network of specialist advisors who can cover in detail issues around refinancing/finance for growth options, innovation, mergers and acquisitions, exporting, new market opportunities, etc. Focus on sectors most affected (retail, tourism & leisure, and manufacturing, but open to all). Finance support potentially aligned to this in terms of grant, loan and short-term equity investment.
- **Skills, Careers and Employment** – working with HE, FE, schools and training providers and businesses to develop a showcase/virtual market stall for young people on job and careers opportunities in the county

2.7 In parallel, we are developing, with our partners, proposals for re-allocation of road space within town centres using additional government funding, which is another element of ‘foundation’ activity and will help support the safe reopening of our town centres. We are also undertaking a review of guidance

and process for businesses to make markings or place materials (signs, stalls, etc.) on the public highway in line with need to support social distancing.

3. Financial Implications

- 3.1 While we actively pursue any funding opportunities that may arise directly from Government to support the recovery activity, or indirectly via the WMCA and/or CWLEP, it is expected that there will be a need for funding from Warwickshire County Council if we want to support and implement the activities that will arise from considerations on economic recovery that will be developed over the next few months.
- 3.2 It is likely that, given the nature of the need to provide support and help to businesses, many of the short to medium term activities that we may want to undertake will need revenue funding.
- 3.3 In February, Council approved the allocation of £20m to four investment funds across the 5 years of the MTFS. In March Cabinet approved the process and criteria for allocation, confirming the indicative allocations with the important caveat that ‘they were deliberately flexible and may be varied as bids emerge and are prioritised, subject to Cabinet consideration and approval.’
- 3.4 It is therefore recommended that the indicative allocations to the four funds be amended to take account of the need for investment in economic recovery. It is proposed that the Place Shaping and Capital Investment Feasibility Fund be expanded to account for this. The Place Shaping and Capital Investment Feasibility Fund was established to “support strategic investment in Warwickshire’s economy and improving the quality of life for residents and communities”, and so it is felt that economic recovery fits well within this general remit.
- 3.5 Based on an analysis of the early thinking of ideas of projects and initiatives that could be developed to support economic recovery, indicative funding of around £4m would be needed to provide support that would make a difference to businesses and the economy of Warwickshire. In line with the dynamic and flexible approach Cabinet has already approved for the use of these funds, this could be reduced if additional external funding could be secured from other sources (i.e. funds from central government, partnership working with our district and borough councils or other stakeholders), and this would of course be sought and considered as part of the business case and approval process.
- 3.6 It is recommended that the additional allocation to the Place Shaping and Capital Investment Feasibility Fund be achieved through the following changes to indicative allocations previously approved.

Fund	Purpose	Allocation	
		Original £m	Revised £m
Sustaining prevention	To pump-prime up-front investment in demand management and early intervention initiatives prior to financial benefits accruing.	7	5
Climate Change	To invest in coordinating and pump-priming work across the revenue and capital budget to implement the priorities flowing from the Climate Change Task and Finish Groups and Council Plan 2025 that protect our residents and the County's environment for future generations.	4	4
Commercial	To deliver commercial investment in outcomes for Warwickshire arising from the commercial strategy.	4	3.5
Place shaping and capital feasibility	To support strategic investment in Warwickshire's economy and improving quality of life for residents and communities.	5	7.5
TOTAL		20	20

- 3.7 Work has been proposed to investigate the potential establishment of a Warwickshire Recovery & Investment Fund. This could also play a key role in supporting some of the measures for economic recovery through, for instance: investments to support the development of new employment space, place shaping and recovery support in town centres; sustainable transport; helping kickstart or accelerate housing development; 5G deployment; area regeneration programmes; and our commercial and potential property company activity. These opportunities are considered in more detail in the accompanying report on the Warwickshire Place Shaping Programme.

4. Environmental Implications

- 4.1 There is an opportunity to support the rebuilding of the Warwickshire economy in a way that is greener and more sustainable than before. Through our recovery and future economic growth activity, we will look to embed and promote a low carbon approach, helping both new businesses exploit the new economic opportunities that are being created and existing businesses to become more sustainable

5. Timescales associated with the decision and next steps

- 5.1 From an early stage, the County Council has played a key role in bringing together partners to look at co-ordinating support to businesses across the Coventry & Warwickshire area. This has included looking at how we promote

the various emergency funding streams made available from Government and supporting businesses to access them; looking to identify gaps in provision and lobbying on this basis and exploring if any local action is needed in the short-term; working with the CWLEP to utilise the existing Business Groups to discuss and inform recovery planning; and establishing a Strategic Town Centres Taskforce for Warwickshire to seek a co-ordinated approach across the county where appropriate.

- 5.2 Building on this activity, there will be a range of discussions over this period with the CWLEP Business Groups, business forums established through the Chamber of Commerce and Federation of Small Businesses, and other sector-based discussions in the area. These will help provide valuable intelligence and input into the emerging Recovery Plan for Warwickshire County Council, and work at county, sub-regional and regional level.
- 5.3 In the interim, officers will continue to work with partners to develop business cases for the proposed short-term activities detailed in paragraph 2.7 above. There will also be discussions with the Communities Overview and Scrutiny Committee and task and finish groups of members working on the economy/business recovery theme.
- 5.4 In parallel with, and guided by, discussions with Members and partners on the economic recovery and wider recovery plan, officers will also develop proposals for more detailed programmes for consideration by Cabinet in future meetings.

Appendices

Appendix: Analysis of key issues, challenges and opportunities by recovery phase

Background Papers

None

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Lead Director	Strategic Director for Communities	
Lead Member	Leader of the Council	

The report was circulated to the following members prior to publication: Cllrs Seccombe, Butlin, Kaur, Chattaway, Roodhouse, Chilvers

Local Member(s): None

Other members: None

Appendix: Analysis of Key Issues, Challenges and Opportunities by Phase

Foundation	Consolidation	Acceleration
Key issues & challenges		
<ul style="list-style-type: none"> • Lack of cashflow for businesses remains a key issue • Concerns over continuation of furloughing of staff, and increasing consideration by businesses of potential redundancies. • Questions around the rules on re-opening, and how businesses can ensure that they are meeting requirements. Concerns over liabilities and how businesses can cover themselves. • Concerns over lack of confidence of customers to return and use shops/high streets. • Concerns from employees around safe returning to the workplace • Hospitality and leisure businesses struggling to see how they could re-open and remain viable due to social distancing rules. 	<ul style="list-style-type: none"> • High levels of debt within businesses, which may constrain ability to access finance to support business going forward • Limited hospitality, leisure and tourism opportunities – businesses need to refocus on new market opportunities • Changing consumer behaviours and ways of working may mean that businesses need to adjust and change. Businesses may need help and support through this transition. • Business and consumer confidence remaining low, and concerns over 2nd wave/rise in cases again • Lower demand for automotive products, which could have significant impact on local economy • High levels of unemployment, and limited new employment opportunities. Particularly challenging for new entrants to the labour market (i.e. school, college, university leavers) • Demand for new housing and employment land, may constrain construction activity in medium term. • Shift to increasingly local supply chains in light of continued uncertainty around international trade. 	<ul style="list-style-type: none"> • Business may need help and support to adjust and exploit new market opportunities • Finance options and potential limited lending by banks looking to protect their exposure to risk. • Approach taken by central Government and potential need to tackle the high levels of borrowing • Empty units in town centres/retail areas and impact on “look and feel” for high streets. • Potential impact of EU Exit on international trade depending on eventual agreement
Key Opportunities		
<ul style="list-style-type: none"> • Supporting continued high levels of walking and cycling and improved air quality 	<ul style="list-style-type: none"> • Potential pent-up demand for goods and services. Deferred spending. • New business areas and 	<ul style="list-style-type: none"> • Opportunity to embed climate change within Warwickshire’s future economic growth

<ul style="list-style-type: none"> • Increased local shopping and interest/concern over local high streets could lead to stronger support for town centres and independent retailers • Utilisation of new technology, creating more sustainable and potentially productive works or working • Increased awareness by smaller businesses of need for on-line presence and utilisation of technology 	<p>market opportunities to be exploited by early movers</p> <ul style="list-style-type: none"> • Recessions often lead to an increase in new business start-ups and interest in self-employment. • Demand for flexible workspaces, so interest likely to grow in WCC Business Centres • Increased role for local authorities/public sector in active support for economy and place-shaping • Increased appetite for reskilling and upskilling to help individuals develop new skills in demand by employers • Opportunity to sustain modal shift and greater levels of walking/cycling 	<ul style="list-style-type: none"> • Utilisation of new technology to create new ways of working and more competitive and innovative economy • New businesses exploiting new opportunities – helping them to grow and scale within the county • Reshoring of supply chains in light of increased concerns over international trade, both from Covid-19 experiences and Brexit. • Investing in sustainable transport measures as a result of changing behaviours • New partnership with central government around devolution and stronger role in economic growth and place-shaping.
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Cabinet

11 June 2020

SEND Change Programme

Recommendations

That Cabinet

- 1) Approves the development of a SEND & Inclusion Change Programme, adopting as a framework the four elements set out in paragraph 2.1
- 2) Supports the further detailed scoping of the SEND Change Programme, with proposals for prioritisation of projects across the four work streams including the DSG recovery plan to be brought back to Cabinet in July

1. Executive Summary

- 1.1 The purpose of this report is to bring together the different elements of strategic work regarding Special Educational Needs and Disabilities (SEND) into one 'strategic framework for change'.
- 1.2 A further report on the financial challenges facing Warwickshire as a result of SEND and the proposed recovery response (Dedicated Schools Grant Recovery Plan) will be presented to Cabinet in July.
- 1.3 The challenges in the SEND system within Warwickshire are significant. In 2014, the Children and Families Act brought in new statutory duties through the provision of Education, Health and Care plans for children and young people with SEND. Both nationally and locally, there have been unintended consequences to this legislation. Most notably, we have seen changing behaviours in the system, with a significant increase in the number of learners moving from mainstream to specialist education. This is influenced by increased needs, the limited confidence some parents have in mainstream schools to meet those needs, and financial pressures within schools.
- 1.4 The legislation also extended the age range of the SEND Service from 4-19 years to a 0-25 years service. Whilst there has been some additional funding, this has been insufficient to meet the demands of the extended age range and the growing needs against the High Needs Block of the Dedicated Schools Grant.
- 1.5 The crisis in SEND funding and services is a national issue facing all councils and has been reflected in a number of recent reviews including the [Public Accounts Committee](#), [National Audit Office](#), [County Council Network](#) and [Local](#)

[Government Association](#). The National Audit Office concluded that:

'The system for supporting pupils with SEND is not, on current trends, financially sustainable. Many local authorities are failing to live within their high-needs budgets and meet the demand for support. Pressures – such as incentives for mainstream schools to be less inclusive, increased demand for special school places, growing use of independent schools and reductions in per-pupil funding – are making the system less, rather than more, sustainable. The Department needs to act urgently to secure the improvements in quality and sustainability that are needed to achieve value for money.'

- 1.6 Fundamental transformation is needed within the SEND system in Warwickshire to deliver the scale of change required. There are three main challenges facing the Council:
- i.) The DSG Recovery Plan, which is currently being developed, may not lead to full financial recovery against the cumulative overspend. WCC could make meaningful inroads to the overspend alongside addressing increasing demand, adhering to statutory duties and delivering the SEND & Inclusion Strategy. Given the scale of the financial challenge this will likely fall short of closing the annual gap, meaning alternative Council funding (subject to Secretary of State approval) or national additional national funding would be a key consideration; and
 - ii.) Demand to meet SEND requirements increases at a faster rate than change can be delivered. Investing the right level of resources to support the SEND Change Programme and seeking to address the projected overspends will be key. However, this won't necessarily speed up full benefits realisation which is expected to be delivered over a five year programme of work. Furthermore detailed work will be undertaken by officers on the level of investment required to support the SEND Change Programme and where this could be funded from.
 - iii.) In order to achieve the scale of change required within the SEND area the programme will require some difficult choices to be made. Based on other Councils' experiences this is necessary and is highly likely to generate strong views and feelings from some of those impacted. Without strong leadership support for this, we will be unable to deliver the full benefits of our recovery and sustainability plans.

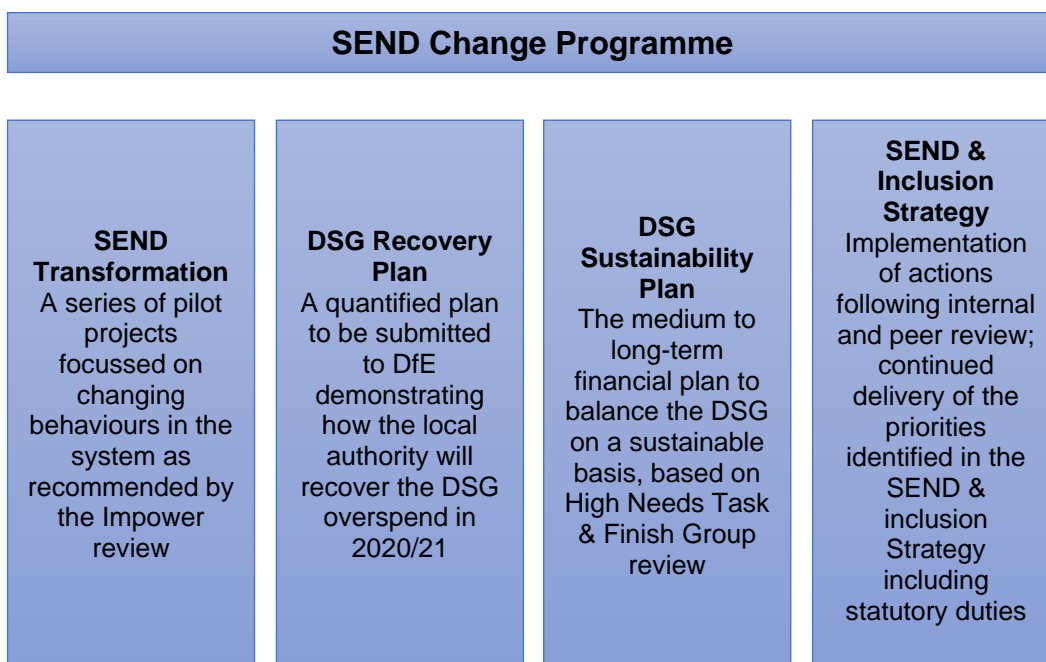
2. SEND Change Programme

- 2.1 The SEND Change Programme would bring together plans on four areas:
- (i) transformation of system behaviours (informed by an external review undertaken by Impower),
 - (ii) DSG Recovery Plan 2019/20,
 - (iii) DSG Sustainability Plan 2024/25,
 - (iv) Delivery of statutory duties (including the SEND and Inclusion Strategy).

2.2 The programme will enable the Council to use the corporate infrastructure to address the system behaviours, savings and financial sustainability, whilst ensuring delivery of statutory duties. The programme will be managed in accordance with the Council’s programme management standards and it is intended that additional capacity will be provided by the programme management teams.

2.3 The programme pulls together many different strands of work from the past year into one place. Those different strands of work include:

- i.) Launch of SEND & Inclusion Strategy by Cabinet, following public consultation (April 2019)
- ii.) Approval of SEND & Inclusion Strategy Delivery Plan by SEND & Inclusion Board (May 2019)
- iii.) DSG High Needs Task and Finish Group review and plan presented to Schools Forum (April-September 2019)
- iv.) SEND Peer Review (September 2019)
- v.) Impower Transformation Review (November 2019 – March 2020)
- vi.) Schools Forum DSG Recovery Plan task-group (April 2020)
- vii.) Self-evaluation and readiness for inspection (reviewed termly by SEND & Inclusion Board)



2.4 A list of over 120 activities and recommendations is currently being reviewed to determine whether each one should be included as a project in the programme, be considered ‘business as usual’ or be stopped. Each project is then being scoped including costs, benefits, capacity to deliver, level of investment required, stakeholders, leadership and timescales. Projects will then be prioritised and presented for allocation of resources as part of the Council’s

usual arrangements for requests for funding and within the current resource envelope.

- 2.5 As part of the Council's transformation fund, funding has already been set aside to support this programme and any further funding required to complete the programme will need to be requested and approved through the relevant governance arrangements.
- 2.6 Whilst the Council can no longer fund services within the DSG block without Secretary of State approval, it can allocate resources to deliver the SEND Change Programme. However, there is a new route to apply to the Secretary of State for a short-term disapplication of the DSG funding rule, although the channels and timescales for this require more work.
- 2.7 The success factors of the change programme will be:
- i.) The High Needs Block (HNB) part of the Dedicated Schools Grant (DSG) is balanced on a sustainable basis and the current in year overspend is met;
 - ii.) Element 3 funding (top-up funding that schools receive through EHC plans) from the High Needs Block is applied in a transparent way, which is fair and equitable and meets the provision for children and young people which is outlined in Section F of their Education Health and Care plan (EHC plan);
 - iii.) The local authority is delivering its statutory duties in line with the Children and Families Act 2014;
 - iv.) Educational outcomes for children and young people with special educational needs (at both SEN support and those with EHC plans) are good or better; and
 - v.) Children and their families with SEND report feeling well supported, in line with the SEND & Inclusion Strategy vision.

SEND Transformation

- 2.8 The transformation element of the SEND Change Programme will be implementing the recommendations of the Impower review. The Impower review has focussed on best practice and comparisons with national benchmarks. The final report is available to Members on request.
- 2.9 The Impower review concluded that:
- Warwickshire County Council has a number of strengths to build upon as it develops its new way of working in support of children and young people with SEND. Its staff are open to engaging with new ideas and are committed to delivering the best outcomes for children, young people and their families. It is also clear that a number of pathways for support, such as those for visual and hearing impairments, work very well and deliver appropriate, timely support for many children and young people. Out in education settings there are some excellent practitioners working hard to ensure that children with additional needs are included and enabled to thrive at their local schools. However, Warwickshire's High Needs System is faced with a number of challenges, many of which are shared by areas around the country:*

- *There is an overuse of specialist placements for children with SEND, which will lead to increasing spend from the High Needs Block in future;*
- *Warwickshire’s mainstream settings are seeing lower funding levels than in neighbouring local authorities, which arguably impacts their ability to respond appropriately to children’s needs;*
- *Sometimes children’s needs are lost when decisions are being made about their education placements;*
- *Support to children with Social, Emotional and Mental Health (SEMH) needs is not routinely provided at an early stage – and these children take the greatest share of high cost independent specialist provision;*
- *Often, support is not accessed until a crisis has been reached – by which point, interventions are more costly;*
- *Collaborative working would make more impact in preventing needs from escalating, but is rare before crisis points;*
- *Challenges in the High Needs System must be owned equally by Health, Social Care and partners across the education sector, and WCC can do more to develop this shared ownership; and*
- *More support with moves between placements could increase placement stability in the long-term.*

2.10 The suggested transformation programme consists of six projects to ensure best practice and early intervention is implemented within Warwickshire. A business case has been developed for each project and will be submitted through appropriate governance arrangements for funding from the transformation fund:

Trial 1: Changing the conversation	To ensure a consistent, early response to children/ young people’s needs, to avoid unnecessary escalation
Trial 2: Needs-focussed panels	To increase effective decision-making through application of behavioural insights in WCC Education panels with a stream-lined, multi-disciplinary structure
Trial 3: Child-centred inclusion pathways	To establish a pathway for routine reviews of provision that will ensure support is consistently appropriate to need and facilitates progress towards outcomes
Redesign of the Local Offer website	To relaunch the Local Offer website through coproduction with parents and carers to make it the go-to place for CYP, their families and professionals
Development of WCC Transitions guidance	To reduce difficulties encountered by children with SEND in transitioning to new settings
County-wide SEMH campaign	To develop awareness of SEMH needs as educational needs via a publicity campaign

- 2.11 This programme primarily focusses on cultural and behavioural changes in the system in order to achieve best practice. There are a number of operational administrative, commissioning and contracting actions to be taken to augment the Impower Review recommendations. Other projects, regarding statutory duties and working with partner agencies, are picked up under the fourth element of the programme (SEND & Inclusion Strategy).

DSG Recovery Plan

- 2.12 Due to the overspend in the High Needs Block in 2019/20, the overall Dedicated Schools Grant has overspent by more than 1%. As a result, Warwickshire is required to submit the DSG Recovery Plan to the Department for Education (DfE) 'as and when requested'. A sub-group of Schools Forum has been established to set out a quantified plan for recovering the 2019/20 overspend.
- 2.13 The DSG Recovery Plan and financial implications will be presented to Cabinet in July, following scrutiny by Schools Forum.

DSG Sustainability Plan




- 2.14 The current baseline projection shows the gap between expected budget and expenditure to be rising in subsequent years before interventions. As a result, a long-term sustainability plan will also be required. The sustainability plan currently draws upon the work of the High Needs Task and Finish Group (presented to Cabinet on 16th December 2019) and will be further developed with school leaders. Many of the activities are already underway (such as the new special school on the Pears site and investment in Resourced Provision).

SEND & Inclusion Strategy

- 2.15 Internal and peer reviews of the SEND & Inclusion Strategy were conducted in January-March 2020. The recommendations will be taken forward and included in the priority activities in the SEND & Inclusion Strategy (Appendix) to form the fourth element of the SEND Change Programme Framework.
- 2.16 The activity within the SEND & Inclusion Strategy focuses on statutory duties, joint working and preparation for adulthood. The plans for the new academic year are being updated ready for September 2021.

3. SEND & Inclusion Strategy Achievements

- 3.1 The achievements of the last year, against the measures set in the SEND & Inclusion Strategy, are set out below.

	<ul style="list-style-type: none"> • The number of early years settings awarded the Warwickshire Inclusion Kitemark (WInCKS) has increased from 40 to 59 • Timeliness of EHC plans increased from 60% to 86% in 2019 • Increased number of Resourced Provision places created (92 to 98) and increased utilisation (48 to 70); two further resourced provision due to open September 2020 • For post 16 learners, the number of placements in independent settings has reduced from 5.9% to 3.8% • Business case for new special school approved • RISE (including CAMHS) has maintained referral to first appointment times to within 6 weeks for over 95% of cases • Early Help Strategy and Delivery Plan published • Supported internships increased from 32 to 57 • SEND transport risk assessments have increased to 520 in the past year (up from 144)
	<ul style="list-style-type: none"> • SEND & Inclusion Guidance (revision to SEND Provision Matrix) timescales extended • Joint Commissioning Plan published and progressed with business cases being developed for decision
	<ul style="list-style-type: none"> • The proportion of learners with EHC plans in mainstream settings has reduced by 1%, whilst it has risen in specialist settings, independent specialist settings and alternative provision • Number of learners independently travel trained remains low • Workforce development plan has not significantly progressed due to capacity

3.2 An overarching SEND Change Programme is now required to deliver the activity recommended within resources available. Timescales and milestones within the programme scope are being developed.

4. Financial Implications

4.1 The DSG High Needs 2019/20 financial position was an over-spend of £7.343m, offset by Council funds of £2.103m resulting in a deficit carry-forward of £5.240m as a starting point for the financial year 2020/21.

4.2 The increase in DSG High Needs Block funding allocations for 2020/21 was £5.147m, however the growth pressures in pupil numbers, complexity of need and unit cost of placement are expected to continue to out-strip the grant funding.

4.3 The agreed Council's strategy was to set aside enough reserves to make good the High Needs Block cumulative deficit over the five-year MTFs, until the DSG is in a balanced position. The current reserve set aside is £30m over five years. Further work is being done on the financial implications and will be reported to Cabinet in July 2020.

- 4.4 The DSG Recovery Plan (to be presented in July) may fundamentally impact the Councils MTFS as approved at Council in February 2020. If further allocations to reserves are required to address the cumulative gap this may result in the need to initiate further savings within the MTFS refresh across all Council services.
- 4.5 The SEND Change Programme will need to identify, quantify and achieve interventions to ensure that locally there is assurance that resources are being used effectively and sustainably.

5. Environmental Implications

- 5.1 There are no specific environmental implications arising from the decision being made as part of this report.

6. Timescales associated with the decision and next steps

- 6.1 The four elements of the SEND Change Programme have different timescales for delivery.
 - i.) SEND Transformation (Impower) - Short term: September 2020 – July 2021
 - ii.) DSG Recovery Plan – Medium term: September 2020 – March 2023
 - iii.) DSG Sustainability Plan – Long term: September 2020 – July 2026 (ongoing)
 - iv.) SEND & Inclusion Strategy – Medium term: Now – March 2023
- 6.2 Each part of the programme will have key milestones (to be confirmed as part of detailed scoping).

Approvals of SEND Change Programme Framework	By June 2020
Detailed scoping of SEND Change Programme and prioritisation of projects	By July 2020
Approval of DSG Recovery Plan by Cabinet	July 2020
Submission of DSG Recovery Plan (part of SEND Change Programme)	As and when requested by DfE (expected by end of July 2020)
Implementation of SEND Change Programme	From September 2020
Report to Overview and Scrutiny Committee	September 2020
Monitoring by Corporate Board, Schools Forum and Cabinet (NB. SEND & Inclusion Board currently monitors half-termly)	Ongoing and at Key Decision Points

Appendices

APPENDIX : SEND & Inclusion Strategy

Background Papers

None

Supporting Papers

1. Allocation of 2020/21 Dedicated Schools Grant, 30th January 2020, Cabinet
2. High Needs Block, 16th December 2019, Cabinet
3. SEND & Inclusion Strategy, 11th April 2019, Cabinet

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Local Member(s):

Other members:

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Cllr Colin Hayfield
Cllr Yousef Dahmash
Cllr Pam Williams
Cllr Corrine Davies
Cllr Dominic Skinner

APPENDIX - Warwickshire SEND & Inclusion Strategy 2019-2023

Version 1.0
February 2019

Introduction

The Special Education Needs and Disability (SEND) and Inclusion Strategy 2019- 2023 builds upon the Vulnerable Learners Strategy 2015 - 2018, which has delivered over 250 more specialist places locally (with more on the way) for high needs learners with complex needs including the development of three new special school academies.

This strategy is informed by the work of an external SEND Demand Management Strategic Review. It has been produced following public consultation in 2018. Throughout the strategy, we have included responses from that consultation demonstrating the views and experiences of young people, parents and carers, and professionals. The strategy has been further developed by key strategic partners across education, health, social care, schools and the Parent Carer Forum. The SEND and Inclusion Board will monitor progress against the identified priorities.

This strategy also supports the overarching priorities of the Warwickshire Education Strategy (see <https://www.warwickshire.gov.uk/educationstrategy>).

Our Aims and Principles

The aim of this strategy is to turn high aspirations for all of our learners with SEND into a reality.

We will:

- work in a spirit of co-production and partnership with parents and their children and young people with SEND, involving them in all key decisions
- work in partnership with partner agencies and schools to deliver an effective SEND system that ensures effective early identification of need followed by robust assess-plan-do-review processes and clear pathways
- have the highest expectations for children and young people with SEND, ensure that they are fully included in all educational settings and that their needs are met by high performing local schools
- maintain a commitment to Warwickshire's schools and academies (state-funded), promoting and championing strong leadership and inclusive practice for children and young people with SEND across all phases, mainstream and special
- ensure a rigorous focus on the preparation for adulthood outcomes and life after school
- ensure that resources are fairly and consistently allocated according to needs

Our Vision for Learners with Special Educational Needs & Disabilities

In Warwickshire, all children and young people have the right to lead a fulfilling life and be part of their community.

Every child and young person has a right to have their health, social care and education needs met within their local community.

Every child has the right to attend a good local school that is appropriate for their level of need or disability, usually a mainstream school.

The views and wishes of children and young people with SEND, as well as their parents will be heard, and we will work with them to ensure they have confidence in local providers to meet their children's needs.

Every early years setting, state-funded school, further educational college and training provider will make good provision (as determined by Ofsted) for children and young people with SEND; to ensure that they make good progress in their education and development; that they transition smoothly into the next stage of their education and; as appropriate, they are helped to secure independent living and opportunities for employment.

We recognise that specialist provision is an essential and valued component of our county's education system. We will continue to work in partnership with our specialist education providers to ensure they provide excellent services for learners attending specialist provision.

The case for inclusion

"Most parents would only want their child to have a good education in a supportive, structured, positive environment." [Parent, online focus group]

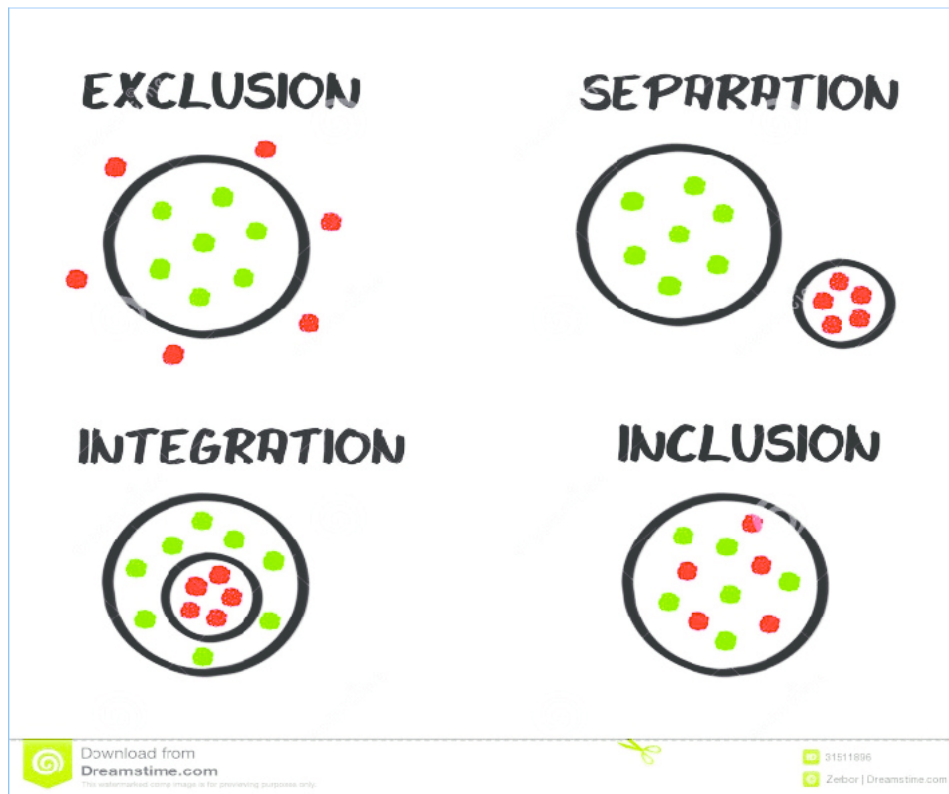
"Each learner requires something bespoke and tailored to their own needs at the point of transition." [Head teachers Partnership]

This strategy has inclusion at its heart and sets out how Warwickshire plans to address imbalances and effect change across the SEND system.

As part of its commitments under articles 7 and 24 of the United Nations Convention on the Rights of Persons with Disabilities, the UK Government is committed to inclusive education

of disabled children and young people and the progressive removal of barriers to learning and participation in mainstream education.

The diagram below shows how inclusion differs from integration, separation and exclusion.



In Warwickshire, as elsewhere, we have seen a drift away from inclusive education provision in mainstream settings, with a growing proportion of learners placed in specialist provision. In January 2019, less than half of school age children with Education, Health and Care (EHC) plans attended mainstream settings (43%).

The vast majority of children benefit academically, socially, in confidence and self-esteem from education in community mainstream schools rather than further away from home or in what are often described as more “specialist” settings. This will not be true for all children or in all circumstances but research strongly supports Warwickshire’s policy of mainstream schooling as the presumption, as it aspires for high outcomes for all^{i & ii}.

Children and young people rate their social relationships as the most important aspect of their educationⁱⁱⁱ. Mainstream schooling increases the friendship groups of young people, increasing opportunities to experience and practise diverse social interaction and development.^{iv} Long term benefits of this are increased social integration and emotional wellbeing. Additionally, increased access to mainstream social interactions correlates positively with sustained participation in the labour market in adult life^v.

Those learners with SEND who are able to achieve within the average range of their peers are more likely to take GCSEs and develop higher aspirations for academic and vocational achievements and consequently independent living within mainstream schools. Cultural and social isolation and limited awareness of opportunities can result in lower aspirations.

Students with physical disabilities identify the benefits of spending time and making friends with non-disabled peers. Despite encountering problems and difficulties in mainstream schools, such students can see it as essential preparation for the 'real world'. They feel isolated from the 'real world' in a specialist setting and report feeling overprotected both on site and in the local town in terms of attitudes, facilities and access^{vi}.

Away from the school day, although bullying is an unfortunate feature of any type of community life there is evidence that young people who attend a specialist school experience far more bullying by children from other mainstream schools and from peers and outsiders in their neighbourhood^{vii}.

Additional but not inconsiderable benefits of mainstream education for all are the positive changes in the attitudes and skills of teaching staff in mainstream settings when children with significant difficulties are recognised as full members of their community^{viii} and the reduction in negative attitudes in the rest of the community^{ix}.

The inconsistent inclusive practice that was identified back in mainstream settings in 2015 in the Vulnerable Learners Strategy has persisted and, in some schools, continues to be an issue. We believe that all children should be educated as close to their home as possible, which not only reduces the time they spend travelling, but also enables them to be an integral part of their local community, where they are able to feel welcomed, included and valued as equal members of society. We want to support children, young people and their families by encouraging and challenging schools to cater for as wide a range of needs and abilities as is possible. We want mainstream settings to nurture positive attitudes to children and young people with SEND, both in their own school and in their wider community.

Personalisation

Inclusion in our schools requires a bespoke, tailored and personalised approach.

“Each need is so unique and there is a big difference between a SEN child being able to cope in a mainstream school and them being given the education to be the best they can be - this is where tailoring their education is key.”

[Parent, online focus group]

Personalisation means a change to way services are assessed, planned, delivered, and reviewed, for children and young people aged 0-25 years. The aim of Personalisation is to develop the service around the individual, rather than to slot the individual into the service.

It requires early identification and a clear understanding of individual need. It is essential to consider the individual's life from their viewpoint, discovering with them what their needs are rather than assessing them from the outside. Getting this process right will reveal their strengths, vulnerabilities, skills, aspirations, and preferences including what resources the individual can contribute, as well as the contribution available from informal support such as their family, friendship and community network.

It is also essential to identify who can act as advocates for the individual early on in the process. This might be family, friends, an advocacy service or any person who is recognised by the individual as being able to help them understand others and express themselves.

Personalisation recognises individuals as the experts. This is why it is so important to listen to the voice of the child or young person.

Warwickshire's Strategic Priorities – What we want to achieve

Complementing the strategic priorities outlined in the Warwickshire Education (WE) strategy, we will work under a framework of six priorities, as set out below. Our consultation showed strong support for these priorities, as well as identifying challenges and opportunities that face us.

1. Promoting Inclusion

Our expectation

Mainstream schools and other education settings will use their best endeavours to deliver a graduated response to the needs of each child in their school.

Challenges and opportunities

“It is essential that you work to improve provision at SEN support and EHCP level in mainstream schools.” [Parent, guardian or carer]

“.....for children with SEND; for many going mainstream is surviving not thriving”
[Parent, guardian or carer]

“Mainstream can often meet needs, but not in as effective a way as schools that are more set for children with specialist needs. This doesn't mean necessarily special schools, but more that we seem to have two models only - special school and mainstream - there needs to be a better choice than this” [Primary Head Teacher]

Key activities

- To ensure we are identifying need and promoting inclusion from an early age, by working with our early years settings to achieve best practice
- To review and update the SEND Provision Matrix making it clear to schools and parent and carers what is expected as a graduated response to individual needs
- To establish more resourced provisions and/or specialist partnerships in mainstream settings, providing a bridge between mainstream and specialist provision

2. Getting it right for learners with high needs (school age)

Our expectation

Learners with high needs will receive multi-agency support, coordinated through the Education, Health and Care (EHC) plan process. Where appropriate, specialist education provision will provide for their needs.

Challenges and opportunities

It is a good day at school when...“I get support when I am struggling, before becoming anxious.” [Pupil/Student]

*“Applying for an EHCP is a prohibitive process that means that staff can be put off from applying and that these children do not receive the support that they need”
[Primary education staff]*

“... currently getting specialist provision is a lottery and many children miss out. Because there are so few spaces, not every child who needs a place gets one, there are always far more applications than allocations. The specialist education is fantastic, we just need more of it.” [Parent, online focus group]

Key activities

- To improve the timeliness of issuing EHC plans (within 20 week statutory timeframe)
- To expand state-funded specialist provision where possible (including specialist partnerships)

3. Improving health and social care for learners with SEND

Our expectation

We will work with statutory partners and commissioned services to focus on the holistic needs of the child and improve the local offer of services.

Challenges and opportunities

“A child who is successful at school is well supported in terms of health, home, community and school. When a child is struggling in one of these areas it can have an effect on the others.” [Parent, guardian or carer]

“Help needs to be early and coordinated, and parents shouldn't have to battle to get support for their children, my child has only been able to access CAMHS support following a complaint. It's often too little, too late, and is a false economy. My child could have, with appropriate support, stayed in mainstream school, at least until end of primary age. They is now so badly traumatised and has been out of school for so long, that they are likely to only be able to cope in specialist provision, I have been unable to continue working, and so have lost my salary (and therefore stopped paying taxes) and am reliant on benefits now. So the lack of early support has meant that my child will require a more expensive school place, I am unable to contribute financially to society, and we are relying on state benefits. And that doesn't even take into account the 'human cost'.” [Parent, guardian or carer]

“This is a major priority but has to be with a focus on multi-agency working” [Primary Head Teacher]

“Sadly, it seems we are a long way off achieving ‘tell your story once’ and the joint commissioning of services in Warks.” [Parent Carer Forum]

Key activities

- To agree a Warwickshire joint commissioning plan for learners with SEND, setting out how local needs are to be met through the local offer services
- To develop further the joint processes for the delivery of support, particularly for those requiring support at Early Help
- To deliver improved support for social, emotional and mental health through in-school support and the delivery of commissioned mental health services (eg. Rise)

4. Preparation for Adulthood

Our expectation

Learners are supported to fulfil their potential as they transition to adulthood. We believe that the overwhelming majority of learners with SEND are capable of sustainable paid employment, with the right preparation and support. With our partners, we want to embed this ‘presumption of employability’, by ensuring there are significantly increased opportunities for our learners with SEND as they enter adulthood.

Challenges and opportunities

“There is little consistency at present in the transfer from children's to adult services. The support seems to 'disappear' at adulthood and families are expected to function more independently. Unfortunately, a child doesn't wake up on their 18th birthday being able to independently take a bus or manage their own finances and with all the SEND issues gone” [Parent, guardian or carer]

“... transition to adulthood needs to take place with real planning from age 14 onwards. This is acknowledged but it doesn't happen often. What does it mean? It should be looking at life skills such as travel independently (not just for those in specialist provision but for all SEN who need it in mainstream), understanding and managing money, real supported work experience (not just lip service) for students and real supported placements in the workplace. Young people with additional needs in mainstream school are often left unsupported in this arena but in reality need a lot of support and guidance.” [Parent, guardian or carer]

“Developing resilience and independence is a fantastic skill-set for any young person and it confers a great deal of dignity and respect on a CYP with SEND to say that you believe they can achieve control over their own lives. With the right preparation and support much can be achieved in the workplace. ... The reality of supporting YP with SEND into work is that it is time consuming and costly. If WCC were to set up its own program it could lead the way and also gather important evidence of what works and how other employers might participate.” [Parent Carer Forum]

“I’ve worked at the café for a year and made friends at the café.” [Young person, community consultation]

Key activities

- Maximising the use of local specialist provision at post-16 and differentiating that provision
- To improve transition planning from year 9 onwards for learners with an EHCP
- To work with employers, schools and colleges to increase the offer of supported internships

5. Transport

Our expectation

That the quality and offer of specialist transport provision and removes transport issues as a barrier to success, within the policy and resources available.

Challenges and opportunities

It’s a good day at school when... “My taxi comes on time and it doesn’t make me anxious” [Pupil/Student]

“Wherever possible children should be included in the mainstream transport arrangements - this might require investment in trained bus escorts who support children with their travel...perhaps creating a confident and independent traveller for the future.” [Parent, guardian or carer]

“I am deeply disappointed with the services several children in class have received by transport this school year in particular. Their needs are misunderstood and their well-being is ignored.” [Special school staff]

Key activities

- To improve the quality of specialist transport by undertaking risk assessments for learners with high need and for learners with newly issued EHC plans (as per the Home to School Transport Policy) and ensuring timeliness of decision-making
- To increase independent travel training to give young people the life skills to travel independently.

6. Workforce Development

Our expectation

That professionals across the system are confident in delivering the 'assess, plan, do and review' approach to deliver a graduated response for learners with SEND.

Challenges and opportunities

"The current system relies on the compassion of a particular school/teacher rather than a good level of training of all staff" [Parent, online focus group]

Sometimes I worry about... "having certain teachers" [Pupil/Student]

"It's not happening because for some children in order to be able to learn, they need say a movement break or a sensory diet. This would take minimal resources to implement and give the child more access to learning. But if the SENCo, teacher, advocate doesn't understand this, they wouldn't think to implement it. By not implementing interventions such as these, we are effectively preventing children from learning." [Parent, online focus group]

"Flexible arrangements between mainstream and special schools should best serve to upskill staff and maintain placements." [Governor at special school]

Key activities

- To work with schools to develop a 'whole school' approach to supporting learners with SEND, so that the workforce is suitably trained and confident.

Resources to achieve our aims

Our ambition for learners with special educational needs and disability remains high. However, we are not ignorant of the financial landscape that schools and services are operating in. Feedback from our public consultation provided a consistent message that our ambitions are right, but without resources we could not deliver positive change.

“Inclusion without adequate funding and support is damaging for pupils and staff. Inclusion with good support enhances the experience of individuals and school community as a whole.” [Counsellor]

“As well as having a SEND child I work in SEN in a mainstream school. We can't meet the children's needs because we do not have enough money or the physical equipment/resources to do so. Due to lack of funding mainstream is increasingly unable to meet the needs of SEN children”. [Parent, guardian or carer]

“Funding is also low, so schools that do fight for the support for these children are having to cut costs in other areas to support these pupils. The school then attracts more of these pupils because they do a good job to support them but the funding just does not support the actual needs of these children” [Primary education staff]

Demand on schools and services has increased both in number and in complexity of need. Nationally, research by the Local Government Association in 2018 reports an average overspend of £3.5m across all local authorities. Locally, education and social care teams are undertaking transformation projects in order to work within allocated resources. NHS budgets remain under significant pressure, and Warwickshire schools are in the f40 group, representing the lowest funded schools in the country.

It is clear that throughout the lifetime of this strategy, resources will be a major constraint to achieving change.

The commitment of this strategy is to work together to deliver the best system of education, health and social care for learners with SEND within our allocated resources.

How will we measure success?

We will demonstrate progress against this strategy through the following measures. This is not an exhaustive list, but will show whether we have delivered against the key activities identified above. The measures will be reported to the SEND & Inclusion Board.

Activity	Measure	Expected change	Rationale
To ensure we are identifying need and promoting inclusion from an early age, by working with our early years settings to achieve best practice	Number of early years settings awarded kitemark (WIncKS)	To increase	The more early settings meet best practice standards the better we will be at identifying support before school
To review and update the SEND Provision Matrix making it clear to schools and parent and carers what is expected as a graduated response to individual needs	SEND Provision Matrix reviewed and re-published	To complete	The SEND Provision Matrix provides clear guidance on how needs should be met locally
To establish more resourced provisions and/or specialist partnerships in mainstream settings, providing a bridge between mainstream and specialist provision	Number of places at Resourced Provisions or Partnerships	To increase	A broader spectrum of educational provision is required to meet local needs
To improve the timeliness of issuing EHC plans (within 20 week statutory timeframe)	% of new EHC plans issued within 20 weeks, including exceptions	To increase	Improve the timeliness of issuing EHC plans
To expand state-funded specialist provision where possible (including specialist partnerships)	Number and % of learners with EHC plans in mainstream, specialist and independent specialist settings	To increase the number in mainstream and state-funded specialist settings, reducing the number of learners in independent specialist settings	If the local offer is meeting demand, the percentage of learners in mainstream and specialist settings should increase. Whilst the number of state-funded specialist places will increase, the overall proportion of learners in specialist education should decrease, as a result of fewer learners in independent settings
To agree a Warwickshire joint commissioning plan for learners with SEND, setting out how local needs are to be met through the local offer services	Joint commissioning plan published	To complete	Joint working can only take place if the local offer of services meets local needs. A joint plan is needed to address current gaps in provision.
To develop further the joint processes for the delivery of support, particularly for those	Early Help Strategy delivery plan published and	To complete	Better support and joint working through early help should prevent children and

requiring support at Early Help	monitored		their families escalating to crisis support
To deliver improved support for social, emotional and mental health through in-school support and the delivery of commissioned mental health services (eg. Rise)	% of referrals to Rise with a first appointment within 18 weeks	To increase	This is one of a collection of measures for the Rise service
Maximising the use of local specialist provision at post-16 and differentiating that provision	Number and % of post-16 learners with EHC plans in local and independent specialist settings	To increase the percentage in local settings, reducing the percentage of learners in independent specialist settings	If the local offer is meeting demand, the percentage of learners in local post-16 provision should increase with a reduction of learners in independent specialist settings
To improve transition planning from year 9 onwards for learners with an EHCP	Number of EHC plans amended following the Year 9 review	To increase	The more EHC plans are reviewed in Year 9 and amended, the more likely it is that planning has taken place for life after school.
To work with employers, schools and colleges to increase the offer of supported internships	Number of supported internships offered	To increase	The more supported internships offered in the County, the better the opportunities for paid employment post-education for our learners with high needs
To improve the quality of specialist transport by undertaking risk assessments for learners with high need and for learners with newly issued EHC plans (as per the Home to School Transport Policy) and ensuring timeliness of decision-making	Number of transport risk assessments taken for learners with EHC plans	To increase	The use of risk assessment will improve the quality of transport for our learners with high needs and ensure the implementation of the local home to school transport policy
To increase independent travel training to give young people the life skills to travel independently.	Number of young people successfully completing independent travel training	To increase	Using transport is a life skill, preparing young people for adulthood and reducing dependence on transport assistance
To work with schools to develop a 'whole school' approach to supporting learners with SEND, so that the workforce is suitably trained and confident.	Approach to workforce development agreed with schools.	To complete	A more confident workforce will be better equipped to deliver a graduated response to needs

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Cabinet

11 June 2020

Delegated Budget Scheme - Covid Response and Long Term Scheme Proposals

Recommendation

That Cabinet supports the proposed changes to the Delegated Budget Scheme and implements them for the 2021/22 financial year.

1. Executive Summary

- 1.1 In October 2018 a motion was raised a full Council over concerns with road repairs and the delay in delivery of some member delegated budget works. This resulted in a cross-party working group being established, reporting to the Communities Overview and Scrutiny Committee, to identify the barriers to improving performance for the residents of Warwickshire.
- 1.2 A review of member highway scheme delivery and minor highway fault resolution was then undertaken. This involved interviews with a number of members to capture the key concerns. Further engagement with members of the Overview & Scrutiny Committee took place in June 2019 followed by a member workshop on the 8th July.
- 1.3 The workshop was focused on discussing potential solutions to support improvements in the delivery of highways fault resolution and member delegated budget works. The workshop provided officers with a clear steer on which options should be considered for taking forward; including;
 - The development of a website dedicated to delegated budgets explaining the scheme, what it should be used for, generic costs for different works and how to put works forward.
 - Quarterly updates provided to all members showing the list of delegated works that have been requested along with completion or planned completion dates.
 - Elimination of the £6k scheme minimum requirement to enable members to agree smaller scale works giving them greater flexibility.
 - Inclusion of a deadline for communicating and agreeing delegated budget works early enough in the financial year so that a large percentage of the works can be delivered during the year.
 - Consideration of a match funding scheme, enabling the delivery of larger or more complex schemes and doing away with the need to hold over funding between years.

- Strengthening of the Highways Locality Officer role including overall responsibility for managing the Delegated Budget schemes with their allocated members.
 - Setting up of a dedicated minor works team within County Highways which will speed up delivery of small scale works by bringing design, works ordering, supervision and contractor works crews together in a focused delivery team.
- 1.4 A further update report was presented to the Overview & Scrutiny Committee in September 2019 which recommended that officers bring forward proposals, based on the ideas generated at the workshop, to improve the administration of the Delegated Budget scheme enabling a greater degree of transparency for members, faster delivery of works and a greater amount of in-year delivery of works.
- 1.5 Member engagement also identified the issue of the profiling of capital funding for these schemes. Currently there is over £2m of unspent Delegated Budget scheme funding. This is mainly as a result of complex schemes that involve consultation or significant design work taking more than one year or funding being held over in order to deliver a specific higher costing scheme; but also includes savings where schemes have cost less to deliver than original estimates or where all funds have not been committed.
- 1.6 The overall result of the proposed changes should be to reduce the capital underspends from Delegated Budgets and to see a higher number of member-requested schemes delivered in-year. This will help address member perceptions around 'capital slippage' and inability of WCC to deliver schemes in a timely way. Setting a target of 80% of the £1,995,000 to be spent within the financial year it is allocated will be very challenging, but this is the recommended direction of travel.

2. Supporting Information

2.1 Clarification of Delegated Budget Work

The Delegated Budget scheme has been very popular with members since it was introduced in 2015. It provides a good way for involving members in the prioritisation of local works and has offered opportunities to undertake works that would not have otherwise been possible given highways prioritisation towards safety and maintenance need or budget constraints. It can often be used to address local issues raised by parishes, wards, community groups and residents which would otherwise not be prioritised.

- 2.2 One of the aims of redesigning how the Delegated Budget Scheme works will be to reduce the potential for underspend by focusing on schemes that can be delivered in-year. In practice this will mean actively encouraging members to use their funding for small minor maintenance related works rather than larger complex schemes that require planning, consultation, extensive design work, or traffic regulation orders. This will need to be clearly explained and feature on a dedicated website so that members and their constituents clearly

understand the nature of the delegated budget spend. The recommendation would be for the delegated budget to predominately be spent on the following types of works:

Footway resurfacing	Carriageway patching	Replacement of bollards
Tree planting	Tree maintenance	Pedestrian guardrails
Renewing road markings	Safety road markings	Dropped kerbs
Repointing retaining walls to improve appearance	Drainage repairs to improve resilience	Additional verge maintenance such as grass cutting
Clearing of footways	“Sidingout”	Replacement of signs
Sign cleaning	Additional weed spraying	Footway slab replacement/repairs
Repairs to fencing or other highway street furniture	Birds mouth fencing (knee rail)	Staggered barriers (motorcycle control barriers)
Verge hardening schemes	Retaining walls/sheet piling (structures)	Structural patching
Surface treatments (slurry seal and surface dressing)	Tactile crossing points (DDA compliant or blacktop)	Drainage schemes/investigations
Additional gully jetting	Hedge flailing/cutting	Provision of find and fix gangs in a given area for a given period

- 2.3 **Contributions to Larger Schemes** - Many members will still want to spend some or all their delegated budget on larger more complex schemes and officers’ recommendations are not designed to inhibit this. However, the desire is still to deliver these schemes in-year, whereas currently some members have saved or pooled their allocations over a period of years in order to invest in a specific larger scheme. It is recommended that members work with their Highways Locality Officer to enable these schemes to be delivered in-year by match funding the scheme from highway capital.
- 2.4 Ultimately officers would like to move away from carrying any delegated budget funding forward into future years but would rather work with members to enable the right set of schemes to be allocated funding so that delivery can be achieved within the financial year. There are likely to be other larger or more complex schemes that involve traffic regulation orders or advanced design which cannot be delivered in one year. It is recommended that these schemes are assessed and considered through the normal capital budget prioritisation processes for consideration of funding based on merit and need from the road safety or highways budgets and that Delegated Budget funding is not used for these types of schemes or only as a contribution to the scheme in the year that it is built.

- 2.5 **Removal of the £6k limit** - Encouraging members to spend their funding on smaller minor works schemes is a significant change as previously they have been told they can only deliver works in value in excess of £6k. The £6k minimum limit has previously been required as the funding for the Delegated Budget scheme is capital expenditure and works under £6k in size are considered to be minor revenue expenditure. Highways Locality Officers have traditionally pooled smaller works together to form packages of work over £6k in order to meet the capital requirements. Removing the £6k minimum limit was very popular with members attending the Overview & Scrutiny Committee workshop as there have clearly been some frustrations around the inability to get smaller works that parishes have requested completed.
- 2.6 It is recommended that works are grouped together so that works orders always exceed the £6k limit. However, from a member perspective, the new delegated budget scheme should make it clear to members that they can spend their funding on schemes of any value. This may result in some additional pressures on Highway revenue budgets where potentially a stand-alone small value scheme cannot be grouped for delivery through capital, but officers are looking at how these can be managed or offset against other revenue works that could be capitalised.
- 2.7 **Deadlines** - To enable in-year delivery, the recommendation is to introduce a deadline for members to communicate and agree their delegated budget schemes by the end of May each year. This should enable enough time for highways staff to organise the design, planning and delivery of the works before the end of the financial year. It will also enable us to give a robust programme of planned works to our partners Balfour Beatty early enough in the construction year so they can ensure they are adequately resourced to deliver the works. The intent will be to bring all of this work together annually in May into a programme of work that each member then signs off, so there is clarity for the member on what highways is delivering for them against the delegated budget.
- 2.8 To ensure compliance with the deadline, an email to all members from the highway's portfolio holder each spring along with an annual report showing progress on delivery of delegated budget works could be provided to remind members of the deadline. Some members may wish to withhold some part of the delegated funding to put forward on schemes that come up during the year or in the last quarter of the year. It is recommended that this is discouraged and that the primary focus should be on the May deadline which gives us some assurance of delivery. Members will still be able to promise delivery of schemes in the next financial year when their new allocation becomes available and in practice Highways Locality Officers will work with members throughout the year to develop the list of works, they will want for the following year. This will take some of the pressure off members for the May deadline as they should have a list ready to agree by May each year.

- 2.9 **Match Funding Scheme** – It is also recommended that un-spent allocations from previous years should be used to create a ‘match funding’ pot. This funding pot could then be used to support parish, wards and community groups that want to prioritise highway works in their area through an application or bidding process.
- 2.10 A bidding process could be developed where match funding schemes applications are considered twice each year. The scheme could have a dedicated webpage and electronic application process. A similar scheme in Gloucestershire has proved to be successful in meeting local community needs
- 2.11 This fund could also be used to support a local community highway steward. There are some good examples amongst some parishes where the parish hires a steward/handyman that carries out various works around the parish such as vegetation clearance, minor repairs to footways or paths, planting painting, clearing drainage channels or gully tops and other minor one-man tasks. The funding for the role could be split between the parish and the member Delegated Budget with additional support from the County for materials, training the steward and providing tools and personal protective equipment.
- 2.12 **Traffic Regulation Orders** - Some members have used their delegated budget funding to support new or changed traffic regulation orders (TRO’s) such as weight restriction, changes to speed limits or parking restrictions such as double yellow lines. This is in part because there is no longer a revenue budget dedicated to TRO schemes. TRO’s typically take 18 to 24 months to deliver so they are not schemes that would fit with the proposed new approach to Delegated Budget delivery. It is recommended that TRO’s are not delivered through the Delegated Budget offer, but that budget is allocated for Countywide TRO work and that new TRO schemes are priority assessed against this budget. Members wishing to allocate some of their Delegated Budget funding towards a TRO could do so and this would improve the value for money scoring for the priority assessment. The Delegated Budget funding allocated by the member would be transferred over to the TRO scheme. In this way members would not have to ‘save up’ delegated budget funding in order to deliver a TRO scheme but could still demonstrate their local commitment to the scheme by making a contribution towards its delivery.
- 2.13 **Ownership and Administration** - Key to making the new delegated budget scheme work will be ownership of the schemes being delivered. Too often there has been a lack of co-ordination between highways, roads safety, design services and contractors with members having to do the chasing to ensure schemes are delivered.
- 2.14 The recommendation is that nominated officers become responsible for agreeing what schemes will be delivered from member’s budgets and take ownership of the scheme from feasibility to design to delivery by the minor works team. Consideration is being given to the staffing structure to determine how best this can be achieved.

- 2.15 Minor Works Team** - As part of the Highways restructure consideration is being given to the establishment of a minor works team within County highways. Creating a new team would put the feasibility, design and delivery elements of most delegated budget work into a single team which should improve the pace of delivery. The Highways Locality Officers can then work directly with this team to agree programmes of work and proposed delivery dates for members.
- 2.16 Relaunching the Scheme** - These changes, particularly the move towards encouraging minor maintenance work spending, could be perceived by members as a significant change in direction for delegated budget. Some members clearly see delegated budget as being for 'additional' works and not for things they believe should be funded through the general maintenance budgets. We are suggesting a wider view that focuses on the ability of members to help prioritise local works, maintenance or otherwise, which are delivered in a timely way to meet local desires/demands. For this reason, we are suggesting renaming the scheme as 'Highways Local' or something similar as it really does what it says, delivering local highway priorities for communities.
- 2.17 As part of the relaunch of the scheme officers would provide a presentation for members which could be webcast with a link on the new Delegated Budget website.
- 2.18 Transitional Arrangements - It is recommended that we try to resolve as much of the delegated budget work that has already been committed but not delivered. This could be done in discussions with Balfour's by arranging for additional resources to that the backlog of works could be pushed forward for completion in the first year of the new scheme.

3. Financial Implications

- 3.1 There is no recommendation to increase or reduce the delegated budget allocations. It may be that other costs emerge during the first year of operation but currently the anticipation is that this can be delivered within existing budgets.
- 3.2 A clear decision will need to be made about using the unspent Delegated Budget funding through a match fund and some work needs to be done to determine what previous committed works can now be delivered and what if any works need to be re-considered.
- 3.3 We are also proposing to create a separate budget (part revenue and part capital) to support an annual programme of Traffic Regulation Work. We are anticipating this to be approximately £100k of capital and approximately £50k of revenue. The intention is to make a CIF bid for the capital over a 5-year period and to request the revenue as part of the MTFs bids for 2021/22 budget setting process.

4. Environmental Implications

- 4.1 There are no direct environmental impacts identified from these proposals: however, members have the option to choose works such as tree maintenance, tree planting or highway verge maintenance that could support or enhance our natural environment. Well managed and well-maintained highway verges can add to ecological diversity.

5. Timescales associated with the decision and next steps

- 5.1 Should the recommendations be accepted they would be implemented fully in financial year 2021/22. The current financial year, 2020/21, would be used as a transition year with some of the recommendations being implemented or trialed during the year.

Background Papers

None

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The report was not circulated to members prior to publication.

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Cabinet

11 June 2020

Historic Bridge Maintenance Programme - Capital Programme Entry

Recommendations

That Cabinet recommends that Council:

- 1) Approves the addition of the Historic Bridge Maintenance Programme to the capital programme at an estimated cost of £6.30m, funded from the Capital Investment Fund (CIF) and the Department for Transport (DfT) Challenge Fund

Subject to the approval by Council of the recommendation above that Cabinet:

- 2) Approves the submission of applications for planning permissions, any other requisite consents and any other agreements with landowners or agencies.
- 3) Authorise the Strategic Director (Communities) to invite tenders, where the expected individual contract value requires and enter into the appropriate contracts on terms and conditions acceptable to the Strategic Director (Resources)

1. Executive Summary

- 1.1 In November 2019 Cabinet approved the allocation of £1.322 million from the CIF to fund a three year programme of Historic Bridge Maintenance conditional upon additional funding being secured from the DfT.
- 1.2 In February 2020 DfT confirmed the award of £4.978m to Warwickshire County Council through the Challenge Fund.
- 1.3 The Historic Bridge Maintenance Programme (HBMP) has received a total of £6.300m which now needs to be included in the Council's capital programme.
- 1.4 The HBMP scope is to repair eight historical structures to ensure the continued support of the highway network and to minimise the requirement for future access restrictions. These structures are expensive to maintain and repair and the DfT funding to support this programme is welcomed.
- 1.5 Delivery of this programme will reduce the need for unplanned/reactive lane and/or road closures, reduce the use of both temporary and permanent weight

restrictions and minimise the likelihood of major long-term disruption to the highways network.

2. Supporting Information

2.1 The eight structures as part of the proposed programme for maintenance are:

- A428/002 Bretford Bridge, near Rugby
- B4117/001 Cole End River Bridge, Coleshill
- C33/001 Baginton Mill Bridge,
- A3400/037 Clopton Bridge, Stratford
- B4085/006 Bidford on Avon River Bridge
- A425/004 Castle Bridge, Warwick
- C46/005 Binton Bridge South, Welford-on -Avon
- C53/017 Honington Bridge, near Shipston-on Stour

2.2 Works to these structures will focus on the significantly deteriorated and damaged stonework of these predominantly multi-span arch structures, that date as far back as the 14th Century.

2.3 Detail of the proposals for the individual bridges can be found on the Warwickshire website:
<https://www.warwickshire.gov.uk/majorconstructionprojects/challengefundbid>

3. Financial Implications

3.1 The applications submitted for CIF and DfT Challenge Fund set out that the reason for approval is that over the last decade, the condition of Warwickshire's historic bridge structures, supporting both the main highway network and adjoining roads have steadily declined. If the condition of these prestigious landmarks continues to decline in this manner, structural weight restrictions, the use of road closures and costly emergency works will need to be implemented until such time as maintenance and strengthening works can be undertaken. If the programme did not proceed it is likely many of the eight structures and more historical structures would require new weight restrictions that will place a limitation on the free movement of freight traffic and therefore have an adverse impact on the local economy. The current estimated financial implications of this programme of works would therefore provide more cost benefit than it would if the bridges were left to deteriorate any further.

3.2 The budget of £6.3 Million will be spread across the 8 structures over the three year programme and the budget consists of 'total works plus fees cost' and a 20% contingency as can be seen in Table 3.1.1. The HBMP therefore has a risk/contingency sum totalling £1,050,000 for the three year programme. It is proposed that where actual project costs are less than the current estimates, and where contingency sums are not spent, the remaining

sum is to be retained as a reserve for the remaining HBMP. This in effect can improve the probability that the HBMP can be delivered in its entirety.

- 3.3 The detailed delivery programme, including estimated project costs and expected start dates are shown in Table 3.2.1.

Table 3.2.1 – HBMP programme detail

Structure Reference	Structure Name	Estimated value	Expected start
A428/002	Bretford Bridge	£0.550m	2020/21
B4117/001	Cole End River Bridge	£0.320m	2020/21
C33/001	Baginton Mill Bridge	£1.101m	2020/21
A3400/037	Clopton Bridge	£0.990m	2021/22
B4085/006	Bidford on Avon River Bridge	£1.020m	2021/22
A425/004	Castle Bridge	£0.920m	2022/23
C46/005	Binton Bridge South	£0.630m	2022/23
C53/017	Honington Bridge	£0.860m	2022/23

- 3.4 Table 3.3.1 shows the proposed spend profile for the programme period.

Table 3.3.1 – Proposed HBMP spend profile

Funding Source	2020-21	2021-22	2022-23	Total
DfT Challenge Fund	£1.4852m	£1.5879m	£1.9040m	£4.978m
WCC CIF	£0.3948m	£0.4221m	£0.5060m	£1.322m
TOTAL	£1.880m	£2.010m	£2.410m	£6.300m

- 3.5 Formal confirmation has been received from the DfT regarding the award of this funding, and these funds have now been transferred to the Council.
- 3.6 The estimated costs for each project, which include for the design, supervision and a 20% contingency will be reviewed during the development of the programme. Any variations to the use of the funding or the phasing as the programme progresses will be reported to Cabinet as part of the quarterly financial monitoring reports.
- 3.7 Decisions may be taken by the Programme Board to move projects between years in response to design and delivery issues, and should either the funding be exhausted or funding remain at the end of the programme then the scope will be reduced or further historic bridges will be included as appropriate and with no recourse to the DfT.

4. Environmental Implications

- 4.1 An environmental impact assessment of the HBMP was completed and submitted with the successful Capital Investment Fund and Department for Transport Challenge Fund applications.
- 4.2 The development of the HBMP will include the review of environmental impacts for each of the eight projects, and the project design and implementation will include mitigation for environmental and ecological impact.

5. Timescales associated with the decision and next steps

- 5.1 Subject to the recommendations being agreed, the individual bridge maintenance project design will be prepared, and delivered according to the programme.
- 5.2 This work will include the interface with key stakeholders including:
- Local Members
 - Residents and businesses
 - Environment Agency
 - Local planning authority and/or Historic England

Appendices

None

Background Papers

Not Applicable

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The report was circulated to the following members prior to publication: Councillors Jeff Clarke and Peter Butlin.

Cabinet

11 June 2020

2019/20 Financial Outturn Report as at 31 March 2020 – Capital and Revenue

Recommendations

Cabinet are recommended to:

- a) Note the net spend of £272.8m in 2019/20 and the consequent revenue underspend of £14.2m for the organisation at the end of the One Organisation Plan 2020;
- b) Note the explanations and mitigating actions put forward by Services for variations to budgets, and the implications on the Medium-Term Financial Strategy, as set out in paragraph 3.2;
- c) Note the capital spend in 2019/20 of £109.6m and its financing;
- d) Approve the carry forward of specific services' revenue budget from 2019/20, to support the delivery of the Council Plan in 2020/21, as outlined in paragraph 5.7 and Appendix O; and
- e) Note the current reserves position for the organisation, and the implications of diverting funds held for longer term plans and risk mitigation to meet any unfunded Covid-19 costs.

1. Purpose of the Report

- 1.1. The purpose of the report is to provide an analysis of the financial position of the organisation at 31 March 2020, including:
 - Capital and revenue performance during the financial year 2019/20;
 - Explanations and mitigating actions for potentially longer-term pressures;
 - Savings achievement over the course of the One Organisation Plan; and
 - The resulting reserves position as at 1st April 2020.

2. Graphical Summary

2.1. Revenue Outturn

The revenue outturn for the year is a net underspend of £14.169m, an increase of £5.1m from the position reported at Quarter 3. The increase in the underspend will provide additional one-off resources to meet the costs of Covid-19.

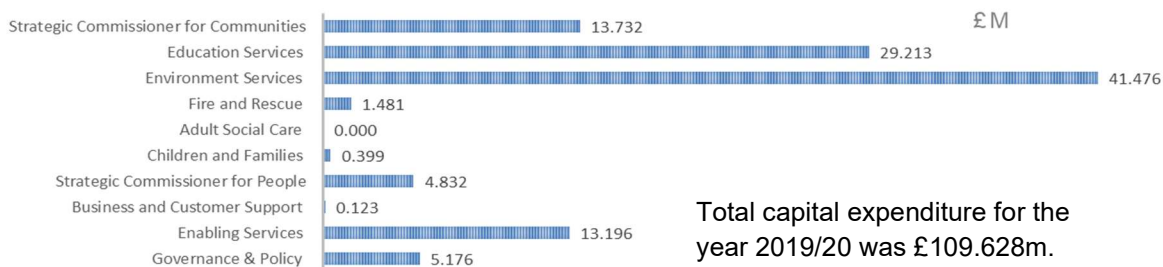


2.2. Savings Achievement

The savings plan for 2019/20 assumed the delivery of £14.2m of savings from 75 individual savings initiatives. £10.5m (74%) were delivered in line with the plan. The remaining £3.7m will be delivered in future years and/or has been replaced by budget allocations in 2021/22. As a result, there are no additional financial pressures in 2020/21 resulting from the non-delivery of savings.



2.3. Capital Outturn



2.4. Reserves Summary

At the end of 2019/20 the Authority's reserves were £178.957m after adjusting for the Covid-19 income received in March. This represents a £19.375m increase over the year. Carry forward requests, if approved, and use of reserves to fund the approved MTFS then bring available reserves level to £134.520m.



3. Revenue Outturn

3.1. Revenue outturn by service

The revenue outturn for the year is a net underspend of £14.2m, an increase of £5.1m from the position reported at Quarter 3. This is shown by Service in the table below.

Throughout the year there has been an increased focus and scrutiny on the accuracy of forecasting and ensuring any variations are reported at the earliest opportunity. A variation from the Quarter 3 position of only £0.756m, excluding corporate services and resourcing, represents a significant step forward. And, whilst there is still more to be done, demonstrates a robust approach to financial management in a time of increasing uncertainty.

Service Area	2019/20 Approved Budget £m	2019/20 Outturn £m	2019/20 (Under)/ Over spend £m	Change from Q3 Forecast £m
Communities				
Education Services	110.866	120.013	9.147	-0.017
Environment Services	24.335	21.963	(2.373)	-1.289
Fire & Rescue	20.507	20.631	0.124	-0.277
Strategic Commissioner for Communities	23.262	23.615	0.353	-0.252
Subtotal Communities	178.970	186.221	7.250	-1.835
People				
Adult Social Care	148.751	148.141	(0.610)	1.154
Children & Families	54.536	55.701	1.164	0.073
Strategic Commissioner for People	33.374	32.461	(0.913)	-0.424
Subtotal People	236.661	236.302	(0.358)	0.803
Resources				
Business and Customer Services	18.978	18.708	(0.271)	0.328
Commissioning Support Unit	11.950	11.830	(0.120)	0.406
Enabling Services	21.051	20.312	(0.739)	0.738
Finance	4.578	4.165	(0.414)	-0.236
Governance & Policy	3.800	2.913	(0.886)	-0.960
Subtotal Resources	60.357	57.928	(2.429)	0.276
Corporate Services and Resourcing	(189.054)	(207.687)	(18.633)	-4.298
Total	286.933	272.764	(14.169)	-5.053

Included in the figures is Covid-19 expenditure of £0.694m incurred in late March 2019/20 on Personal Protective Equipment, Shielding Hubs and Local Welfare. This was not anticipated in any previous forecasts and will be financed from other underspends in 2019/20.

3.2. Variations to budget

Detailed explanation of the variations between spend and the approved budget at a Team level within each Service is provided in **Annexes A to M**, below is a summary of the main variations at Service level and potential ongoing impacts from these.

3.2.1. Education Services - (£9.147m overspend; +8.25%)

We are now required to separate Education spend funded from Dedicated Schools Grant (DSG) and that funded from other sources in our reporting. This new requirement has been incorporated the first time as part of reporting the 2019/20 outturn position and will be a feature of all future reporting.

DSG funded expenditure - £3.751m overspend:

There was a £7.343m overspend on the DSG High Needs Block due to place funding for a growing Free School and placement pressures. In 2019/20, this overspend on the High Needs DSG Block was partially offset by a £2.103m contribution agreed as part of the 2019/20 Budget. Going forward, local authorities are no longer allowed to write-off any DSG overspends using Council resources. We are also no longer allowed to offset an overspend on one DSG sub-block with underspends on from the other blocks without the approval of the Secretary of State. As a result, the £2.282m underspend on the other DSG blocks cannot be used to offset this overspend and the resulting £5.240m deficit on the High Needs block will be carried forward to be funded from savings on the High Needs DSG in future years.

A strategy is being developed by the Service to bring the DSG High Needs Block into balance in future years, and this will need to include recouping the £5.240m carried forward deficit. This will be brought to Cabinet for approval by the Autumn. The overall DSG overspend equates to 1.34% of the total DSG allocation and the Council may be required to provide information to the DfE about its plans for managing the DSG in 2020/21 and subsequent years. In previous years, local authorities were requested to complete a prescribed DfE Recovery Plan if the 1% threshold was exceeded. The new requirements currently suggest that local authorities that have overspent must cooperate with the DfE with requests for information and/or a meeting as and when the DfE makes contact. Members will be informed if/when any approach is received.

Local Authority funded expenditure - £5.396m overspend:

Additional overspends within SEND and Inclusion of £4.743m were due to demand led pressures on Home to School Transport and Children with Disabilities, where high cost, specialist agency staff are required to support necessary community packages of care.

Overspends against the core budget have been rightsized as part of the 2020/21 budget. However, close monitoring of these budgets will be required to understand whether these services are now able to manage their costs within the level of resources provided.

3.2.2. Environment Services - (£2.373m underspend; -9.75%)

The net underspend was caused by an underspend in Highways and Transport, offset by an overspend in Gypsy and Traveller Services and a shortfall in the anticipated traded income from County Fleet Management. The underspend in Highways and Transport was driven by four factors:

- A mild winter resulting in less gritting of roads;
- Substantial income recovery from utility operator enforcement;
- Covid-19 lockdown resulting in lack of ability to complete planned Q4 spend; and
- Concessionary fares underspend due to lack of take up.

Income targets for Network Management have been realigned for the 2020/21 budgets which will reduce the potential for underspending in the future (the additional surplus was £1.3m in 2019/20). Therefore, the in-year underspend does not represent ongoing over-funding.

Environment Services spent £1.289m less than had been forecast at quarter 3, due to Network and Streetworks permits, where historically forecasts from the service area have been prudent and often over achieve; Highways Maintenance on account of a milder winter than anticipated; and from Section 106 funding and Concessionary Transport payments where forecasting assumptions did not materialise.

3.2.3. Fire and Rescue (£0.124m overspend; +0.60%)

The outturn position represented a slight overspend against budget, mainly owing to variations in rates of pension contributions, which will be covered by the volatility reserve set up for this purpose. Previous forecasts included the potential risk associated with probable national legal and or industrial action in respect of the Day Crewing System. This has now been settled and will result in an additional cost in 2020/21. The Council included a provision to meet these costs as part of the 2020/21 budget and once the detailed assessment of additional costs has been made a budget adjustment will be requested. Therefore, in year pressures do not represent an ongoing unfunded pressure.

3.2.4. Strategic Commissioner for Communities (£0.353m overspend; 1.52%)

Throughout the year, the Service faced a loss of income as a result of the delays in the implementation of changes to parking management. The Service worked to pro-actively mitigate this impact through managing spend elsewhere, but the overall overspend was largely driven by the gap in this unrealised income as well as other pressures such as legal and insurance fees being greater than budgeted.

Through the implementation of service redesign and Parking Management changes, it is not expected that the pressures will be ongoing.

3.2.5. Adult Social Care – (£0.610m underspend; -0.41%)

Due to annually increased one-off funding from government, demand management and effective collection of client contributions, there was an underlying ongoing underspend of circa £1.5m a year, which has been right-sized for 2020/21. A one-off increase in the bad debt provision has reduced this underspend in 2019/20. There remain growing pressures in budgets for Older People in Residential Care, especially a growing number of complex cases where mental health is also involved, and in the area of Supported Living for Younger Adults.

Pressures and underspends have been rightsized in the MTFs, and growth areas will be monitored throughout the year, particularly in light of likely ongoing pressures from people moving into care after recovering from Covid-19. If an additional future spending need emerges this will be reported as part of the regular monitoring reports to Members or as part of the MTFs refresh.

3.2.6. Children and Families – (£1.164m overspend; 2.13%)

The forecast overspend of £1.164m in the Children and Families Service was dampened by the impact of one-off funding in the financial year, as well as some underspends against earmarked funds which have to be set aside, to complete projects in future years. Without these, the Service had an underlying overspend of £4.698m.

The main areas of overspending were Children in Care Placements due to demand and unit cost increases; allowances paid for non-LAC children; and Leaving Care Accommodation packages and allowances for young people aged 16 years and above, which continue to be an area of growth both in activity and unit cost.

There were a number of offsetting underspends, in Priority Families, Adoption Central England, unspent government earmarked grant income and salary costs.

Pressures and underspends have been rightsized in the MTFs, and growth areas will be monitored and managed or escalated in the future, and so, subject to unknown Covid-19 impacts, there should not be a recurrence of the structural overspend against this budget.

3.2.7. Strategic Commissioner for People – (£0.913m underspend; -2.74%)

Last year saw financial pressure in the support service for drug and alcohol misuse due to demand for detox/inpatient services, increased support for homelessness and staffing overspends within Public Health.

These increased pressures were offset by underspends elsewhere within the Service including staffing underspends following the restructure, reduced expenditure for accommodation with support and non-payment of the contract incentive for Sexual Health services.

Pressures and underspends have been rightsized in the MTFs, and growth areas will be monitored and managed or escalated in the future.

3.2.8. Business and Customer Services - (£0.271m underspend; -1.43%)

There was a one-off underspend of £0.310m due to delayed Early Intervention Projects and Third Sector Grant payments, which will be restarted in 2020/21, partially offset by staffing pressures in the Contact Centre as part of the Covid-19 response. Therefore, the in-year underspend does not represent ongoing over-funding.

3.2.9. Commissioning Support Unit – (£0.120m underspend; -1.00%)

Vacancies in staffing due to redesigns and planned changes to teams in the latter half of the year created a £0.4m underspend, offset by unexpected Covid-19 expenditure on PPE. The main underspend was planned to help bridge the costs of creating the PMO and Change Hub during 2020-21. Therefore, the in-year underspend does not represent ongoing over-funding.

3.2.10. Enabling Services – (£0.739m underspend; -3.51%)

The underspend in Enabling Services was mainly due to the reduction in county buildings operational costs and other property related maintenance expenditure. An overspend on staffing costs was supported by this underspend. A small traded surplus was also realised.

Budgets have been right-sized in the MTFs from 2020/21 onwards, and further analysis will be carried out through the next year to confirm that the rightsizing has removed any ongoing underspend, in the context of work on the wider financial framework and simplification of the internal charging regime which particularly impacts Enabling Services.

3.2.11. Finance Service – (£0.414m underspend; -9.04%)

The main areas leading to the underspend were due to holding posts vacant during the service redesign. Now the restructure is in place the in-year underspend does not represent ongoing over-funding.

3.2.12. Governance and Policy – (£0.886m underspend; -23.33%)

The overall underspend for Governance and Policy comprised of smaller underspends across all areas of the Service. Underspends in HR and Legal Services totalled £0.663m and were due predominantly to increased trading and other income. An overspend on Montague Road was offset by underspends in Strategic Assets due to delayed projects, for which a carry forward of £0.340m is requested. Rightsizing means that remaining in year underspend does not represent ongoing over-funding.

3.2.13. Corporate Services and Resourcing (£18.500m underspend; -9.86%)

The Corporate and Resourcing variance is due to two areas. Less was spent on capital financing than budgeted as a result of unallocated Capital Investment funds and slippage in agreed capital programmes. While this was forecast through the year, the end of year position was a greater underspend than anticipated. In addition, more funding was received than budgeted from government grants and investments. This was expected due to uncertain information at the point of budgeting, and both have been forecast throughout the year, though in Quarter 4 this increased beyond the forecast when there were late announcements of additional Government funding.

Rightsizing means that income budgets have been increased next year, while capital financing budgets have been reset over the period of the MTFS to reflect the level and revised phasing of planned capital spend. However, it is likely to be several years before these adjustments fully work through. As a result, time-limited underspends are also likely to occur in 2020/21. Updated forecasts will be reported throughout 2020 and the expected underspends will be set aside, initially to meet some of the unfunded Covid-19 costs.

3.3. Changes from Quarter 3 (MTFS)

Funding for the MTFS was based on the forecast underspends at quarter 3, any variation to that forecast will have an impact on the MTFS plans – a greater underspend creates more available reserves, whilst a reduced underspend will create an MTFS pressure. The estimated outturn position for the authority is an increased underspend of £5.053m from quarter 3, which is positive in the context of covering any Covid-19 costs not fully funded by Government.

4. Savings Performance

4.1. Performance against individual savings targets are listed in Annexes A to M, with the summary position shown in the table below.

2019/20	Number of targets	Saving Delivered £m	Savings Not Delivered £m
Savings target achieved/overachieved	69	9.467	-
Savings target partially achieved	2	1.058	0.563
No saving delivered against target	4	-	3.133
Total	75	10.525	3.696

4.2. 92% of savings options were fully achieved, with a further 3% partially achieved. The non-achievement of the Looked After Children saving is the main cause for the large financial impact of shortfall, representing 72% of the savings amount not delivered. This shortfall had been anticipated and was resolved as part of setting the 2020/21 budget.

4.3. The high level of savings achieved throughout the three years of the One Organisation Plan is a positive outcome and has contributed to the stable financial position of the Authority. Those areas where targeted savings were not achieved and no specific correction has been made, will be reviewed as part of budget monitoring in 2020/21 to make sure they do not result in an overspend in the current year. Below are details of those 2019/20 savings which were not fully achieved. These have all been previously identified through budget monitoring and mitigated through other service underspends or escalated as risks.

Saving Description	Target £m	Achieved £m	Reason for variance and associated management action
Communities - Increased income by the introduction of a new charging schedule for parking permits.	0.698	0.330	The delay in the decision on the new parking fees to allow time for additional consultation meant the savings plan could not be implemented as planned. This was known at an early stage and some mitigation has taken place throughout the year.
People - Drugs and Alcohol - a reduction in costs, prioritised through a redesign and recommissioning process	0.923	0.728	An increase in prescribing costs for this demand led service meant this savings plan could not be implemented as planned. Careful monitoring is ongoing to achieve the most efficient and effective prescribing and management of costs; and the amount of savings that may feasibly be found in this programme will need to be reviewed.
Savings 'Partially Achieved' Total	1.621	1.058	
Children & Families - Delivery of a reduction in the need for children to become or remain looked after in Warwickshire	2.760	0	Increased number of purchased weeks as well as significant unit cost increases (due to changes in the mix of placement types) meant that the service reported an overall over-spend.
Children & Families - Develop the use of independent boarding schools	0.150	0	This is intrinsically linked with the reduction in Children Looked After. Any savings so far are cost avoidance (Children going into Care) rather than reducing numbers or the costs of provision for children already in care.
Governance & Policy - Repayment of Hawkes Point self-financed borrowing.	0.198	0	Planning permission for Montague Road was not secured by developer. This has impacted on sale of site and timeframes.
Savings 'Not Achieved' Total	3.133	0	
Total	4.754	1.058	

5. Capital Outturn

- 5.1. The level of capital payments in 2019/20 was £109.628m, with a further £257.139m of payments forecast over the medium term. The remaining Capital Investment Fund (CIF) allocation of £5.711m from 2019/20, which is not included in these figures, has been carried forward. Along with the remaining future years CIF figure of £24.914m per annum this results in a total amount available in the Capital Investment Fund (CIF) of £130.281m over the period of the MTFs. There are £14.198m of priority schemes nominally earmarked against this, resulting in a remaining balance of £116.083m.
- 5.2. One of the concerns of Members over recent years has been whether there is sufficient capacity in the organisation to deliver an expanded capital programme. The spend in 2019/20 of £109.628m is £20m to £25m higher than in recent years and represents a step change in the level of capital investment. Whilst there are still improvements to be made, the level of spend in 2019/20

indicates a direction of travel that will support the Authority in delivering on its ambitions and supporting investment in the infrastructure of Warwickshire.

- 5.3. The outturn capital spend of £109.628m means that a further £31.380m of the planned spend for 2019/20 has moved into future years. This is shown by service in the table below, with variations at individual project level shown in Appendices A to M.

	2019/20 Approved Budget £m	2019/20 Outturn £m	2019/20 Variance £m	2020/21- 2023/24 Approved Budget £m	2020/21- 2023/24 Forecast £m	2020/21- 2023/24 Variance £m	Total Variance £m
Education Services	31.674	29.213	-2.461	11.654	29.467	17.813	15.352
Environment Services	58.794	41.476	-17.318	92.498	126.977	34.479	17.161*
Fire and Rescue	2.659	1.481	-1.178	5.622	8.081	2.459	1.281
Strategic Commissioner for Communities	16.947	13.732	-3.215	25.595	60.138	34.543	31.328
Communities	110.074	85.902	-24.172	135.369	224.663	89.294	65.122
Adult Social Care	2.100	0.000	-2.100	1.563	0.313	-1.250	-3.350
Children and Families	0.528	0.399	-0.129	0.157	0.402	0.245	0.117
Strategic Commissioner for People	5.356	4.832	-0.524	0.823	0.135	-0.688	-1.212
People	7.984	5.231	-2.753	2.544	0.851	-1.692	-4.445
Business and Customer Support	0.190	0.123	-0.067	1.867	1.950	0.084	0.016
Enabling Services	19.046	13.196	-5.850	9.339	25.953	16.613	10.763
Governance and Policy	6.685	5.176	-1.509	2.143	3.722	1.579	0.070
Resources	25.921	18.495	-7.426	13.349	31.625	18.276	10.849
New Projects and capital right sizing			-2.971			73.497	70.525
Total	143.979	109.628	-31.380	151.262	257.139	32.381	1.001

* £13.985m of the Environment Services variance amount relates to S278 project delays.

- 5.4. The £31.380m of planned spend that has moved into future years includes £2.971m of new schemes and £13.985m of expected spend on S278 funded schemes where we have little control over the timing. Net of these the underspend for quarter 4 is £17.395m.
- 5.5. At 30%, the slippage between quarter 3 and outturn is significantly improved on previous years, due to more realistic phasing of the programme. Delays in the delivery of the capital programme means the benefits expected from the capital investment are delayed. It is for this reason, a key element of the financial framework in relation to improving forecasting will focus on effective

planning for the expected delivery of capital schemes from the outset, which should reduce slippage further.

- 5.6. The underspend of £17.395m brings the total value of delayed projects (movement of spend into future years) for the year to £64.148m. This equates to a movement of spending into future years of 33.6%. A breakdown of the spend of £17.395m that moved into future years in quarter 4 across services is shown in the table below.

	Approved Budget	Outturn	Variance	Adjustment for S278 slippage	New Projects and capital rightsizing	Delays in capital spend (slippage)
	£m	£m	£m	£m	£m	£m
Education Services	31.674	29.213	-2.461		0.095	-2.556
Environment Services	58.794	41.476	-17.318	-13.985	-0.081	-3.252
Fire and Rescue	2.659	1.481	-1.178		0.000	-1.178
Strategic Commissioner for Communities	16.947	13.732	-3.215		-0.057	-3.158
Communities	110.074	85.902	-24.172	-13.985	-0.044	-10.144
Adult Social Care	2.100	0.000	-2.100		-2.100	0.000
Children and Families	0.528	0.399	-0.129		0.000	-0.129
Strategic Commissioner for People	5.356	4.832	-0.524		-0.553	0.029
People	7.984	5.231	-2.753		-2.653	-0.100
Business & Customer Support	0.190	0.123	-0.067		0.016	-0.083
Enabling Services	19.046	13.196	-5.850		0.000	-5.850
Governance and Policy	6.685	5.176	-1.509		-0.291	-1.218
Resources	25.921	18.495	-7.426		-0.275	-7.151
Total	143.979	109.628	-34.351	-13.985	-2.971	17.395

- 5.7. The main reasons for the additional £17.395m movement to future years in the quarter compared to the approved budget are:

5.7.1. Education Services – £2.556m

The slippage related to delays over multiple projects. The largest of these was the expansion of Long Lawford Primary School (£0.494m). The general reduction in 2019/20 spend on Education projects was partly as a result of the Covid-19 pandemic slowdown and lockdown towards the end of the financial year. In addition, outdoor construction projects were delayed due to poor weather conditions in February.

5.7.2. Environment Services - £3.252m

The A46 Stoneleigh junction scheme accounted for £1.650m of the total movement, where procurement was delayed partly due to Covid-19 and partly due to the need for additional strategic modelling requirements to support the business case. Issues with HS2 resulted in a need to liaise on design and review work with HS2 consultants.

Gypsy and Travellers projects were delayed as funding planned for caravan refurbishments did not take place as a result of staffing issues within the team. The project will be progressed in 2020/21.

Street Lighting maintenance was delayed because a large road junction scheme that included planned cabling and street lighting works has not yet gone ahead; other delays to planned works were caused by the extreme wet weather and the Covid-19 lockdown.

There were also delays in annual maintenance projects, with funds being rolled forward into the new financial year (£0.958m). Staffing restructures in the team meant communications between WCC and Balfour between January and March were sub optimal and, in addition, the extreme wet weather in February 2020) caused delays on some schemes.

There have been some other small delays on projects less than £0.250m, please see the annexes for further details.

5.7.3. Fire & Rescue Service – £1.178m

The underspend mainly related to delays to the Fire and Rescue training capital programme. The commencement of these projects has been realigned to the overall training programme with various elements now due for completion during 2020/21 and 2021/22. In addition to this, there was a delay in the WFRS emergency services network project resulting from a dependency on the upgrade of incident command and control systems, which is due for completion in January 2021.

5.7.4. Strategic Commissioner for Communities - £3.158m

The main reason for the movement was delays in delivering the area delegated schemes of £1.875m, Members are involved in plans for the reorganisation of this area and have already contributed their requirements and suggestions.

There was also a delay of £0.572m on the Temple Hill Wolvey casualty reduction scheme and an additional £0.239m on other casualty reduction projects. Delays to projects at design stage meant the construction start date

was moved to later in the year and then Covid-19 delayed that further. Casualty reduction schemes were otherwise delayed due to poor weather in February.

The Bermuda Connectivity Scheme also suffered delays around sign-off (£0.237m). This was caused by technical approval delays impacting on design finalisation, combined with issues with the land negotiations which resulted in significant re-profiling being required to the project milestones with procurement and construction now expected to be during 2020/21.

5.7.5. Children & Families Services - £0.129m

£0.040m related to delays in projects coming forward for adaptations to carer properties. The spend is reactive and requirements vary significantly year-on-year making spend difficult to predict. £0.066m was due to delays in adaptations to children's centres so they can become children and family centres. This was because negotiations on estimates and final designs took longer than expected, but all are now agreed, and construction can be completed during 2020/21. £0.025m for the Westgate children's centre safeguarding walkway was delayed due to the Covid-19 pandemic.

5.7.6. Business & Customer Support Services - £0.083m

The underspend was caused by delays in the acquisition of three mobile library vans.

5.7.7. Enabling Services - £5.850m

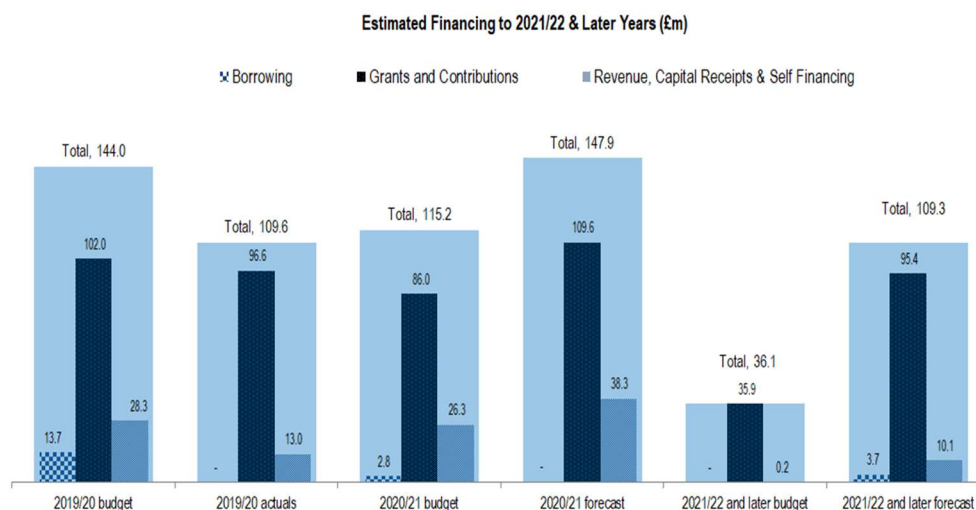
The largest element of slippage related to delays in the development of rural broadband (£4.219m). A revised delivery plan was received from Openreach during quarter 4 which has changed the phasing of the investment as a result of shortages of civil engineers and revised guidance from DCMS (Department for Culture, Media and Sport).

There was a £0.376m delay in Teams telephony roll out across WCC, some of this related to the speed of the cloud migration project which meant some planned hardware replacement was not required. The Covid-19 slowdown impacted on the works to the Veteran's Contact point (£0.384m). Across the organisation asbestos remediation work was delayed because of a long-term vacancy for an Asbestos Surveyor (£0.680m).

5.7.8. Governance & Policy Services - £1.218m

The underspend mostly related to changes in the phasing of spend on strategic site planning applications (£0.778m) where costs can be uncertain and the phasing dependent upon disposals and the progress of planning applications. Another £0.202m was due to delays in the rationalisation of county storage project resulting from changes to the plans for the relocation of the forestry team. Rural Services have slipped £0.236m of spend into 2020/21.

- 5.8. As well as approving the revised spending profile of the capital programme, the County Council must also ensure it has sufficient funding available to meet its capital payments in each financial year. The chart and the table below show how the actual and forecast capital expenditure is to be financed compared to the approved plans.



	2019/20 budget	2019/20 outturn	2020/21 budget	2020/21 forecast	2021/22 and later budget	2021/22 and later forecast
	£m	£m	£m	£m	£m	£m
Corporate Borrowing	13.713	-	2.835	-	-	3.743
Self-financed Borrowing	-1.499	-	0.995	1.744	-	-0.995
Grants and Contributions	102.026	96.587	85.967	109.550	35.884	95.361
Capital Receipts	27.168	10.349	24.249	34.988	-	11.138
Revenue	2.571	2.692	1.138	1.605	0.192	0.005
Total	143.979	109.628	115.184	147.887	36.076	109.252

The income from grants and contributions includes grants from Government and contributions from developers and other third parties.

6. Reserves position

- 6.1. The Reserves Strategy agreed by Council in February 2020 involves categorising and consolidating existing reserves to give greater oversight of the reserves position while maintaining a level of localised risk management within Directorate Leadership Teams. Reserves are categorised into groups according to whether they support risk management, funding volatility, ringfencing external funding or earmarking funds for specifically agreed investment.
- 6.2. The Strategy requires that reserves are reviewed by Finance at least twice a year, with input from the managers responsible for each reserve. The first review has been carried out during April 2020.
- 6.3. As a result of this review all reserves have been fully aligned to the new Reserves Strategy and 32 of the original 92 reserves have been closed. Justification has been sought for retaining all remaining reserves and work is underway to ensure there are planned timescales for use of the remaining reserves and clarity over the expected benefits.
- 6.4. The on-going work will be concluded by September 2020 to align with Council budget setting timetables and reported to Members as part of the 2021/22 MTFS refresh. This will enable the impact on reserves of managing the Covid-19 to be incorporated into the review.
- 6.5. The level of reserves on 1 April 2020 was £193.027m, including £14.071m Covid-19 government emergency grant and £4.125m carry forward requests (see paragraph 6.6). Excluding these elements, the reserves balances are £174.831m, which is an increase of £15.250m on the position as at 1 April 2019. Appendix N provides further details on the individual reserves.
- 6.6. Services have requested approval to carry forward £4.125m of these reserves to support spending in 2020/21 and £40.311m has been planned to fund the budgets in the 2020-25 MTFS. The remainder of the reserves will be used according to planned activity in the services or held as risk/volatility reserves and used to fund short term fluctuations or the immediate impact of unfunded pressures, which will then be planned into the MTFS for following years and funded through savings, to allow ongoing funding for pressures. All decisions on the use of reserves require Member approval.

	1st April Reserve £m	Carry Forward Request £m	MTFS Commitments £m	Available Reserve level £m
Earmarked - Schools Reserves	10,039	0	0	10,039
Earmarked - External Reserves	10,866	-856	-146	9,864
Reserves Subject to Annual Review - Internal Policy	13,149	0	-650	12,499
Reserves Subject to Annual Review – Volatility	46,564	0	0	46,564
Change Funds	55,026	-199	-32,899	21,928
Reserves Subject to Annual Review - Specific Investment Projects	1,798	-40	0	1,758
Management of Financial Risk	43,750	-2,299	0	41,451
Available for Use Reserves	11,834	-731	-6,616	4,487
Total	193,026	-4,125	-40,311	148,590

6.7. The £4.125m is made up of 20 different requests from Services to carry forward some of their 2019/20 resources into 2020/21 for spend against a specific project or initiative. Of these £0.896m is from earmarked or ringfenced funds, £0.199m from Children’s Transformation and the remaining £3.070m from general budgets. The individual requests, and planned use of the funds are listed in **Appendix O** and summarised in the table below alongside the Services’ 2019/20 outturn position. Cabinet are recommended to approve these requests.

Service	19/20 outturn Over/(Under)Spend £m	Carry forward requested £m
Strategic Commissioning for Communities	0.353	0.315
Education Services	9.147	0.450
Environment Services	(2.373)	0.200
Strategic Commissioning for People	(0.913)	0.280
Children and Families	1.164	0.795
Business and Customer Support	(0.271)	0.364
Commissioning Support Unit	(0.120)	0.400
Enabling Services	(0.739)	0.781
Governance and Policy	(0.886)	0.540

6.8. The latest forecast impact of Covid-19 on the County Council is £43.5m. This is £11.9m more than the total grant funding expected to be receivable via the £24.8m Emergency Response Fund grants from the Government and the reimbursement of £6.8m from the £1.3bn Health Grant. While it is recognised that some forecasts are worst case and we may receive additional Government funding in the future or deliver in-year underspends in 2020/21 to offset some of the increased cost, the level of both short and medium-term uncertainty means it is prudent to ensure we have a plan in place as to how we could release sufficient reserves to meet any residual funding gap, as well as

considering the wider implications for reserves of this 'ultimate rainy day' situation.

6.9. There are three options for how our remaining reserves could be used to meet the excess cost of our local response to Covid-19. The impact of these options on different areas of investment or risk varies. Cabinet are not being asked to make a decision on these options now as this will form part of the MTFS refresh when the cost of Covid-19 has stabilised. However, it was thought to be worthwhile to set the options out for Members at the earliest opportunity so they can be borne in mind as plans for the future are developed.

6.10. The three options are:

- Cancelling imminent investment plans:
There is £4.487m in a contingency reserve to be allocated as part of future budget discussions. At least £0.750m of forecast Covid-19 response costs may be chargeable against relevant ringfenced reserves where specific Covid-19 expenditure which falls within the conditions of that funding. For example, welfare funds, youth remand costs and the loss of interest earned on investment. £3.229m could be released from 2020/21 service plans by only approving carry forwards of ringfenced funds, although this is not recommended.
- Using reserves set aside for use in years 4 and 5 of the MTFS
This would give 3 years to rebuild the reserves, plan for additional savings or cancel future investment. £21.223m of reserves are planned to be used in creating the balanced MTFS from 2021-2025, predominantly the new Investment Funds and the remaining Council Change Fund. This option would mean we have longer to plan which areas would be impacted, but, it would also signal a movement away from delivering the ambitions of the Council Plan and approved MTFS plans over the medium term.
- Utilise the risk reserves held by the Council to fund emergency or unexpected pressures/loss of savings
Use of these reserves would require plans to rebuild the levels of these reserves to the level assessed as being required over the medium term; and would create a risk of further short-term pressures arising before the reserves are back to the planned levels. The relevant risk reserves are:
 - the £20.228m held in Directorate Risk Reserves to create short-term funding for unexpected pressures until these can be mitigated or built into future years' MTFS budgets. This is equivalent to 5% of each directorate's annual net budget.
 - The £21.200m minimum level of General Reserves. Replacing any General Reserves used, up to the minimum specified by the Strategic

Director for Resources in his risk assessment, would have to be the first call on the 2021/22 budget to meet statutory guidance on delivering a balanced budget.

7. Financial Implications

- 7.1. The report outlines the financial performance of the authority in the year 2019/20. There are no additional financial implications to those detailed in the main body of the report.
- 7.2. The key financial issue remains the need for the MTF5 to reflect: the need to put sustainable solutions in place for those services reporting material demand-led overspends, the need to ensure the ambitions of the capital strategy are aligned to the capacity to deliver and that any plans developed to balance the budget going forward are robust so any decisions can be taken promptly.

8. Environmental Implications

- 8.1. There are no specific environmental implications as a result of the information and decisions outlined in the report.

9. Background Papers

- 9.1. None

	Contact Information
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No elected members have been consulted in the preparation of this report.

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Annex A										
Environment Services - Scott Tompkins										
Strategic Director - Mark Ryder										
Portfolio Holders - Jeff Clarke										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	
Assistant Director - Environment Services	495	609	114	0	(2)	(2)	495	607	112	Contribution to the bad debt provision made at year end for Environment Services.
Trading Standards & Community Safety	2,629	3,263	634	(1,048)	(1,611)	(563)	1,581	1,652	71	Overspend in Gypsy & Travellers service of £191k due to vacant, unrentable properties, damage by tenants, legal fees and non-payment of rent. This has been partially mitigated across the group by underspends/ increased income in Trading Standards and Community Safety.
County Highways	17,348	17,963	615	(4,662)	(7,215)	(2,553)	12,686	10,748	(1,938)	Underspend in Highways Maintenance of £568k due to reduced Winter Maintenance costs and coding adjustments to works. Additional surplus achieved across Network Management of £1.3 million. Reduced contractor costs in Forestry £54k. Some planned additional spend to reduce winter maintenance underspend was unable to be completed due to Covid lockdown.
Planning Delivery	3,207	3,965	758	(2,824)	(3,082)	(258)	383	883	500	Overspend of £87k in Flood Risk due to structural budget issue. Reduced income in Archaeology/ Ecology £71k. Overspend in Development Regs due to flow of work/income in S38 agreements. Previous forecasts had allowed for a drawdown from reserves of £450k to mitigate structural budget issues in Flood and Development Regs - as this is part of the year end out-turn process - it is not reflected in the out-turn.
Transport Delivery	36,737	35,854	(883)	(28,203)	(28,338)	(135)	8,534	7,516	(1,018)	Public Transport £402k underspend due to implementation delays in Community Transport Schemes. Concessionary Travel underspend of £952 due to decrease in demand, and lower than anticipated realisation of 2018/19 creditor. Overspend in CFM of £334k due to structural budget/ rightsizing issues.
Engineering Design Services	6,681	7,349	668	(6,224)	(7,016)	(792)	456	333	(124)	Increased income in year of £384k, offset by increased expenditure in Bridge Maintenance
Emergency Management	245	270	26	(46)	(47)	(1)	199	223	25	Additional £20k contributed to the yearly CSW Partnership contribution which is match funded by Solihull MBC and Coventry CCC. All LA's increased their 2019/20 contribution by £20k.
Net Service Spending	67,342	69,273	1,931	(43,007)	(47,310)	(4,304)	24,335	21,963	(2,373)	

Environment Services - Scott Tompkins Strategic Director - Mark Ryder Portfolio Holders - Jeff Clarke			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Increased income as a result of pricing changes in Design Services, bringing our charges in line with the sector norm	50	50	
Generate income by an increase in the fees payable for licences and permits, including skips, scaffold, street café licenses and vehicular access requests.	5	5	
Increased income from the permit scheme for working on the highway as a result of systems development efficiencies and a more targeted site inspection regime will ensure compliance with permit scheme approvals.	165	165	
Energy savings as a result of the capital investment into LED technology within our street lighting stock.	300	300	
Increased income and surplus from County Fleet Maintenance following the installation of an MOT test facility at the new Hawkes Point site.	25	0	The move to Hawkes Point has not yet been implemented
Generate new income from the implementation and operation of a highway permit scheme for Solihull MBC. The County Council currently manages a similar permit scheme for Coventry City Council.	25	25	This savings target has been met but not via the original plan to implement a highway permit scheme for Solihull MBC
Winter gritting route optimisation as a result of rationalising depots to a single south depot.	25	25	
Increase income targets to reflect current activity levels from Section 184 and Minor Works, Section 38 Agreements and pre application advice for highways.	10	10	
Total	605	580	
	Target	605	
Remaining Shortfall/(Over Achievement)		25	

Environment Services - Scott Tompkins

Strategic Director - Mark Ryder

Portfolio Holders - Jeff Clarke

2019/20 Reserves

Reserve	Approved Opening Balance 01.04.19	Movement in Year	Effect of Outturn	Transfer for new Reserve Strategy	Closing Balance 31.03.19
	£'000	£'000	£'000	£'000	£'000
Community Services - Savings	17	(17)	2,369	(2,369)	0
Environment Services - Savings	0		0		0
Domestic Homicide Reviews	100		(13)		87
Proceeds of Crime	147		16		163
S38 Developer Funding	350		0		350
Flood Management Reserve	693	(235)	0		458
Total	1,307	(252)	2,373	(2,369)	1,058
Contributions to Directorate Risk Reserve				2,369	
Carry Forward Requests				(200)	

Environment Services - Scott Tompkins
Strategic Director - Mark Ryder
Portfolio Holders - Jeff Clarke

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
Major Transport Projects														
10203000	Rugby Western Relief Road	59,098	148	0	0	59,246	59,098	46	0	0	59,145	-101	-101	Remaining balance returned to Corporate Resource as part of Capital Rightsizing
10421000	Portobello Bridge	524	30	200	1,306	2,060	524	26	204	1,306	2,060	-4	0	
11221000	M40 Junction 12	11,856	177	57	30	12,121	11,856	12	222	30	12,121	-165	0	Project to be reviewed at Q1 for outstanding works
11272000	Rugby Gyrotory Improvements	1,563	0	25	0	1,588	1,563	0	0	25	1,588	0	0	
11509000	A444 Coton Arches, Nuneaton	3,474	226	0	0	3,700	3,474	75	151	0	3,700	-151	0	Final payment still to be agreed now delayed to 2020-21
11510000	A46 Stanks Island, Warwick	620	1,722	4,248	0	6,590	620	1,906	4,064	0	6,590	183	0	Small delay to project phasing into 2020-21.
11604000	A444 Corridor Improvements - Phase 2	61	80	662	3,796	4,600	61	101	641	3,796	4,600	21	0	Slightly accelerated spend in 2019-20
11605000	A3400 Bham Road Stratford Corridor Improvements	65	66	3,393	0	3,525	65	64	3,395	0	3,525	-2	0	
11649000	A46 Stoneleigh Junction Improvements	2,034	3,116	0	4,881	10,031	2,034	1,467	1,650	6,348	11,498	-1,650	1,467	Additional £1.5m DfT funding added to the project
11669000	Lawford Road / Addison Road Casualty Reduction	16	94	736	0	846	16	43	51	736	846	-51	-0	Reduced expenditure in 2019-20 resulting in rephasing over 2020-21 and 2021-22
11694000	A47 Hinckley Road Corridor	95	528	2,862	0	3,485	95	470	2,039	1,000	3,605	-58	120	Additional £119k S106 developer funding allocated to project in 2019-20; remainder of expenditure rephased over 2020-21 and 2021-22
Street Lighting														
11220000	Street Lighting Column Replacement 2015/2016	1,060	0	0	0	1,060	1,060	0	0	0	1,060	-0	-0	
11279000	Pump Priming allocation for LED street lighting	3,230	1,410	0	0	4,640	3,230	1,223	187	0	4,640	-187	-0	Carry over to new year
11719000	Street Lighting base budget 19-20	0	883	0	0	883	0	631	0	0	631	-252	-252	carry over to code 11818*** £251975
11818000	Street Lighting Base Budget for 2020 / 2021	0	0	0	0	0	0	0	972	0	972	0	972	Base Budget £720k plus c/f £251,975 from 11719***
Structural Bridge Maintenance														
10977000	Minor Bridge Maintenance Schemes 2011/2012	1014	0	0	0	1,014	1,014	0	0	0	1,014	0	0	2019-20 additional spend covered by reduction in 2020-21 base budget 11816000 forecast
11171000	Minor Bridge Maintenance Schemes 2012/2013	2303	0	0	0	2,303	2,303	1	0	0	2,304	1	1	2019-20 additional spend covered by reduction in 2020-21 base budget 11816000 forecast
11241000	Minor Bridge Maintenance Schemes 2013/2014	542	3	0	0	545	542	-23	0	0	519	-26	-26	2019-20 additional credit covered by increase in 2020-21 base budget 11816000 forecast
11308000	Minor Bridge Maintenance Schemes 2014/2015	860	0	0	0	860	860	0	0	0	860	0	0	
11382000	Minor Bridge Maintenance schemes 2015/2016	1,617	50	0	0	1,667	1,617	61	0	0	1,679	12	12	2019-20 additional spend covered by reduction in 2020-21 base budget 11816000 forecast
11457000	Minor Bridge Maintenance schemes 2016/2017	496	27	0	0	523	496	33	0	0	529	6	6	2019-20 additional spend covered by reduction in 2020-21 base budget 11816000 forecast
11587000	Minor Bridge Maintenance schemes 2017/2018	1,897	446	0	0	2,343	1,897	500	0	0	2,397	54	54	2019-20 additional spend covered by reduction in 2020-21 base budget 11816000 forecast
11658000	Minor Bridge Maintenance schemes 2018/2019	724	914	400	0	2,038	724	649	400	0	1,773	-266	-266	2019-20 additional credit covered by increase in 2020-21 base budget 11816000 forecast
11717000	Bridges Base Budget 2019 2020	0	608	0	0	608	0	681	0	0	681	73	73	2019-20 additional spend due to incorrectly coded charge currently covered by reduction in 2020-21 base budget 11816000 forecast - to be corrected for Q1 forecast
11816000	Bridges Base Budget 2020 2021	0	0	0	0	0	0	0	1,496	0	1,496	0	1,496	2020-21 Base Budget of £1.35m adjusted by 2019/20 overspends/underspends against block header sheets 10977000, 11171000, 11382000, 11457000, 11587000, 11717000, 11658000, 11241000
Structural Maintenance of Roads														
11361000	Highways Maintenance 16/17	15,088	8	0	0	15,096	15,088	8	0	0	15,096	-0	-0	old year spends underspend c/f to new year code 11785009
11362000	Highways Maintenance 17/18	15,396	16	0	0	15,412	15,396	10	0	0	15,406	-7	-7	old year spends c/f to new year code 11785009
11451000	Highways Maintenance 18/19	17,412	0	0	0	17,412	17,412	206	0	0	17,618	206	206	old year spend this is funded by unspends against 1172**** codes
11720000	County Highways Base Budget 19-20	0	18,158	16	0	18,174	0	17,506	34	0	17,540	-652	-635	Funded the 11451** codes c/f budget moved to new year 11785009
11785000	County Highways Base Budget 20-21	0	0	0	0	0	0	0	10,995	0	10,995	0	10,995	New Budget allocated plus £436k from underspends on 1172**** codes
11808000	Vehicle Mitigation Barriers (Stratford upon Avon)	0	0	0	0	0	0	0	582	0	582	0	582	CF allocation approved Mar2020 (Leader) £599k - see also project 1194010 which has part used this funding and is the same installation
Traffic Signals														
11381000	Traffic Signals 2015-16	181	0	13	0	194	181	0	13	0	194	0	0	
11657000	Traffic Signals Base Budget 2018-19	235	29	35	0	298	235	56	8	0	298	27	0	2020-21 Budget reprofiled due to higher spend than anticipated in 2019-20
11718000	Traffic Signals Base Budget 2019-20	0	198	52	0	250	0	245	5	0	250	47	-0	2020-21 Budget reprofiled due to higher spend than anticipated in 2019-20
11817000	Traffic Base Budget 2020 2021	0	0	0	0	0	0	0	250	0	250	0	250	New Base Budget allocated for 2020-21
Flood management														
10257000	Fisher Brook Flood Alleviation	0	0	0	0	0	0	0	0	0	0	0	0	2019-20 expenditure incorrectly coded here, 2020-21 requires corrected forecast against project 11193000 which has no budget - to be reviewed
11427000	Ladbrooke Flood Alleviation	60	4	0	0	63	60	0	4	0	63	-4	0	Carried spend forward to the new year
11514000	Grendon Property Level	8	0	0	0	8	8	64	0	0	72	64	64	New budget
11550000	Flood modelling	92	11	0	0	103	92	7	5	0	103	-5	-0	Carry forward to new year
11574000	Kites Hardwick flood alleviation	76	27	0	0	103	76	27	0	0	103	-0	-0	
11599000	Cherrington Flood Risk Management Scheme	57	8	0	0	65	57	5	3	0	65	-3	0	Carry forward to new year
11686000	Whiteacre Heath Flood Alleviation	36	20	0	0	56	36	20	0	0	56	0	0	

11735000	Grendon Capital Flood Scheme	0	127	0	0	127	0	1	111	0	112	-126	-15	Carry forward to new year
11794000	Flood Defence Maintenance 20-21	0	0	0	0	0	0	0	200	0	200	0	200	Additional 2020-21 allocation per Budget Resolution
11801000	Flood alleviation schemes CIF - Pallion	0	0	0	0	0	0	0	173	0	173	0	173	Budget carry over
11802000	Flood alleviation schemes CIF - Fenny Compton	0	0	0	0	0	0	0	484	0	484	0	484	New budget
11803000	Flood alleviation schemes CIF - Welford on Avon	0	0	0	0	0	0	0	0	105	105	0	105	New budget
11804000	Flood alleviation schemes CIF - Galley Common	0	0	0	0	0	0	0	154	0	154	0	154	New budget
11805000	Flood alleviation schemes CIF - Bermuda	0	0	0	0	0	0	0	230	0	230	0	230	New budget
11806000	Flood alleviation schemes CIF - Brailes	0	0	0	0	0	0	0	115	0	115	0	115	New budget
Community Safety														
11712000	Gypsy & Traveller Services 19-20	0	73	0	0	73	0	0	73	0	73	-73	0	No spend on project in year 2019/20
11789000	Gypsy & Traveller Services 20-21	0	0	0	0	0	0	0	20	0	20	0	20	Budget resolution for 2020-21 - £20k
Archaeology & Ecology														
11727000	Ford Ranger 4x4	0	12	0	0	12	0	12	0	0	12	0	0	
Developer Funded Transport - s106 schemes														
11054000	Rugby, Hunters Ln - Through Route New Tech Dr To Newbold Rd	62	0	329	0	391	62	0	329	0	391	0	0	
11099000	Upgrade traffic signals Blackhorse Road	137	11	0	0	148	137	0	11	0	148	-11	0	Delay due to too expensive fibre optic cable. Camera now to be installed 2020-21
11194004	Install CCTV on Emscote Road Warwick (Tesco Stores)	0	0	9	0	9	0	0	9	0	9	0	0	
11194005	Install MOVA operation on traffic signal junctions Emscote Road Warwick (Tesco Stores)	0	0	75	0	75	0	1	74	0	75	1	0	Small amount of early works undertaken in 2019-20 requiring reprofile of 2020-21 budget
11194006	Install Variable Message Signs A444 (Prologis)	0	0	82	0	82	0	0	82	0	82	0	0	
11194007	Install Traffic Signals junction Colliery lane / Back Lane Exhall (David Wilson Homes)	0	0	45	0	45	0	0	45	0	45	0	0	
11194009	Bridleways Improvements Brownover Rugby	0	0	6	0	6	0	0	6	0	6	0	0	
11195003	S106 Rights of Way Scheme at Long Shoot Development Nuneaton	0	0	6	0	6	0	0	6	0	6	0	0	
11195009	40/50MPH SPEED LIMIT AND MINOR KERBING WORKS LONGMARSTON ROAD WELFORD ON AVON	21	9	0	0	30	21	0	9	0	30	-9	-0	Project Manager to confirm at Q1 whether work is going ahead - funding to be transferred elsewhere if not
11417000	A426 /A4071 Avon Mill Roundabout Rugby Improvement Scheme	345	240	1,123	0	1,708	345	84	848	431	1,708	-156	-0	Delay in project works requiring a budget reprofile from 2020-21
11464000	Clifton on Dunsmore Traffic Calming S106	393	79	0	0	472	393	9	69	0	472	-69	0	Delays to project resulting in reprofiling to 2020-21
11618000	B4087 Oakley Wood Road - Raised Traffic Calming Scheme	0	0	0	0	0	0	0	0	0	0	0	0	
Developer Funded Transport - Europa Way														
11580000	A452 Europa Way (Lower Heathcote Farm), Warwick. Developer - Gallagher Estates Ltd.	1,747	1,562	191	0	3,500	1,747	1,181	572	0	3,500	-382	0	Delay in project works requiring a budget reprofile for 2020-21
11602000	A452 Europa Way / Olympus Avenue Traffic Signal Controlled Junction S278	1,201	300	2,507	0	4,008	1,201	207	1,716	884	4,008	-93	-0	Delay in project works requiring a budget reprofile from 2020-21
11636000	A452 Myton Road And Shire Park Roundabouts	28	55	3,718	0	3,800	28	44	2,461	1,268	3,800	-11	0	Delay in project works requiring a budget reprofile from 2020-21
11637000	A452 Europa South of Olympus Avenue to Heathcote Lane Roundabout	19	0	0	7,481	7,500	19	5	0	7,476	7,500	5	-0	Small amount of early works undertaken in 2019-20 requiring reprofile of 2022-23 budget
11638000	A452 M40 spur west of Banbury Road	9	0	0	7,591	7,600	9	3	0	7,588	7,600	3	0	Small amount of early works undertaken in 2019-20 requiring reprofile of 2022-23 budget
11814000	C9878 A452 Europa Way Dualling, The Asps						0	0	150	0	150	0	150	£150K Budget approved by Deputy Leader Finance & Property 21 February 2020
Developer Funded Transport - s278 schemes														
10010001	Unallocated S278 developer funds	-40	0	1,656	0	1,616	-40	-6	6	1,656	1,616	-6	-0	Review of Unallocated S278 funds in 2020-21
10438000	Leamington, Junction Alterations At Former Potterton Works	4	0	0	0	4	4	0	0	0	4	0	0	
11195010	S278 DE33034 Western Rd and Bham Rd Stratford (McDonalds)	307	0	0	0	307	307	74	0	0	381	74	74	2019-20 Return of developer's cash security incurring interest payment not covered by budget - to be reviewed
11195011	S278 Crabtree Medical Centre Bidford - Bus Stops	27	0	0	0	27	27	0	0	0	27	0	0	
11195013	S278 Wellesbourne Distribution Park Signs	35	26	0	0	61	35	0	26	0	61	-26	0	Delays to project work has required rephasing into 2020-21
11196001	S278 Boughton Road Environmental Weight Limit Signs	77	0	0	0	77	77	0	0	0	77	0	0	
11197000	Ford Foundry	4,697	0	0	0	4,697	4,697	0	0	0	4,697	0	0	
11305000	New Roundabout on the A444 Weddington Road, Nuneaton	628	243	0	0	871	628	14	230	0	871	-230	0	Delays to project work has required rephasing into 2020-21
11326000	Elliot's Field Retail Park	815	0	0	0	815	815	1	0	0	816	1	1	Additional spend funded from S278 debtor (to be reviewed)
11327000	B4113 Gipsy Lane Junction	5	0	199	0	204	5	5	199	0	204	0	0	
11328000	New Roundabout Southam Road Kineton	465	0	0	0	465	465	13	0	0	478	13	13	Additional spend funded from S278 debtor (to be reviewed)
11336000	Ansty Business Park Phase 3	1,452	309	1,250	0	3,011	1,452	69	994	497	3,011	-240	-0	Delays to project work has required rephasing into 2020-21 onwards
11337000	A426 Leicester Road, Rugby - Toucan Crossing	329	6	0	0	335	329	0	6	0	335	-6	0	Delays to project work has required rephasing into 2020-21
11366000	B4087 Tachbrook Road Signals for Development at Woodside Farm Whitnash	431	0	0	0	431	431	0	0	0	431	0	0	Additional spend funded from S278 debtor (to be reviewed)
11419000	A423 Priority Junction and A425 Banbury Road To	504	6	6	0	516	504	0	6	6	516	-6	0	Delays to project work has required rephasing into 2020-21 onwards
11423000	A423 Coventry Road Southam New Priority Junction S278	508	6	6	0	520	508	0	6	6	520	-6	-0	Delays to project work has required rephasing into 2020-21 onwards
11424000	Snitterfield Emergency Works	0	0	0	0	0	0	0	0	0	0	0	0	
11428000	B5000 Grendon Road Polesworth New Roundabout Section 278	868	91	6	0	965	868	0	65	32	965	-91	0	Delays to project work has required rephasing into 2020-21 onwards

11429000	A3400 Birmingham Road, Stratford upon Avon, New right turn land S278	247	3	0	0	250	247	0	3	0	250	-3	0	Delays to project work has required rephasing into 2020-21
11430000	A428 Rugby Radio Station Mass Site S278 Highways Work	2,639	100	100	0	2,839	2,639	0	133	67	2,839	-100	0	Delays to project work has required rephasing into 2020-21 onwards
11435000	A3400 Birmingham Rd Stratford - Conversion of Existing Traffic Signal Junction S278	308	6	6	0	320	308	0	6	6	320	-6	0	Delays to project work has required rephasing into 2020-21 onwards
11436000	B4087 Oakley Wood Road Bishops Tachbrook	364	110	30	0	504	364	88	52	0	504	-22	0	Delays to project work has required rephasing into 2020-21 onwards
11437000	B4632 Campden Road /C47 Station Road - New Ghost Island & New Minor Access S278	573	6	6	0	585	573	2	4	6	585	-4	-0	Delays to project work has required rephasing into 2020-21 onwards
11438000	B4642 Coventry Rd, Site Access, Cawston - New Traffic Signal Junction S278	601	10	10	0	621	601	0	10	10	621	-10	0	Delays to project work has required rephasing into 2020-21 onwards
11439000	B4642 Coventry Rd / Cawston Grange Drive Cawston Construction of 5th Arm at Rdbt S278	1,397	10	10	0	1,417	1,397	3	7	10	1,417	-7	0	Delays to project work has required rephasing into 2020-21 onwards
11460000	C204 Birmingham Road, Alcester - new right turn land outside Alcester Grammar	1	300	900	0	1,201	1	44	763	393	1,201	-256	0	Delays to project work has required rephasing into 2020-21 onwards
11461000	A47 The Long Shoot, Nuneaton , New Traffic Controlled Junction S278	1,088	100	20	0	1,208	1,088	-8	108	20	1,208	-108	-0	Delays to project work has required rephasing into 2020-21 onwards
11462000	B4035 Campden Road, Shipston on Stour new right turn lane	335	15	10	0	360	335	1	14	10	360	-14	-0	Delays to project work has required rephasing into 2020-21 onwards
11463000	B4451 Kineton Road Southam New Roundabout S278	607	10	10	0	627	607	2	8	10	627	-8	0	Delays to project work has required rephasing into 2020-21 onwards
11467000	C43 Harbury Lane, Warwick – new traffic signal controlled junction.S278	553	10	10	0	573	553	0	10	10	573	-10	0	Delays to project work has required rephasing into 2020-21 onwards
11505000	A422 Alcester Road, Stratford upon Avon	250	6	6	0	262	250	0	6	6	262	-6	-0	Delays to project work has required rephasing into 2020-21 onwards
11506000	A426 Southam Rd Southam access to quarry at Griffins Farm	303	10	10	0	323	303	4	6	10	323	-6	0	Delays to project work has required rephasing into 2020-21 onwards
11507000	A428 Lawford Road, Rugby	291	154	50	0	494	291	119	84	0	494	-34	0	Delays to project work has required rephasing into 2020-21
11508000	B4429 Ashlawn Road, Rugby	58	54	10	0	122	58	0	54	10	122	-54	0	Delays to project work has required rephasing into 2020-21 onwards
11511000	A429 Ettington Road, Wellesbourne	1,219	20	10	0	1,249	1,219	-4	24	10	1,249	-24	-0	Delays to project work has required rephasing into 2020-21 onwards
11515000	A4254 Eastbro Way Nuneaton Traffic Signals at Junctions with Camborne Drive S278	1,975	10	10	0	1,995	1,975	4	16	0	1,995	-6	-0	Delays to project work has required rephasing into 2020-21 onwards
11516000	A444 Weddington Road Nuneaton Right Turn Lane to Site Access S278	699	10	10	0	719	699	0	10	10	719	-10	0	Delays to project work has required rephasing into 2020-21 onwards
11517000	A47 Hinkley Road Nuneaton Puffin Crossing	116	10	10	0	136	116	0	10	10	136	-10	0	Delays to project work has required rephasing into 2020-21 onwards
11518000	D2206 Siskin Drive Baginton Right Turn Lane S278	67	233	121	0	421	67	390	0	0	457	157	36	Additional spend funded from S278 debtor (to be reviewed)
11519000	D3108 Back Lane Long Lawford Traffic Signals & Junction Improvements S278	436	10	10	0	456	436	1	9	10	456	-9	0	Delays to project work has required rephasing into 2020-21 onwards
11527000	A423 Marton Road , Long Itchington - New Footway & Site Access S278	173	10	10	0	193	173	0	10	10	193	-10	-0	Delays to project work has required rephasing into 2020-21 onwards
11528000	A444 Weddington Road, Nuneaton - new Puffin crossing.	218	47	20	0	284	218	0	47	20	284	-47	-0	Delays to project work has required rephasing into 2020-21 onwards
11529000	B4642 Coventry Road, Cawston - new right turn lane	1	100	500	0	601	1	3	394	203	601	-97	0	Delays to project work has required rephasing into 2020-21 onwards
11530000	C33 Stockton Road and A423 Southam Road, Long Itchington - new footway on Stockton Road and upgrade of zebra crossing to Puffin crossing on Southam Road.	275	76	25	0	376	275	23	53	25	376	-53	-0	Delays to project work has required rephasing into 2020-21 onwards
11531000	D1643 Park Road, Bedworth - new car park egress.	140	151	50	0	341	140	0	151	50	341	-151	0	Delays to project work has required rephasing into 2020-21 onwards
11551000	A47 Long Shoot - relocation of a refuge island	13	61	16	0	90	13	22	39	16	90	-39	0	Delays to project work has required rephasing into 2020-21 onwards
11576000	A3400 Banbury Road / Tiddington Road, Stratford upon Avon.	0	250	1,750	0	2,000	0	2	1,319	679	2,000	-248	-0	Delays to project work has required rephasing into 2020-21 onwards
11577000	A3400 Bridgefoot / Bridgeway, Stratford upon Avon	1	100	650	0	751	1	8	490	252	751	-92	0	Delays to project work has required rephasing into 2020-21 onwards
11578000	C98 Loxley Road, Tiddington.	0	1,000	500	0	1,500	0	15	980	505	1,500	-985	0	Delays to project work has required rephasing into 2020-21 onwards
11579000	D7050 Common Lane Kenilworth Traffic Signal Junction	2,953	1,000	500	0	4,453	2,953	311	785	404	4,453	-689	-0	Delays to project work has required rephasing into 2020-21 onwards
11581000	Butlers Leap Link Road, Rugby. Developer – Urban and Civic PLC.	1,186	2,514	300	0	4,000	1,186	2,258	367	189	4,000	-256	0	Delays to project work has required rephasing into 2020-21 onwards
11582000	Shottery Link Road, Stratford-upon-Avon. Developers – J S Bloor (Tewkesbury) Ltd and Hallam Land Management Ltd.	8	42	3,000	0	3,500	8	24	2,601	867	3,500	-468	-0	Delays to project work has required rephasing into 2020-21 onwards
11595000	A422 Banbury Road Ettington Ghost Island	286	12	10	0	308	286	6	12	4	308	-5	-0	Delays to project work has required rephasing into 2020-21 onwards
11597000	B4451 Station Road Bishops Itchington Ghost Island Right Turn Lane S278	134	801	15	0	950	134	624	144	48	950	-176	0	Delays to project work has required rephasing into 2020-21 onwards
11598000	A426 Leicester Road Rugby Highway Impt S278	2,581	150	50	0	2,781	2,581	131	52	17	2,781	-19	-0	Delays to project work has required rephasing into 2020-21 onwards
11603000	B439 Salford Road Bldford - Access And Puffin Crossing	1	76	75	0	152	1	18	99	33	151	-57	-0	Delays to project work has required rephasing into 2020-21 onwards
11608000	Highway Impt A446 Lichfield Road , Coleshill S278	54	76	20	0	150	54	7	67	22	150	-70	0	Delays to project work has required rephasing into 2020-21 onwards
11609000	Highway Impt C104 Milcote Rd Welford On Avon S278	0	325	25	0	350	0	268	61	20	350	-57	0	Delays to project work has required rephasing into 2020-21 onwards
11616000	A47 The Long Shoot (Callendar Farm) highway alterations S278	0	0	0	0	0	0	4	0	0	4	4	4	Spend funded from S278 debtor (to be reviewed)
11617000	C12 Plough Hill Road , Galley Common - installation of Puffin crossing & associated fway works	111	189	0	0	300	111	28	121	40	300	-161	0	Delays to project work has required rephasing into 2020-21 onwards
11662000	A3400 London Road, Shipston on Stour (Orbit Homes)	0	200	250	0	450	0	14	327	109	450	-186	0	Delays to project work has required rephasing into 2020-21 onwards
11663000	A425 Daventry Road, Southam (Taylor Wimpey)	413	508	800	0	1,721	413	2	980	327	1,721	-506	0	Delays to project work has required rephasing into 2020-21 onwards
11664000	C8 Trinity Road, Kingsbury (St Modwen)	2	1,500	800	0	2,302	2	2,279	21	0	2,302	779	0	2020-21 Budget reprofiled due to higher spend than budgeted in 2019-20
11665000	D538 Station Road, Coleshill (Aldi Stores)	4	146	0	0	150	4	4	142	0	150	-142	0	Delays to project work has required rephasing into 2020-21 onwards
11666000	CCTV/UTC integration scheme on A3400 Birmingham Road Stratford (Bellway Homes)	0	0	85	0	85	0	0	85	0	85	0	0	

11667000	B4642 Coventry Road, Cawston. Developer – Miller Homes. Approximate value £250k	0	750	0	0	750	0	992	0	0	992	242	242	Additional spend funded from S278 debtor (to be reviewed)
11671000	B4455 Fosse Way / B4100 Banbury Rd (Jlr) Highway Impt S278	0	75	525	0	600	0	14	439	146	600	-61	0	Delays to project work has required rephasing into 2020-21 onwards
11672000	B4455 Fosse Way /A425 Southam Rd Roundabout Impt S278 (CEG)	0	75	425	0	500	0	45	342	114	500	-30	0	Delays to project work has required rephasing into 2020-21 onwards
11673000	B4455 Fosse Way /C43 Harbury Lane Impt Crossroads S278 (CEG)	0	75	1,025	0	1,100	0	0	825	275	1,100	-75	0	Delays to project work has required rephasing into 2020-21 onwards
11674000	B4100 Banbury Rd / Meadow Close Junction Impt S278 (CEG)	0	200	200	0	400	0	0	300	100	400	-200	0	Delays to project work has required rephasing into 2020-21 onwards
11675000	B4100 Banbury Rd / Kingston Grange Site Access Impt S278 (CEG)	0	400	500	0	900	0	636	264	0	900	236	0	2020-21 Budget reprofiled due to higher spend than budgeted in 2019-20
11676000	B4100 Banbury Rd / Site Access Lighthorne Heath Highways Impt S278 (IM Properties)	0	50	700	0	750	0	1	562	187	750	-49	0	Delays to project work has required rephasing into 2020-21 onwards
11684000	S278 Highway Impt C30 Hillmorton Lane To Houlton And The Kent Rugby	2,027	1,273	200	0	3,500	2,027	1,053	315	105	3,500	-220	-0	Delays to project work has required rephasing into 2020-21 onwards
11688000	S278 Highway Impts Rugby Free School	114	1,019	0	0	1,133	114	695	324	0	1,133	-324	0	Delays to project work has required rephasing into 2020-21
11695000	A4023 Coventry Highway, Mappleborough Green.	1	1,000	2,499	0	3,500	1	582	2,187	729	3,500	-418	-0	Delays to project work has required rephasing into 2020-21 onwards
11696000	A428 Crick Road, Rugby, Developers	11	1,300	0	0	1,311	11	1,262	38	0	1,311	-38	0	
11697000	A428 Hillmorton Road / B4429 Ashlawn Road, Rugby, Developers	0	500	700	0	1,200	0	3	897	299	1,200	-497	0	Delays to project work has required rephasing into 2020-21 onwards
11698000	B4632 Campden Road, Clifford Chambers. Developer	0	100	500	0	600	0	23	432	144	600	-77	-0	Delays to project work has required rephasing into 2020-21 onwards
11699000	B5000 Grendon Road, Polesworth, Developer	0	300	0	0	300	0	364	0	0	364	64	64	Additional spend funded from S278 debtor (to be reviewed)
11705000	A425 Banbury Road Warwick Highway Improvement S278 work for independent schools	1	449	0	0	450	1	441	8	0	450	-8	-0	
11706000	A452 Europa Way (North of Gallowes Hill) Highway Improvement S278 - Galliford Try	0	450	0	0	450	0	39	411	0	450	-411	0	Delays to project work has required rephasing into 2020-21
11707000	A47 Long Shoot Nuneaton Highways Improvement S278 Jelson Ltd	0	50	700	0	750	0	35	536	179	750	-15	-0	Delays to project work has required rephasing into 2020-21 onwards
11708000	B4035 Campden Road Shipston Highway Improvement S278 - Taylor Wimpey	0	100	1,150	0	1,250	0	19	924	308	1,250	-81	-0	Delays to project work has required rephasing into 2020-21 onwards
11709000	C11 Highham Lane Nuneaton Highway Improvement S278 - Persimmon	0	650	0	0	650	0	28	622	0	650	-622	0	Delays to project work has required rephasing into 2020-21
11732000	B4086 Wk Rd Kineton S278 Site Access Morris Homes C9389	0	1,000	0	0	1,000	0	24	976	0	1,000	-976	-0	Delays to project work has required rephasing into 2020-21
11733000	B4089 Arden Rd S278 Site Access Alcester Estates C9558	0	250	0	0	250	0	78	172	0	250	-172	0	Delays to project work has required rephasing into 2020-21
11734000	B4100 Temple Herdewyke Highways Impt S278 Dio C9618	0	1,500	0	0	1,500	0	35	1,465	0	1,500	-1,465	-0	Delays to project work has required rephasing into 2020-21
11743000	Junction Impt A3400 Shipston Rd SoA C8950 St Mowdens S278	0	250	2,250	0	2,500	0	0	1,875	625	2,500	-250	0	Delays to project work has required rephasing into 2020-21 onwards
11744000	Highways Impt A426 Rugby Rd C9401 David Wilson S278	0	1,000	2,500	0	3,500	0	90	2,557	852	3,500	-910	0	Delays to project work has required rephasing into 2020-21 onwards
11745000	Highways Impt Gallowes Hill C9042 Gallagher S278	0	500	3,000	0	3,500	0	42	2,594	865	3,500	-458	0	Delays to project work has required rephasing into 2020-21 onwards
11747000	C12 Tunnel Rd Highway Impt S278 Countryside Prop (C9836)	0	200	50	0	250	0	1	187	62	250	-199	0	Delays to project work has required rephasing into 2020-21 onwards
11748000	C88 Alwyn Road Rugby Highway Impt S278 Miller Homes (C9712)	0	250	0	0	250	0	2	248	0	250	-248	-0	Delays to project work has required rephasing into 2020-21
11749000	C93 Bishopton Lane SOA S278 Miller & T.Wimpey (C9163)	0	300	1,300	0	1,600	0	23	1,182	394	1,600	-277	0	Delays to project work has required rephasing into 2020-21 onwards
11751000	A428 Coventry Rd Long Lawford Junction IMPT C9593 Bloor	0	100	1,000	0	1,100	0	2	823	274	1,100	-98	0	Delays to project work has required rephasing into 2020-21 onwards
11752000	B4100 Banbury Rd Lighthorne Heath Highway IMPT C9830 Ceg	0	100	1,100	0	1,200	0	16	813	371	1,200	-84	0	Delays to project work has required rephasing into 2020-21 onwards
11753000	B4100 Banbury Rd / Kingsway Rdbt Highway IMPT C9829 Ceg	0	100	1,000	0	1,100	0	20	810	270	1,100	-80	0	Delays to project work has required rephasing into 2020-21 onwards
11754000	C33 Stockton Rd Long Itchington Highway IMPT C9631 Barratt	0	250	0	0	250	0	5	245	0	250	-245	-0	Delays to project work has required rephasing into 2020-21
11755000	C12 Plough Hill Rd , Nuneaton Highway IMPT C9746 Countryside	0	50	450	0	500	0	8	369	123	500	-42	0	Delays to project work has required rephasing into 2020-21 onwards
11757000	A425 Banbury Road and A452 Europa Way	0	50	3,450	0	3,500	0	1	2,624	875	3,500	-49	0	Delays to project work has required rephasing into 2020-21 onwards
11758000	B4632 Campden Road, Long Marston	0	75	2,425	0	2,500	0	19	1,807	674	2,500	-56	0	Delays to project work has required rephasing into 2020-21 onwards
11759000	Birmingham Road, A4177 , Hatton.	0	20	580	0	600	0	0	450	150	600	-20	0	Delays to project work has required rephasing into 2020-21 onwards
11760000	SOUTHAM Bypass A423 , Southam.	0	50	1,750	0	1,800	0	1	1,349	450	1,800	-49	-0	Delays to project work has required rephasing into 2020-21 onwards
11767000	A45 Stonebridge Highway / D2201 Rowley Road, Baginton	0	500	100	0	600	0	246	265	88	600	-254	0	Delays to project work has required rephasing into 2020-21 onwards
11768000	B4029 Severn Road, Bulkington	0	25	475	0	500	0	3	373	124	500	-22	-0	Delays to project work has required rephasing into 2020-21 onwards
11769000	B4632 Campden Road, Quinton	0	50	1,450	0	1,500	0	2	1,124	375	1,500	-48	0	Delays to project work has required rephasing into 2020-21 onwards
11770000	C33 Bubbenhall Road, Baginton (Gateway South)	0	100	500	0	600	0	46	416	139	600	-54	0	Delays to project work has required rephasing into 2020-21 onwards
11771000	D6216 Upper Henley Street, Stratford-upon-Avon	0	40	10	0	50	0	17	25	8	50	-23	-0	Delays to project work has required rephasing into 2020-21 onwards
11772000	M6 Junction 1 /A426 Leicester Road , Rugby	0	75	175	0	250	0	29	166	55	250	-46	-0	Delays to project work has required rephasing into 2020-21 onwards
11774000	C32 Birmingham Road (Farmers Market Roundabout C9670	0	0	0	0	0	0	1	0	0	1	1	1	Spend funded from S278 debtor (to be reviewed)
11810000	A46 Alcester Road, Stratford upon Avon	0	0	0	0	0	0	0	0	0	0	0	0	
11811000	B4632 Campden Road Clifford Chambers	0	0	0	0	0	0	0	0	0	0	0	0	
11812000	C43 Gallowes Hill Warwick	0	0	0	0	0	0	0	0	0	0	0	0	
11813000	D7069 Glasshouse Lane, Kenilworth	0	0	0	0	0	0	0	0	0	0	0	0	
11815000	C9802 A46 Stoneleigh Rd (Whitley South) S278	0	0	0	0	0	0	2	98	0	100	2	100	New project approved by Deputy Leader on 21.02.2020 initial budget £100K
Grand Total		181,699	58,794	67,411	25,087	332,990	181,699	41,476	79,976	47,001	350,151	-17,318	17,161	

Annex B Education Services - Ian Budd Strategic Director - Mark Ryder Portfolio Holders - Councillor Hayfield (Education & Learning)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	
Assistant Director - Education Services	3,165	4,784	1,619	(211)	(1,202)	(991)	2,953	3,582	628	There is a £667k overspend on the High Needs Block due to additional place funding for a growing Special Free School.
Education & Early Years (Commissioning & Strategy)	47,164	46,819	(345)	(4,214)	(4,577)	(363)	42,951	42,243	(708)	Difference between the actual average universal hours for 3/4yr olds varied by 4,800 hours per week compared the average hours on which the government funding in based. This caused a large underspend at year end which was offset by overspends on 2 year old funding. The DSG element of this underspend will need to be retained as part of the early years reserve to be used as a first call on the government adjustment which will be announced in July.
SEND & Inclusion (Commissioning & Strategy)	66,700	78,314	11,614	(2,995)	(5,478)	(2,483)	63,705	72,836	9,131	There is a overspend on the DSG High Needs block of £4.389m this is largely due to pressures on top up budgets. There is also an overall overspend on Core funded services of £4.743m, this is largely due to demand led pressures on Home to School Transport £1.492m and Children with Disabilities £2.995m. A large part of the overspend in Children with Disabilities is due to an increase for emergency social care agency staff who are employed to support children in the community as part of agreed and necessary packages. Due to the lack of highly skilled community services the CWD team is employing the services of specialist care agency staff to support some highly vulnerable and challenging young people. They are effectively providing round the clock care for individual young people with high end needs
Education Service Delivery	8,907	8,862	(45)	(7,650)	(7,510)	140	1,257	1,352	95	County Music had a large overspend of £200K at outturn. This was due to refunds processed in relation to COVID-19 of £23k, a reduction in hours requested by Academies that reduced income by £72K, invoices to schools that were not internally recharged by year end of £44K and invoices raised to parents on another system that were not transferred to Agresso of £61K. The overspends caused by Internal rechages and inconsistencies between payment systems will be explored in more detail in 2020/21 so that payment are accurately forecasted and paid in the correct financial year going forward.
Net Service Spending	125,936	138,779	12,843	(15,070)	(18,767)	(3,696)	110,866	120,013	9,147	
Education Services - DSG funded	81,588	85,295	3,707	(2,186)	(2,142)	44	79,402	83,153	3,751	
Education Services - Core funded	44,348	53,484	9,135	(12,884)	(16,624)	(3,740)	31,464	36,860	5,396	
Net Service Spending	125,936	138,779	12,842	(15,070)	(18,766)	(3,696)	110,866	120,013	9,147	

Education Services - Ian Budd Strategic Director - Mark Ryder Portfolio Holders - Councillor Hayfield (Education & Learning) 2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Access and Organisation; a reduction in planning costs, the removal of funding for vacant sites and removing the provision for the set-up costs of new schools	35	35	
Stop funding redundancy costs for schools and only provide for existing commitments	121	121	
Total	156	156	
Target		156	
Remaining Shortfall/(Over Achievement)		0	

Education Services - Ian Budd Strategic Director - Mark Ryder Portfolio Holders - Councillor Hayfield (Education & Learning)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
Education & Learning - Savings	0		(3,563)	3,563	0
SEND Earmarked Reserve	223	(223)			0
School Improvement Monitoring & Brokering Reserve	420		226		646
Education MIS Project	50		(6)		44
DSG Reserve	0		(5,854)		(5,854)
Virtual School for LAC	43		50		93
Early Years Delivery Support Fund	0				0
Total	736	(223)	(9,147)	3,563	(5,071)
Contributions to Directorate Risk Reserve				(3,563)	
Carry Forward Requests				(450)	

Education Services - Ian Budd
 Strategic Director - Mark Ryder
 Portfolio Holders - Councillor Hayfield (Education & Learning)

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action	
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's		
Learning - Devoled															
10554000	Devoled/School Level Budgets 2010/11 (Self-financed)	9,334	1,520	0	0	10,854	9,334	2,484	0	0	11,818	964	964	Schools devolved spend. Warwickshire County Council has no central control over this spending.	
Learning - Non Schools															
10008000	Education - S106 Financing	1	0	0	0	1	1	0	0	0	1	0	0		
11399000	CMS Musical Instruments 2015/16-2017-18	80	22	0	0	102	80	22	0	0	102	0	0		
11556000	Education MIS	426	0	0	0	426	426	0	0	0	426	0	0		
11557000	Early Years Capital Fund / Knightlow Children's Partnership	196	0	0	0	196	196	0	0	0	196	0	0		
11558000	Early Years Capital Fund / Nic Nac Pre-School	174	0	0	0	174	174	0	0	0	174	0	0		
11559000	Early Years Capital Fund / Acorn Wood Day Nursery	195	0	0	0	195	195	0	0	0	195	0	0		
11560000	Early Years Capital Fund / Brooklyn Day Nursery	0	0	0	0	0	0	0	0	0	0	0	0		
11583000	Early Years Capital Fund / Dunchurch Infants	132	54	0	0	186	132	0	54	0	186	-54	0	Delays in project to be investigated at Q1	
11715000	Marle Hall refurbishment works	35	0	0	0	35	35	0	0	0	35	0	0		
11750000	Pears Centre	0	10,640	500	0	11,140	0	10,609	531	0	11,140	-31	-0		
Learning - Other															
11393000	Minor Works Block Header 2015/16	663	0	0	0	663	663	0	0	0	663	0	0		
11476000	Nursery & pre school provision minor works	13	40	0	0	53	13	40	0	0	53	-0	-0		
11499000	Bidford Primary & Willow Tree Nursery separation works	33	0	0	0	33	33	-7	0	0	26	-7	-7	Creditor in 2018/19 on estimate order value - total invoice came in £7K lower than anticipated	
11571000	Bridges Childcare	58	0	0	0	58	58	0	0	0	58	0	0		
11573000	Planning & Development block header 17/18	24	176	0	0	200	24	17	60	99	200	-159	0	Slippage of £158K due to block header funds not being profiled over multiple years	
11621000	High Meadow Infant School - New Classrooms, group rooms and Toilets	257	487	1,590	0	2,335	257	250	40	1,787	2,335	-237	0	Project delays to be investigated in Q1	
11630000	Minor Works 18/19	158	130	0	0	288	158	168	0	0	326	38	38	Project costs for Weddington higher than expected and additional project (Cubbington) funding source not agreed	
11633000	Weddington Nursery Provision - demolition and new build	6	0	0	0	6	6	0	0	0	6	0	0		
11678000	Seedlings Nursery HRI Wellesbourne	0	120	0	0	120	0	119	2	0	120	-2	0		
11682000	Temporary classroom removal	54	96	0	0	150	54	41	55	0	150	-55	-0	Project delays to be investigated in Q1	
11683000	Healthy Pupil Capital Fund	0	0	0	0	0	0	0	0	0	0	0	0		
11741000	High Meadow Infant - additional funds	0	0	0	0	0	0	0	0	685	685	0	685	New project approved at the July 2019 Cabinet	
11807000	Nursery Schools - Capital fund to ensure access for children with SEND	0	0	0	0	0	0	0	0	0	0	0	0		
Primary - expansion															
11073000	All Saints Junior Extension (Pupil Places) Warwick	932	0	0	0	932	932	-0	0	0	932	-0	-0		
11102000	Newdigate Primary (Pupil Places) Bedworth	878	0	0	0	878	878	0	0	0	878	0	0		
11255000	Paddox School extension - targeted basic need	2,688	0	0	0	2,688	2,688	22	0	0	2,710	22	22	Increase in project costs that were unanticipated	
11263000	Long Lawford extension (pupil places)	773	0	0	0	773	773	-20	0	0	753	-20	-20	Final balance on project resulted in funds being released to take back to basic need	
11351000	Former Bridgeway CSS Centre - New KS2 Annexe For All Saints CE Infant School Bedworth	870	0	0	0	870	870	0	0	0	870	0	0		
11386000	Long Lawford Primary permanent expansion	2,259	882	0	0	3,141	2,259	388	494	0	3,141	-494	0	Delays in project to be investigated at Q1	
11389000	All Saints Primary, Nuneaton, replace temporary classrooms with new extension	752	-59	59	0	752	752	-59	0	0	692	0	-59	Creditor raised in 2018/19 with final payment being lower than anticipated - funding to be taken back to basic need	
11401000	Hillmorton Primary Permanent Expansion	3,041	0	0	0	3,041	3,041	0	0	0	3,041	0	0		
11468000	Oakfield Primary expansion (Academy)	530	-79	0	0	451	530	-79	0	0	451	-0	-0		
11470000	Nathaniel Newton Infants, extension re bulge class	182	4	0	0	186	182	-4	0	0	178	-8	-8	Order 20126922 creditor listed two years running - still not paid therefore to now be closed	
11471000	The Ferncumbe Primary School	100	0	20	0	120	100	0	20	0	120	0	0		
11493000	Coleshill Church of England Primary School - contribution to additional classroom for bulge class	271	5	0	0	275	271	-1	5	0	275	-5	0	Awaiting final payment	
11497000	Acorns Primary School, Long Compton - new temporary classroom	39	221	0	0	260	39	190	31	0	260	-31	-0	Delays in project to be investigated at Q1	
11500000	Northlands Primary School - bulge class additional toilets & security door relocation	73	0	0	0	73	73	1	0	0	74	1	1	Unanticipated additional final costs	
11565000	Ettington Primary School	60	0	0	0	60	60	-0	0	0	60	-0	-0	Closure of project funding taken back to basic need	
11566000	The Ferncumbe Primary School	59	470	0	0	530	59	433	37	0	530	-37	0	Delays in project to be investigated at Q1	

11568000	Welford on Avon Primary School	193	1,659	0	0	1,852	193	1,717	0	0	1,910	58	58	Overspend on project due to unforeseen costs
11570000	Coten End Kitchen Extension	168	0	0	0	168	168	0	0	0	168	-0	-0	
11620000	Newdigate Primary School - Expansion and Internal refurb	304	110	1,326	0	1,740	304	30	0	1,405	1,740	-79	0	Delays in project to be investigated at Q1
11627000	Wellesbourne Primary School - new small hall and servery to the annex site	131	794	0	0	925	131	717	78	0	925	-78	-0	Delays in project to be investigated at Q1
11628000	Michael Drayton Primary - Expansion	1,250	1,235	0	0	2,484	1,250	1,179	56	0	2,484	-56	0	Delays in project to be investigated at Q1
11646000	Barford St Peters Primary	234	17	0	0	252	234	1	17	0	252	-17	-0	Delays in project to be investigated at Q1
11647000	Coleshill Primary	291	25	0	0	316	291	-39	0	0	252	-64	-64	Creditor raised in 22018/19 with final payment being lower than anticipated - funding to be taken back to basic need
11677000	Harbury Primary School - Internal Alterations	0	0	0	0	0	0	0	93	0	93	0	93	Grant payment to school from S106 - Developer funds have not yet been received (need to be receipted before payment can be made)
11738000	Harbury Primary, Internal redevelopment and reconfiguration	0	60	0	0	60	0	60	0	0	60	-0	-0	
11739000	Harbury Pre School, Reconfiguration	0	23	0	0	23	0	23	0	0	23	0	0	
11740000	Bidford Bright Stars Nursery, External Equipment	0	58	0	0	58	0	0	58	0	58	-58	0	Slippage in transfer of funds to the Nuser - Payment made in April 2020
11777000	Heathcote Primary Expansion	0	0	0	0	0	0	89	0	2,605	2,694	89	2,694	New project approved at the November 2019 Cabinet and December council for £2,694.156
11779000	Whitnash Primary School expansion	0	0	0	0	0	0	0	0	1,000	1,000	0	1,000	New project approved at the November 2019 Cabinet and December council for £1,000.000
11780000	St Gabriel's CoE Academy internal alterations	0	0	0	0	0	0	0	130	0	130	0	130	New project approved at the November 2019 Cabinet and December council for £130,000.
11781000	Brailes CoE Primary School classroom extension	0	0	0	0	0	0	0	150	0	150	0	150	New project approved at the November 2019 Cabinet and December council for £150,000.
Primary - new														
11313000	Aylesford Primary School - new primary provision at Aylesford school	3,006	10	0	0	3,016	3,006	0	0	0	3,006	-10	-10	Project completed - Remaining budget to be taken back to Basic Need
11384000	New School, The Gateway, Rugby	50	350	2,750	2,265	5,416	50	220	2,880	2,265	5,416	-130	0	Delays in the project to be investigated at Q1
11391000	New school, South Warwick (Heathcote Farm site)	3,569	90	0	0	3,659	3,569	238	0	0	3,806	148	148	Project overbudget - to be investigated at Q1
11480000	Water Orton Primary School (re HS2 Conditional)	4,807	1,343	0	0	6,150	4,807	1,353	0	0	6,160	10	10	
Primary - other														
11319000	Eastlands Primary Temporary Classroom	107	35	60	0	202	107	0	95	0	202	-35	0	Delay in project to be investigated at Q1
11321000	Long Lawford Pri temporary classroom	364	6	0	0	371	364	21	0	0	385	14	14	Overspend to budget to be investigated at Q1
11267000	2013-14 Schools Disability Access block header	671	0	0	0	671	671	-0	0	0	671	-0	-0	Final balances on projects resulting in a net reduction in funding required and funds therefore being released back to Basic Need
11479000	Access works for SEN 16-17	169	0	0	0	169	169	-0	0	0	169	-0	-0	Final balance on project resulting in funds being released to take back to Basic Need
11629000	DDA Blockheader 18/19	675	18	0	0	693	675	37	0	0	712	19	19	Projects costs greater than anticipated - to be investigated at Q1
11728000	DDA Blockheader 19/20	0	374	0	0	374	0	408	0	0	408	34	34	Projects costs greater than anticipated - to be investigated at Q1
11800000	Schools Access - Investment in school adaptations to reflect pupils access needs	0	0	0	0	0	0	0	400	0	400	0	400	New project approved as part of the February budget resolutions
Secondary - expansion														
11472000	Kineton High School	3167	0	125	0	3,291	3,167	11	114	0	3,291	11	-0	Gas safety works done in advance of project work in 2020/21
11619000	Campion Phase 1 (incl Sports Hall Refurb)	572	4,728	2,267	0	7,567	572	4,552	2,443	0	7,567	-176	-0	Delay in project to be investigated at Q1
11645000	Coleshill Secondary School	459	2,735	0	0	3,194	459	2,522	214	0	3,194	-214	0	Delay in project to be investigated at Q1
11681000	Polesworth PSBP2	0	200	0	0	200	0	0	200	0	200	-200	0	Delay in project to be investigated at Q1
11742000	The Avon Valley School, Alternative Provision Accommodation	0	28	0	0	28	0	28	0	0	28	0	0	
11776000	Campion School Expansion Phase 2	0	0	0	0	0	0	1	2,408	6,571	8,979	1	8,979	New project approved at November 2019 Cabinet (fully funded by S106 with £6,570,571 of forwards funding from Basic need)
Secondary - new														
11730000	New School Leamington	0	350	0	0	350	0	100	250	0	350	-250	0	Delay in Design and feasibility work on the project
Secondary - other														
11498000	Etone Secondary School grounds resurfacing & expansion enabling works	41	0	0	0	41	41	0	0	0	41	0	0	
SEN - other														
11180000	Welcombe Hills vehicle access alterations	8	0	442	0	450	8	0	442	0	450	0	0	
11406000	SEN Resource base provision - Primary schools	0	0	0	0	0	0	0	0	0	0	0	0	
11408000	Boughton Leigh Junior Specialist Inclusion Support Group	11	-11	0	0	0	11	-11	0	0	0	0	0	Creditor raised two years running that will now not materialise - Order to be closed and funding to be taken back to Basic Need
11495000	Stockingford Primary School new SIGS module building	358	7	0	0	365	358	-1	8	0	365	-8	0	Delay in project to be investigated at Q1
11569000	Paddox Primary SIGS	8	405	0	0	414	8	178	227	0	414	-227	-0	Delay in project to be investigated at Q1
11589000	SEND facilities block	48	203	0	0	250	48	10	193	0	250	-193	-0	Delay in project to be investigated at Q1

11631000	Specialist Nurture Provision at Special School	0	200	0	0	200	0	0	200	0	200	-200	0	Delay in project to be investigated at Q1
11819000	Arden Fields, Food Tech Rooms	0	0	0	0	0	0	5	0	0	5	5	5	
SEN - expansion														
11257000	Welcombe Hills school extension Targeted Basic Need	1,018	0	0	0	1,018	1,018	8	2	0	1,028	8	10	Final payments on project
11622000	Oakwood Special School - Conversion of music room to specialist teaching room	26	0	0	0	26	26	0	0	0	26	0	0	
11729000	Oakwood Special School - Conversion of ICT Room	0	85	0	0	85	0	64	21	0	85	-21	0	Delay in project to be investigated at Q1
11623000	Ridgeway School - Reconfiguration of classrooms	0	0	60	0	60	0	0	0	60	60	0	0	
11624000	Round Oak School - Reconfiguration of classrooms	0	0	190	0	190	0	0	0	190	190	0	0	
11641000	Keeping SEND children local	0	190	0	0	190	0	0	190	0	190	-190	0	Delay in projects to be investigated at Q1
11680000	Exhall Grange Modular Pod	536	385	0	0	920	536	446	0	0	981	61	61	Increase in project costs to be investigated at Q1
SEN - new														
11350000	New AEN School McIntyre Discovery Academy (Former Manor Park)	6,007	0	0	0	6,007	6,007	-3	0	0	6,004	-3	-3	Creditor raised in 2018/19 with final payment being lower than anticipated - funding to be taken back to Basic Need
11644000	Water Orton Evergreen Unit	10	640	0	0	650	10	573	67	0	650	-67	0	Delay in project to be investigated at Q1
11736000	Weddington Primary School - Bulge Class	0	150	0	0	150	0	4	26	120	150	-146	0	Delays in project to be investigated at Q1
11737000	Southam Primary/Pre School, Pre School relocation	0	424	0	0	424	0	33	195	196	424	-392	-0	Delays in project to be investigated at Q1
11262000	Cawston Grange extension (pupil places)	0	12	0	0	12	0	23	0	0	23	11	11	Increase in project costs that were unanticipated
11331000	Newburgh Primary School - New Play Area	0	7	0	0	7	0	7	0	0	7	-0	-0	
Grand Total		53,607	31,674	9,388	2,265	96,934	53,607	29,213	12,484	16,983	112,287	-2,461	15,353	

Annex C										
Chief Fire Officer - Kieran Amos										
Strategic Director - Mark Ryder										
Portfolio Holders - Councillor Crump (Fire and Community Safety)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Service Delivery - Operational Response	11,578	11,638	60	(20)	(36)	(16)	11,558	11,602	44	Over the past 12 months the Service has experienced longer terms of sickness absence and a number of retirements thus increasing our use of crewing pool resources and attracting additional costs. Recruitment, changes to existing shift patterns and robust sickness absence monitoring should see this additional expenditure reduce in the near future.
Service Delivery - Prevention	718	781	63	(253)	(331)	(78)	465	450	(15)	This includes an underspend against the Vulnerable Persons funding for services delivered in partnership with Public Health. The Service would request that any underspends are transferred into the specific "Vulnerable People" reserve as the demands are unpredictable, especially in the current climate. It may not reflect the additional demands on the service in recent weeks.
Service Delivery - Planning & Protection	977	945	(32)	(1)	(3)	(2)	976	942	(34)	Staff vacancies within the Operational Planning department have presented an underspend of £17k. The remaining balance is made up of minor variations across a number of budgets.
Service Delivery - Fire Control	865	887	21	(64)	(87)	(23)	801	800	(2)	
Service Support - Technical Support	2,307	2,493	186	0	(96)	(96)	2,307	2,398	90	The Service has needed to maintain capacity within the Technical Support Department to cover long term sickness absence. In addition to this there are a number of small pieces of operational equipment that required maintenance/replacement. The Service planned to fund this expenditure from the Service Saving Reserve at year end.
Service Support - Training & Development	1,699	1,898	199	(161)	(162)	(2)	1,538	1,736	197	The pending implementation of corporate HR Policy in relation to flexible retirement, along with the drive to streamline systems has delayed the achievement of savings within Health & Safety. The Service will continue to monitor progress, and identify any required management action. In addition to this the Service ran two recruitment campaigns during 2019/20. The additional cost of training the new recruits coupled with the need to outsource breathing apparatus training, as a result of the delay in the completion of WFRS new training facility, has presented this overspend. The Service has a training reserve to support this planned expenditure.
Service Improvement - Business Transformation & Projects	481	588	107	0	(171)	(171)	481	417	(65)	This variance is a net effect of additional grant income from the Home Office, this will need to be contributed to the ESN reserve at year end to fund project expenditure in 2020-21 (£141k). Coupled with expenditure relating to the Joint Control Project (£112k) which will be supported by the specific reserve at year end.
Brigade Management	833	862	29	0	0	0	833	862	29	
Service Support - HR, IT, Finance & Pensions	1,549	1,432	(118)	(3)	(5)	(2)	1,546	1,427	(119)	The reason for this underspend primarily relates to Firefighter Pensions and is a result of no ill-health retirements. The remaining balance is a combination of smaller variances across several budgets.
Net Service Spending	21,009	21,523	514	(502)	(892)	(390)	20,507	20,631	124	

Chief Fire Officer - Kieran Amos Strategic Director - Mark Ryder Portfolio Holders - Councillor Crump (Fire and Community Safety)			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Reduce the budget for pensions and ill-health retirements	100	100	
Introduction of a single control room as part of the work on the MoJ with West Midlands	300	300	
Use of reserves (one-off) to provide funding for phasing as it is unlikely the control room savings will materialise in 2019/20	(300)	(300)	
Asset reductions and reconfiguration of fleet maintenance	85	85	
Health and Safety services	46	46	
Review of whole-time deployment, with a view to reducing the number of whole-time firefighters	138	138	
Total	369	369	
Target		369	
Remaining Shortfall/(Over Achievement)		0	

Chief Fire Officer - Kieran Amos Strategic Director - Mark Ryder Portfolio Holders - Councillor Crump (Fire and Community Safety)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
Pensions Reserve	268	0	65		333
Fire Control Project	153	0	(153)		0
Service Savings Reserve	525	0	(130)	(395)	0
Fire Services - ESN (ESMCP)	583	0	183		766
Replacement Systems FRS Project	470	0	9	(479)	0
Vulnerable People	29	0	55		84
Operational Training	195	0	(151)	(43)	0
Total	2,223	0	(124)	(917)	1,182
Contributions to Directorate Risk Reserve				917	
Carry Forward Requests					

Chief Fire Officer - Kieran Amos
Strategic Director - Mark Ryder
Portfolio Holders - Councillor Crump (Fire and Community Safety)

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
11660000	Vehicle Replacement Programme 2018/19	55	0	0	0	55	55	0	0	0	55	0	0	
11726000	Vehicle Replacement Programme 2019/20	0	931	0	0	931	0	933	0	0	933	2	2	
11798000	Vehicle Replacement Programme 2019/21	0	0	0	0	0	0	0	1,142	0	1,142	0	1,142	This is the first forecast for the 2020/21 vehicle replacement programme.
Sub Total - F&R Self Financing Projects		55	931	0	0	986	55	933	1,142	0	2,130	2	1,144	
11300000	Equipment for new Fire Appliances 2017/18	139	0	0	0	139	139	0	0	0	139	0	0	
11448000	Equipment for new Fire Appliances 2018/19	31	0	0	0	31	31	0	0	0	31	0	0	
11544000	Equipment for new Fire Appliances 2019/20	0	166	80	0	246	0	169	0	0	169	3	-77	
11797000	Equipment for new Fire Appliances 2020/21	0	0	0	0	0	0	0	207	0	207	0	207	Includes the unspent balance of £87k from the 2019/20 equipment project 11544000. This is due to manufacturing delays, the equipment is due for delivery in May 20.
Sub Total - Projects Funded from Corporate Resources		170	166	80	0	416	170	169	207	0	546	3	130	
11229000	New Fire & Rescue Centre Leamington Spa	3,141	0	0	0	3,141	3,141	0	0	0	3,141	0	0	
11601000	Fire & Rescue HQ Leamington Spa	15	42	2,236	0	2,293	15	42	2,236	0	2,293	0	0	
Sub Total - F&R Future Estate Project		3,156	42	2,236	0	5,434	3,156	42	2,236	0	5,434	0	0	
11154000	Warwickshire Fire Control Provision - Funded from CLG Fire Control Grant	849	83	0	0	932	849	91	0	0	940	7	7	
Sub Total - Fire Control Project		849	83	0	0	932	849	91	0	0	940	7	7	
11374000	Training Centre - New Build	1,412	0	700	0	2,112	1,412	2	700	0	2,114	2	2	Included within this project was the provision of a response location funded by government grant. Since aborting this project, the Service has been working on plans for an alternative Response location within Rugby South area and this should meet the conditions of the original grant funding.
11600000	WFRS Water Training Facility	0	0	0	0	0	0	0	0	0	0	0	0	
11700000	F&R Training Programme: Radford Road	0	9	1,524	0	1,533	0	99	1,433	0	1,533	90	-0	Payment of External Professional, Legal and Property Service fees made ahead of original forecast.
11701000	F&R Training Programme: Stratford	0	204	0	0	204	0	44	157	0	202	-159	-2	The commencement of this project has been realigned to the overall training programme and is due for completion during 2020/21.
11702000	F&R Training Programme: Kingsbury	0	797	150	0	947	0	87	861	0	947	-711	0	The commencement of this project has been realigned to the overall training programme and is due for completion during 2020/21.
11703000	F&R Training Programme: EA Water site	0	226	200	0	426	0	15	200	212	426	-212	-0	The commencement of this project has been realigned to the overall training programme and is due for completion during 21/22 this is primarily due to the bespoke/specialist design.
Sub Total - F&R Training Programme		1,412	1,236	2,574	0	5,222	1,412	247	3,351	212	5,222	-989	-0	
11766000	WFRS Emergency Services Network - Phase 1	0	201	732	0	933	0	0	587	346	933	-201	0	Two elements of this project have been delayed. The Vision Command & Control System upgrade and Station End Equipment replacement. Both of these projects are dependant on the upgrade of Incident Command & Control System which isn't due for completion until Jan 2021.
Sub Total - F&R Emergency Services Network		0	201	732	0	933	0	0	587	346	933	-201	0	
Grand Total		5,642	2,659	5,622	0	13,923	5,642	1,481	7,523	558	15,204	-1,178	1,281	

Annex D

Strategic Commissioner - Communities - Dave Ayton-Hill

Strategic Director - Mark Ryder

Portfolio Holders - Councillor Clarke (Transport & Environment), Heather Timms, Isobel Seccombe

2019/20 Revenue Budget

Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Assistant Director - Communities	1,035	1,351	316	(1)	(55)	(54)	1,034	1,297	263	Legal fees additional £112k against budget, unrealised savings line of £72k, unallocated corporate insurance charges £69k.
Transport & Highways	8,637	8,787	150	(8,134)	(7,888)	245	504	899	396	Unrealised income target in Parking Management in relation to savings proposals
Infrastructure & Sustainable Communities	3,065	3,035	(30)	(1,304)	(1,605)	(301)	1,761	1,430	(330)	£250k funding earmarked for Coventry City of Culture was delayed as was other project work.
Waste & Environment	22,257	22,526	270	(3,179)	(3,495)	(317)	19,078	19,031	(47)	
Economy & Skills	3,527	3,408	(119)	(2,641)	(2,450)	191	886	958	72	Revenue overspend in relation to additional planned capital works at Eliot Park. Underspend in Economy and Skills due to changes to profiles for grant funded business support programmes.
Net Service Spending	38,521	39,108	587	(15,259)	(15,494)	(235)	23,262	23,615	353	

Strategic Commissioner - Communities - Dave Ayton-Hill Strategic Director - Mark Ryder Portfolio Holders - Councillor Clarke (Transport & Environment), Heather Timms, Isobel Seccombe			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Waste Management - a reduction in the waste tonnage going to landfill	193	193	
Communities Resources - a reduction in activity and staffing to focus on statutory activity such as freedom of information requests and information governance matters.	21	21	
Increased income from the current portfolio of business centres as a result of sustained higher levels of occupancy and through pro-active measures to improve service quality to enable increased rents in line with market conditions	30	30	
Increased income by developing portfolio of business centres, creating new units in areas of demand to support local economic growth and generate a positive financial return to the Council	80	80	
Reduction in depot maintenance costs as a result of rationalising depots to a single south depot.	75	75	
Increase parking income as a result of re-tendering for the Civil Parking Enforcement operation, increased residential parking permits and onstreet parking charges	44	44	
Increased income by the introduction of a new charging schedule for parking permits, including a consideration of a business parking permit scheme.	698	330	The savings plan could not be implemented - as this was known at an early stage some mitigation has taken place throughout the year.
Total	1,141	773	
Target		1,141	
Remaining Shortfall/(Over Achievement)		368	

Strategic Commissioner - Communities - Dave Ayton-Hill Strategic Director - Mark Ryder Portfolio Holders - Councillor Clarke (Transport & Environment), Heather Timms, Isobel Seccombe					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
Waste Management	0				0
Local Resilience Forum - Brexit Funding	38	(38)			0
Community Services - Trading	51			(51)	0
Communities - Savings	761		(376)	(385)	(0)
Business Centres	150		(150)		0
Speed Workshops	813		12		825
Kenilworth Station	500		52		552
Development Group Realignment Costs	75	(75)			0
European Match Funding	276	(110)			166
Skills Delivery for Economic Growth	206	(110)	35		131
Rural Growth Network	278	(110)	74		242
Womens Cycle Race 2016	200	(200)			0
Total	3,348	(643)	(353)	(436)	1,917
Contributions to Directorate Risk Reserve				436	
Carry Forward Requests				(315)	

Strategic Commissioner - Communities - Dave Ayton-Hill
 Strategic Director - Mark Ryder
 Portfolio Holders - Councillor Clarke (Transport & Environment), Heather Timms, Isobel Secombe

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
Area Delegated Funded Schemes														
10491000	Highways Maint/Road Safety 2013/14 Rugby Area Com	559	0	0	0	559	559	0	0	0	559	0	0	
11275000	Nuneaton and Bedworth Area Committee	476	0	0	0	476	476	0	0	0	476	0	0	
11276000	Rugby Area Committee	416	0	36	0	452	416	0	36	0	452	0	0	
11278000	Warwick Area Committee	430	0	0	0	430	430	0	0	0	430	0	0	
11354000	Area Delegated Funding 17-18	29	10	295	0	335	29	-8	246	27	294	-18	-41	Budget moved to new year
11394000	Transport & Roads Area Delegated Funding	516	8	0	0	525	516	0	0	0	516	-8	-8	Budget moved to code 11354002
11395000	Street Lights Area Delegated Funding	162	0	0	0	162	162	0	0	0	162	-0	-0	Moved to 11354002
11396000	County Highways Area Delegated Funding	275	39	0	0	314	275	39	0	0	314	0	0	
11398000	Design Services Area Delegated Funding	149	0	11	0	160	149	-4	7	0	160	-4	-4	
11452000	Area Delegated Funding 18-19	0	0	2,405	0	2,405	0	0	2,188	0	2,188	0	-216	Budget transfer to new codes
11483000	Delegated Budget 2016-17 Traffic Signals & pedestrian crossings	97	0	0	0	97	97	-12	12	0	97	-12	-12	Credit moved to new year
11485000	Delegated Budget 2016-17 Road Safety	501	66	0	0	566	501	0	66	0	566	-66	-66	Budget moved to new year
11487000	Delegated Budget 2016-17 Transport Planning	112	13	0	0	125	112	-0	13	0	125	-13	-13	Budget moved to new year
11488000	Delegated Budget 2016-17 Casualty reduction	158	79	0	0	237	158	2	77	0	237	-77	-77	Budget moved to new year
11489000	Delegated Budget 2016-17 Street Lighting	17	0	0	0	17	17	0	0	0	17	0	0	
11490000	Delegated Budget 2016-17 Programmes	410	137	0	0	547	410	137	0	0	547	0	0	
11547000	Area Delegated Funding 19-20	0	0	0	0	0	0	0	0	0	0	0	0	
11588000	Delegated Budget For Traffic Signals Gaf Din 2017 /2018	1	5	0	0	6	1	0	5	0	6	-5	-5	Budget moved to new year
11590000	Delegated Budget 2017-18 Road Safety	612	176	0	0	789	612	60	121	0	793	-116	-116	Budget moved to new year
11592000	Delegated 17-18 County Highways	516	69	0	0	585	516	48	36	0	600	-22	-22	Budget added to schemes and moved to new year
11593000	Delegated Budget 2017-18 Transport Planning	41	9	0	0	50	41	0	9	0	50	-9	-9	Budget moved to new year
11594000	Delegated Budget 2017-18 Street Lighting	14	2	0	0	16	14	2	0	0	16	-0	-0	
11652000	Jo Edwards Delegated Schemes 2018 2019	301	697	0	0	998	301	240	477	0	1,018	-457	-457	Budget moved to new year
11653000	John Grant Delegated Schemes 2018 2019	645	183	0	0	827	645	-3	179	0	828	-178	-178	New budgets
11654000	Gaf Din Delegated Schemes 2018 2019	0	0	0	0	0	0	0	0	0	0	0	0	
11655000	Mike Cunningham Delegated Schemes 2018 2019	7	1	0	0	7	7	1	0	0	7	0	0	
11656000	Nigel Whyte Delegated Schemes 2018 2019	75	12	0	0	86	75	-3	15	0	86	-15	-15	Budget moved to new year
11721000	Traffic Signals Delegated Budget 2019 2020	0	0	0	0	0	0	0	0	0	0	0	0	
11722000	St Lighting Delegated Budget 2019 2020	0	6	0	0	6	0	0	6	0	6	-6	-6	Budget moved to new year
11723000	County Highways Base Delegated Budget 2019 2020	0	544	0	0	544	0	368	249	0	617	-176	-176	New budgets
11724000	Traffic Road Safety Delegated Budgets 2019 2020	0	886	0	0	886	0	259	766	0	1,025	-627	-627	New budget and transfer to new year
11725000	Bus Shelter Infrastructure 2019 2020 Delegated Budgets	0	158	0	0	158	0	83	87	0	170	-75	-75	New budget and transfer to new year
11799000	Area Delegated Budget 2020-21	0	0	0	0	0	0	0	0	2,000	2,000	0	2,000	New budget moved to new year
Integrated Transport - Cycle Schemes														
10324000	Lawford Road Cycle Route	498	0	0	0	498	498	0	0	0	498	0	0	
10385000	Warwick, Myton Rd Cycle Link (Myton and Warwick School)	151	0	0	0	151	151	9	0	0	161	9	9	Spend not previously forecast in 2019-20 - overspent Corp Res to be reimbursed from Revenue in 2020-21
10434000	North West Warwick Cycle Scheme	781	0	0	0	781	781	0	0	0	781	-0	-0	Project to be reviewed Q1 2020-21
11330000	Fillongley Crossroads realigning crossroad Junction	232	0	0	0	232	232	0	0	0	232	0	0	Overspent corporate resource in prior years to be reimbursed in 2020-21
11762000	Nuneaton to Coventry Cycle Route	0	20	300	692	1,012	0	8	312	692	1,012	-12	-12	Delay in project works requiring reprofile of budget for 2020/21
11765000	Hincley to Nuneaton Cycle Route	0	15	260	163	438	0	16	259	163	438	1	-0	Delay in project works requiring reprofile of budget for 2020/21
11778000	Cycle Route Leamington to Kenilworth	0	0	0	0	0	0	22	1,500	3,227	4,749	22	4,749	CIF Funding of £4.749M approved by Full Council on 17 December
Integrated Transport - Other Schemes														
11456000	Stratford Park & Ride site alterations	87	12	0	0	99	87	-1	13	0	99	-13	-13	Delays to the project mean it will continue into 2020/21
11650000	Electric Vehicle Charging Points	15	0	0	0	15	15	-5	0	0	9	-5	-5	Receipt of an old year credit
11710000	Land at Crick Road Rugby (Rugby Parkway)	0	150	2,487	0	2,637	0	0	2,637	0	2,637	-150	-150	Delays to the project
11773000	CFM New Vehicle Reg No VO17ZJY Hyundai	0	0	0	0	0	0	8	0	0	8	8	8	Revenue contribution transfer
Integrated Transport - Public Transport														
11193000	Access to Stations - Leamington	212	0	0	0	212	212	0	0	0	212	0	0	
11325000	Stratford Town Station Upgrade	127	110	0	0	237	127	110	0	0	237	0	0	
Economic Development														
10154000	Centenary Business Centre Phase 3	1,883	7	0	0	1,890	1,883	6	0	0	1,889	-1	-1	This work is now complete - there is no requirement for anymore funding.
10258000	Nuneaton and Bedworth Town Centre - Queens Road West Improvements	634	36	50	0	720	634	24	35	28	720	-12	-12	One project costed at £7k was delayed due to planning permission but will be implemented early in 2020/21. The balance of funding will be used to cover Town Centre Recovery projects.
11425000	Capital Growth Fund Business Loans and Grants	1,663	225	195	617	2,700	1,663	223	117	697	2,700	-2	-2	
11549000	Vicarage Street Site Investigations	30	0	0	0	30	30	0	0	0	30	0	0	
11596000	Eliot Park Innovation Centre - improvements to the car park	462	0	0	0	462	462	-4	0	0	458	-4	-4	This work is now completed - there was a credit issued in 2019/20 for works completed in 2018/19 which has reduced the total spend.
11612000	Capital Investment Fund/Duplex Fund	0	700	992	308	2,000	0	900	0	1,100	2,000	200	-0	Variance in 2019/20 due to increased demand from businesses in Q4
11613000	Capital Investment Fund/Small Business Grants	169	270	361	200	1,000	169	290	339	202	1,000	21	21	Modest variance in 2019/20 due to increased demand from businesses
11668000	Business Centre Strategy	91	255	0	0	346	91	246	40	0	377	-9	-9	Finalising the re-branding of the Business Centres and completing the Conference and Business Club Facilities - to be funded from revenue contributions.
11536004	Country Parks Car Parking Area, Ryton	0	0	0	0	0	0	0	0	0	0	0	0	
Economic Development - Transforming Nuneaton														
11746000	Transforming Nuneaton - Coop Building Purchase	0	1,500	0	0	1,500	0	1,500	0	0	1,500	0	0	
11611000	Transforming Nuneaton	165	4,220	3,170	0	7,555	165	4,243	4,418	18,624	27,450	23	19,895	CIF bid approved Dec 2019 £19.423m added to programme plus £500k external funding
11775000	Transforming Nuneaton - Library & Business Centre	0	0	0	0	0	0	0	0	0	0	0	0	
Major Transport Projects														
10362000	Kenilworth Station	13,003	25	880	0	13,908	13,003	41	864	0	13,908	16	0	Conclusion of final payment negotiations still awaited
10366000	Stratford-upon-Avon Local Sustainable Transport Project	5,597	0	0	0	5,597	5,597	0	0	0	5,597	0	0	
10981000	NUCKLE	1,897	0	0	0	1,897	1,897	0	0	0	1,897	0	0	
11339000	Bermuda Connectivity	1,623	873	4,705	1,700	8,900	1,623	636	4,941	1,700	8,900	-237	-237	Some delays in technical sign off delaying work to 2020-21
Waste Management														
10207000	Waste Strategy - Waste Treatment & Transfer Facility	1,529	34	0	0	1,563	1,529	0	34	0	1,563	-34	-34	Delays in the implementation of the data system have pushed the project into 2020/21
10454000	Lower House Farm	5,596	0	0	0	5,596	5,596	0	0	0	5,596	0	0	
11303000	HWRC Maintenance 2016/17	46	0	0	0	46	46	0	0	0	46	0	0	
11304000	HWRC Maintenance 2017/18	54	0	0	0	54	54	0	0	0	54	0	0	
11450000	HWRC Maintenance 2018/19	25	0	0	0	25	25	0	0	0	25	0	0	
11535000	HWRC Maintenance 2019/20	0	80	24	0	104	0	72	0	0	72	-8	-32	Use of corporate resources to happen in future years
11714000	Waste Handling and compaction equipment HWRC	0	581	0	0	581	0	581	0	0	581	-0	-0	
11784000	HWRC Maintenance 2020/21	0	0	0	0	0	0	0	80	0	80	0	0	80 Additional £80k annual maintenance per Budget Resolution

Annex E										
Social Care & Support - Pete Sidgwick										
Strategic Director - Nigel Minns										
Portfolio Holders - Councillor Caborn (Adult Social Care & Health)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Net Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	
Assistant Director - Adult Social Care	11,587	10,794	(793)	(700)	(228)	472	10,887	10,565	(322)	Underspends due to early achievement of savings and ASC Transformation projects.
Disabilities	78,621	79,729	1,108	(8,966)	(8,646)	320	69,655	71,083	1,428	Learning Disabilities supported living is a continued pressure area with a £1.428m overspend across the North and the South. Increased placements in supported livings which is community-based care is in line with both national and local strategy. The over spend is mitigated by under spend in the contingency budget held by the service manager.
Mental Health	9,961	11,455	1,494	(523)	(888)	(365)	9,438	10,566	1,128	Overspend of £1.6m on service budgets due to demographic pressures. AMH budget allocation is for 18-65 yrs old. Increased pressure for Older People (65+) with more complex mental health issues is included here, partly offsetting the underspend within Older People. Health income and staffing underspends bring this down to £1.1m service overspend
Older People	75,049	77,243	2,194	(27,637)	(32,117)	(4,480)	47,412	45,126	(2,286)	Additional recovery of social care charges (client contributions) of £4.494m were largely offset by additional care costs of £3.072m. A reduction in direct payments (£0.187m) and savings on consultancy costs (£0.600m) also contributed to the overall underspend.
Integrated Care Services	10,079	8,961	(1,118)	(231)	(195)	36	9,848	8,767	(1,082)	Underspend is a combination of reduced staffing costs due to continued vacancies across the service and reduced expenditure for AT equipment.
Development & Assurance	2,681	3,006	325	(1,170)	(972)	198	1,511	2,034	523	Overspend on Transport of £373k, overspend of £161k on Advocacy / appointeeship contract due to missed recharge at year end (corresponding underspends elsewhere in ASC)
Net Service Spending	187,977	191,187	3,210	(39,227)	(43,046)	(3,819)	148,751	148,141	(610)	

Social Care & Support - Pete Sidgwick Strategic Director - Nigel Minns Portfolio Holders - Councillor Caborn (Adult Social Care & Health)			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Service redesign for Social Care and Support teams (except Reablement - separate savings plan), reshaping the workforce to meet the future model of adult social care	550	550	
Use alternative 24 hour care options e.g. extra care housing and supported living	625	625	
Alternative solutions for low level needs for home care e.g. assistive technology, information, advice and community resources	184	184	
Remodel direct payment employment support services	150	150	
Reshaping the information and advice contract aimed at supporting people to return home safely from hospital	100	100	
Reduction of demand through early intervention and prevention, with the demand for social care not increasing as budgeted in 2018/19	631	631	
Total	2,240	2,240	
Target		2,240	
Remaining Shortfall/(Over Achievement)		0	

Social Care & Support - Pete Sidgwick Strategic Director - Nigel Minns Portfolio Holders - Councillor Caborn (Adult Social Care & Health)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer Request (To)/From Reserves £'000	Closing Balance 31.03.20 £'000
Social Care and Support - Savings	13,803	0	610	(14,413)	0
Total	13,803	0	610	(14,413)	(0)
Contributions to Directorate Risk Reserve				14,413	
Carry Forward Requests					

Social Care & Support - Pete Sidgwick
 Strategic Director - Nigel Minns
 Portfolio Holders - Councillor Caborn (Adult Social Care & Health)

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
10964000	CAF Development Team - Social Care IT 2010/11	0	100	250	0	350	0	0	0	0	0	-100	-350	£350k funding returned corporately as part of Capital Rightsizing
11555000	Extra Care Housing	0	2,000	1,313	0	3,313	0	0	0	313	313	-2,000	-3,000	£3m returned to corporate per Capital Resizing. £313k retained S106 funding re Rugby Area to be included in future CIF bid for extra care project in this area
Grand Total		0	2,100	1,563	0	3,663	0	0	0	313	313	-2,100	-3,350	

Annex F										
Children & Families - John Coleman										
Strategic Director - Nigel Minns										
Portfolio Holders - Councillor Morgan (Children's Services)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Net Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	
Assistant Director - Children & Families	7,233	5,817	(1,415)	(721)	(1,896)	(1,175)	6,512	3,921	(2,591)	The planned under-spend includes £1,100,000 Adult SC contribution and permanent and one off budget being held to cover pressure points elsewhere in the unit and in preparation for the 2020/21 Budget.
Initial Response & Early Support	12,216	11,711	(505)	(1,803)	(1,959)	(156)	10,413	9,753	(661)	Salaries have under-spent overall by £226,000. This is made up of Agency workers being £476,000 over-spent which is offset by the under-spending on single status and Hay of £647,000. The agency workers have been required due to extremely high demand and residual buildings work on de-commissioning Children Centres. Agency workers within MASH and Initial Response will remain until fixed term staff are recruited to cover their vacancies. This is off-set due to vacancies in teams due to challenges in recruiting/and or having deleted a number of posts have contributed to underspends in some areas. Internal foster-care and external foster-care is underspent by £17,000 and £55,000 respectively. There was also a £300,000 additional payment by results awarded to Priority Families.
Children's Safeguarding & Support	23,774	30,259	6,485	(1,049)	(1,574)	(525)	22,726	28,685	5,959	Internal foster-care's final outturn was £545,000 over-spent whilst external foster-care is £1,831,000 over-spent. Residential Placements ended up being heavily over-spent by £3,615,000. This over-spend also includes £67,000 for void charges for the new residential block contract which commenced in May 2019. The average weekly unit cost for residential placements is £4,298 per week which is partly due to greater care needs of individual children and partly due to the impact of lower average unit costs for CwD who are no longer within this Directorate. Parent and baby placements final outturn position for 2019/20 is an over-spend of £50,000. Financially placements have heavily over-spent, with activity increasing by 858 weeks (16.45 FYE) from 2018/19 (both in this service area and Corporate Parenting) and with the average unit cost of a placement increasing by £4,629 to £36,192. Allowances are in total over-spent by £125,000 with Special Guardianship Orders exceeding budgeted growth built in by £139,000. Salaries are under-spent by £412,000 which is in the main attributed to Social Workers vacancies which are now being recruited to.
Corporate Parenting	14,919	14,328	(591)	(4,355)	(4,438)	(83)	10,564	9,890	(674)	Internal foster-care and external fostercare are £7,000 and £261,000 under-spent respectively. Residential Care is £263,000 under-spent with low numbers of 3. Average weekly cost for 16+ Residential care is now £3,732 per week. Also included within the Residential underspend is a charge of £62,000 for voids for the new residential block contract which commenced in May 2019. Numbers of new arrivals of UASC increased at a higher rate than expected during the final quarter therefore greater grant was awarded and this, coupled with lower than anticipated placements costs meant there is a £336,000 contribution to C&F expenditure at year end. This additional grant was also enough to cover the non-claimable costs of Asylum Seekers. Accommodation settings and allowances for young people aged 16 years and above continue to be an area of growth both in activity and unit cost. The overspend by year end was £740,000. The House project outturn was an underspend of £117,000 and education transport's final position was a welcomed under-spend of £107,000. Salaries were only slightly over budget by £32,000. Numbers of children who met the criteria for boarding schools were not able to take advantage of the scheme as hoped resulting in a £106,000 under-spend at year end.
Youth Justice	2,969	2,893	(76)	(1,021)	(999)	21	1,949	1,894	(55)	
Children's Practice Improvement	2,471	2,409	(62)	(98)	(126)	(28)	2,373	2,283	(90)	Grants awarded under S31 (NASS project) ended up being under-spent by £119,000 as at out-turn.
Adoption Central England	5,982	4,497	(1,486)	(5,982)	(5,222)	760	0	(725)	(725)	The volume of buying placements was not as much as expected but the income received for placements exceeded expectations, resulting in a net under-spend of £486,000. Salaries in total were under-spent as well as subscriptions and general office expenditure totalling £259,000
Net Service Spending	69,564	71,914	2,350	(15,028)	(16,213)	(1,186)	54,536	55,701	1,164	

Children & Families - John Coleman Strategic Director - Nigel Minns Portfolio Holders - Councillor Morgan (Children's Services)			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Children's Centres - implementation of the service redesign to reflect targeting support on those with greatest need	372	372	
Demand Management - through closer performance management, a new model and approach to risk and locality driven support based on intelligence and hot spots resulting in the ability to better target resources	1,000	1,000	
Reduction in the demand for legal services	150	150	
Delivery of a reduction in the need for children to become or remain looked after in Warwickshire	2,760	0	As reported in the Revenue tables increased number of purchased weeks as well as significant unit cost increases (due to changes in the mix of placement types) have meant that the service is forecasting an over-all over-spend.
Reduction in staff costs	1,316	1,316	
Develop the use of independent boarding schools	150	0	This is intrinsically linked with the reduction in CLA (see above). Any savings so far are cost avoidance (Children going into Care) rather than reducing children already in care.
Efficiencies in staff and client travel resulting in an overall reduction in costs	150	150	
One-off funding to phase the delivery of the new plan	(968)	(968)	
Total	4,930	2,020	
Target		4,930	
Remaining Shortfall/(Over Achievement)		2,910	

Children & Families - John Coleman Strategic Director - Nigel Minns Portfolio Holders - Councillor Morgan (Children's Services)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
Children & Families Non Earmarked	0		(3,565)	3565	0
Childrens Transformation Fund (0-5 Strategy t	1,417	(601)	862	(1,678)	(0)
Priority Families Reserve	907	(430)	429		906
Adoption Central England Partnership (ACE)	472		737		1,209
S31 Specific Grant (previously Controlling Migr	638	(638)	391		391
Youth Justice Remand equalisation	542		(19)		523
House Project	156	(156)	0		0
Total	4,132	(1,825)	(1,164)	1,887	3,030
Contributions to Directorate Risk Reserve				(1,887)	
Carry Forward Requests				(795)	

Children & Families - John Coleman
Strategic Director - Nigel Minns
Portfolio Holders - Councillor Morgan (Children's Services)

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
11295000	Children and Families property adaptations, purchases and vehicles	44	205	107	50	406	44	165	150	47	406	-40	-0	This is a demand led service. Applications for funding received in Feb/Mar 2020 required further quotes which has now delayed these projects into 2020/21 and will be reviewed by the Adaptations Panel in April 2020 for funding during 2020/21. Projects will therefore not commence until May 2020 at the earliest and remaining funding from 2019/20 is to be used to fund these schemes.
11693000	Adaptation of Sydenham Children's Centre	81	0	0	0	81	81	2	0	0	83	2	2	Final retention payment
11713000	Adaptation of Children's Centres to Children and Family Centres	0	299	0	0	299	0	233	55	0	288	-66	-11	Final estimates for all works now given, slight slippage into 2020/21 for works completion and final payments
11756000	Westgate Children & Family Centre/Westgate Primary School Safeguarding Walkway	0	25	0	0	25	0	0	25	0	25	-25	0	Project installation initially delayed until Easter 2020 and has now been further delayed due to COVID-19
11792000	Adaptations to support child placements 20-21	0	0	0	0	0	0	0	0	125	125	0	125	New Adaptations funding agreed in Budget Resolutions Feb 2020.
Children & Families		125	529	107	50	811	125	399	230	172	927	-130	116	

Annex G

People Strategy and Commissioning and Public Health - Becky Hale
 Strategic Director - Nigel Minns
 Portfolio Holders - Councillor Caborn (Adult Social Care & Health), Jeff Morgan

2019/20 Revenue Budget

Service	Gross Expenditure			Gross Income			Net			Reason for Net Variation and Management Action
	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Assistant Director - People	1,573	1,422	(151)	(134)	(134)	(0)	1,439	1,288	(151)	Overspend in AD budget of £188k due to one off staffing costs for staff that have not got a post in the new restructure and £80k accrual for pressure on Mill Green residential. Agreed carry forward of MOSAIC Project Development underspend of £284k. Underspend of £45k on central recharges plus other various small underspends
Director of Public Health	2,550	3,660	1,111	(151)	(255)	(104)	2,398	3,405	1,007	Overspend of £115k on Public Health Staffing budgets. Overspend of £900k relating to Pathway Homelessness grant allocations to Districts & Boroughs (approved by Corporate Board to be paid using underspends in All Age Targeted Support)
Health & Well Being	22,892	22,881	(12)	(6,265)	(6,855)	(590)	16,627	16,026	(602)	Underspend of staffing budget due to vacancies in the new structure (in recruitment). Overspend of £214k within Family wellbeing service - budget due to be re-profiled during 20-21 to correct. Underspend of £641k in Lifestyle & prevention service (£556k relates to Sexual Health which includes non payment of £250k contract incentive as conditions not met. Remaining relates to activity payments to GP, Pharmacies, Acute Hospitals and Out of Area payments which are currently under review).
All Age Targeted Support	6,500	5,422	(1,078)	(826)	(811)	14	5,674	4,610	(1,064)	Underspend relates to All Age Specialist Provision vacancies as a result of the restructure (£214k). Housing Related Support (£229k) underutilization of spot provision (training and Doorway) and delayed supported accommodation tender for Young People. In addition £400k not paid to Adult Social Care as budgeted and planned for in line with historical savings impact.
All Age Specialist Provision	14,081	13,923	(157)	(6,845)	(6,791)	54	7,235	7,132	(103)	All Age Targeted Support overspend of £308k on Drugs and Alcohol Budget due to increases in the demand for detox/inpatient services and payment in advance accruals for prescriptions not being submitted. This has been offset by underspends of staffing budget due to vacancies in the new structure (in recruitment), one off grant funding for domestic abuse of £100k and underspend of £179k on delays in recommissioning the contract for Falls.
Net Service Spending	47,594	47,308	(287)	(14,221)	(14,847)	(626)	33,374	32,461	(913)	

Public Health & Strategic Commissioning - Becky Hale Strategic Director - Nigel Minns Portfolio Holders - Councillor Caborn (Adult Social Care & Health), Jeff Morgan 2019/20 Savings Plan			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Drugs and Alcohol - a reduction in costs, prioritised through a redesign and recommissioning process	923	387	Note there are cost pressures arising from the increase in prescribing costs (both medications and prescribing) for this demand led service which make the achievement of the total saving challenging. Careful monitoring is ongoing to achieve the most efficient and effective prescribing and management of costs; and consideration needs to be given to reviewing the amount of savings that may feasibly be found in this programme
Healthwatch - re-tendering and redesign of the service to allow greater use of different channels, of volunteers and alignment with other similar agencies	45	45	
Reduce staffing and overheads across the Business Unit	200	541	Over-achievement of savings by £341,000 to partially cover the shortfall in the D&A savings above.
Smoking Cessation - redesign services to accommodate the changes in how the public are choosing to quit smoking	100	100	
Health Visitors and Family Nurse Practitioners - reduction in costs, prioritised through a redesign and recommissioning process	735	735	
Advocacy - retendering and redesign of the service, combining the two advocacy approaches into one (see proposed saving from Healthwatch)	85	85	
Additional efficiencies across the Business Unit including a review of staff vacancies, efficiencies in the Fitter Futures budget and re-alignment of young carer budget support	200	200	
One-off funding to phase the delivery of the new plan	(200)	(200)	
Reduction in the Housing Related Support Programme through a further redesign of the service to ensure support is provided to the most vulnerable, supporting individuals to become more independent and self-sufficient. Review of contracts with a view to reducing costs/services, including decommissioning some specialist services and re-modelling	400	400	

Reduce and reshape the staffing structure within the Business Unit and a reduction in programme and management support.	122	122	
Integration of existing commissioning functions into a single commissioning service and generation of an income stream through joint commissioning with and on behalf of partner organisations.	25	25	
Reduction in historic pension costs that will decline naturally over time.	12	12	
Reduction in the contingency and projects budget of the Business Unit and the delivery of a rationalised Head of Service structure once the redesign and transformation work has been delivered.	122	122	
Rationalisation of the system supporting the Local Authority Designated Officer function with the main social care ICT systems to enable a saving in licensing costs and reductions in Google licence costs.	20	20	
Reduction in business redesign and collaboration functions and funding for service specific learning and development activity.	31	31	
Total	2,820	2,625	
Target		2,820	
Remaining Shortfall/(Over Achievement)		195	

Public Health & Strategic Commissioning - Becky Hale Strategic Director - Nigel Minns Portfolio Holders - Councillor Caborn (Adult Social Care & Health), Jeff Morgan					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Forecast Closing Balance 31.03.20 £'000
Strategic Commissioning - Savings	3,550	(531)	1,318	(4,337)	0
Public Health - Savings	2,783	(312)	(405)	(2,066)	0
Total	6,333	(843)	913	(6,403)	0
Contributions to Directorate Risk Reserve				6,403	
Carry Forward Requests				(280)	

Public Health & Strategic Commissioning - Becky Hale
 Strategic Director - Nigel Minns
 Portfolio Holders - Councillor Caborn (Adult Social Care & Health), Jeff Morgan

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
10608000	Mental Health Grant 2010/11	130	86	0	0	216	130	93	3	0	226	7	10	Overspend of Corporate Resource in 2019-20 (£7k) to be reimbursed from RCCO in 2020-21
11021000	Adult Social Care Modernisation & Capacity 2012-13	194	507	296	0	997	194	120	97	35	446	-387	-551	Projects underway rephased into 2020-21; remaining corporate resource returned as per Capital Rightsizing strategy
11420000	Disabled Facilities Capital Grant	13,470	4,517	0	0	17,987	13,470	4,517	0	0	17,987	0	0	
11492000	Urban Mile Markers	20	5	0	0	25	20	5	0	0	25	0	0	
11310000	Client Information Systems Review	3,324	241	527	0	4,092	3,324	97	0	0	3,421	-143	-670	Remaining corporate resource returned as per capital rightsizing strategy.
Grand Total		17,138	5,355	823	0	23,316	17,138	4,832	100	35	22,105	-523	-1,211	

Annex H										
Business & Customer Services - Kushal Birla										
Strategic Director - Rob Powell										
Portfolio Holders - Councillor Kaur (Customers & Transformation)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	
Assistant Director - Business & Customer Services	579	564	(14)	(68)	(62)	6	510	502	(8)	
Business & Customer Support - People	4,649	5,567	918	(46)	(18)	28	4,603	5,549	946	Refer to Business Support row below as the two areas are interlinked
Business & Customer Support - Resources & Communities	6,042	4,856	(1,187)	(58)	(124)	(66)	5,984	4,732	(1,252)	The total underspend of 306K relates to a reduction in the third sector grant payments and early intervention funding not spent in year due to project delays
Customer Contact - Customer Connect	2,822	2,903	81	(213)	(274)	(61)	2,609	2,628	20	£156k Covid 19 Expenditure
Customer Contact - Community Hub	7,660	7,993	333	(2,388)	(2,697)	(309)	5,272	5,296	24	
Net Service Spending	21,751	21,883	132	(2,773)	(3,175)	(402)	18,978	18,708	(271)	

Business & Customer Services - Kushal Birla Strategic Director - Rob Powell Portfolio Holders - Councillor Kaur (Customers & Transformation)			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Increase income from the Registration Service	35	35	
Reduction in Library and One Stop Shop and Customer Service Centre management and support staff consistent with the restructure and redesign of these services	90	90	
Total	125	125	
Target		125	
Remaining Shortfall/(Over Achievement)		0	

Business & Customer Services - Kushal Birla					
Strategic Director - Rob Powell					
Portfolio Holders - Councillor Kaur (Customers & Transformation)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
Museums Development Fund	188		12		200
Museum Ethnographic Fund	19		0		19
Records Purchase Fund	7		0		7
Records Donation Fund	107		2		109
Digitisation of County Records	85	(85)			0
Warwickshire Local Welfare Scheme	448		28		476
Corporate Customer Journey Programme	210				210
Customer Services Library Bequests	3				3
Business & Customer Support	0		229	(229)	0
Total	1,067	(85)	271	(229)	1,024
Contributions to Directorate Risk Reserve				229	
Carry Forward Requests				(364)	

Business & Customer Services - Kushal Birla
 Strategic Director - Rob Powell
 Portfolio Holders - Councillor Kaur (Customers & Transformation)

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
10623000	County Records Office Service - Digital Asset Management	95	0	0	0	95	95	0	0	0	95	0	0	
11415000	Market Hall Museum - "Our Warwickshire"	941	18	0	0	960	941	-28	0	0	914	-46	-46	Remaining unspent corporate resource given up as part of Capital Rightsizing
11534000	Healey collection	97	0	0	0	97	97	0	0	0	97	0	0	
10155000	Improve Customer Experience in Council Buildings and DDA Works 2009/10	204	0	0	0	204	204	0	0	0	204	0	0	
10645000	One-Stop Shops Expansion Programme 2009/10	70	0	0	0	70	70	0	0	0	70	0	0	
11040000	Improving the Customer Experience/One Front Door Improvements	589	172	168	1,699	2,628	589	88	168	1,782	2,628	-84	0	The slippage relates to three mobile library vans currently on order from Turkey but not yet received
11293000	Community Information Hubs	59	0	0	0	59	59	0	0	0	59	0	0	
11422000	Stratford Library – Registrars Accommodation Works and Library	373	0	0	0	373	373	-0	0	0	373	-0	0	
11648000	Customer Services Vehicles & Equipment	16	0	0	0	16	16	0	0	0	16	0	0	
11820000	Roman Coins	0	0	0	0	0	0	62	0	0	62	62	62	Newly approved project.
Grand Total		2,444	190	168	1,699	4,501	2,444	123	168	1,782	4,517	-68	16	

Annex I										
Commissioning Support Unit - Steve Smith										
Strategic Director - Rob Powell										
Portfolio Holders - Councillor Kaur (Customers & Transformation)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Assistant Director - Commissioning Support Unit	297	227	(70)	0	(0)	(0)	297	227	(70)	Reduced costs on agency staff spend, and reduced likelihood of capital expenditure from revenue budget
Business Intelligence	1,730	1,634	(97)	(69)	(60)	9	1,662	1,574	(88)	Vacancies being held for the implementation of service redesign (part of Transformation)
Portfolio Management Office	1,371	1,276	(96)	(656)	(745)	(89)	716	531	(184)	Vacancies being held for the implementation of service redesign (part of Transformation) and additional income from seconded staff
Contract Management & Quality Assurance	1,429	1,734	305	(734)	(724)	11	695	1,010	315	£361k Covid-19 Expenditure
Change Management	250	215	(35)	0	0	0	250	215	(35)	Vacancies being held for the implementation of service redesign (part of Transformation)
Transformation	8,331	8,362	31	0	(89)	(89)	8,331	8,273	(58)	Cost of Transformation projects completing at less than was budgeted for
Net Service Spending	13,408	13,447	39	(1,459)	(1,617)	(158)	11,950	11,830	(120)	

Commissioning Support Unit - Steve Smith Strategic Director - Rob Powell Portfolio Holders - Councillor Kaur (Customers & Transformation)			
2019-20 Savings Plan			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Reduction in management and operational capacity through streamlining processes and redesigning the service.	45	45	
Reduction in software tools and procured data sets which are used to provide insight and intelligence in support of transformation and service	10	10	
Reduction in the contingency & project budget of the Business Unit and the delivery of a rationalised structure.	60	60	
Reduction in Business redesign & collaboration functions and funding for service specific learning & development activity	35	35	
Total	150	150	
Target		150	
Remaining Shortfall/(Over Achievement)		0	

Commissioning Support Unit - Steve Smith Strategic Director - Rob Powell Portfolio Holders - Councillor Kaur (Customers & Transformation)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
CSU - Savings	357		60	(416)	0
Corporate Transformation Fund			60	(60)	0
Total	357	0	120	(476)	0
Contributions to Directorate Risk Reserve				476	
Carry Forward Requests				(400)	

Annex J										
Enabling Services - Craig Cusack										
Strategic Director - Rob Powell										
Portfolio Holders - Councillor Kaur (Customers & Transformation), Peter Butlin (Finance and Property)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	
Assistant Director - Enabling Services	284	287	3	0	0	0	284	287	3	
Facilities Management	7,981	6,955	(1,026)	(5,220)	(4,262)	958	2,761	2,694	(67)	The underspend is predominantly vacancy related. However, due to the delay in recovering income directly associated with the increase in gross expenditure resulting from the rise in devolved schools works recharged directly, the value of the underspend has not been truly reflected. This income will be realised in 2020-21.
HR Enabling	4,001	4,114	112	(1,792)	(1,916)	(124)	2,210	2,198	(12)	
Digital & ICT	13,989	15,867	1,878	(5,018)	(7,054)	(2,036)	8,971	8,813	(159)	Project allocation to BDUK (Building Digital UK) and LFFN (Local Full Fibre Network) has not been spent due to project delay and contract negotiations. A budget allocation of £0.200m will be carried forward into 2020-21. The outstanding balance (£0.041m) is to be supported by the overall underspend within the service. Some strategic decisions were made not to levy Microsoft and Google recharges to other council services, which would have historically been recognised as income for ICT.
Property, Construction & Engineering	9,651	9,678	27	(2,826)	(3,357)	(531)	6,825	6,321	(504)	Underspend can be attributed to the reduction in County buildings operational costs and other property related expenditure i.e. Mechanical and electrical. An overspend on staffing costs is being supported by this underspend. A small traded surplus has also been realised. The increase in gross expenditure and gross income can be primarily attributed to the rise in devolved non schools works recharged directly.
Net Service Spending	35,906	36,901	995	(14,856)	(16,589)	(1,733)	21,051	20,312	(739)	

Enabling Services - Craig Cusack Strategic Director - Rob Powell Portfolio Holders - Councillor Kaur (Customers & Transformation), Peter Butlin (Finance and Property)			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Implement a new HR and payroll system to replace HRMS and restructure the HR Service Centre. This will include the review of charges for all external customers	229	229	
Savings in the costs associated with the management of the Service. It also includes an option to offer staff alternative working arrangements such as reduced hours.	65	65	
Reduction in the costs associated with the management and support of the ICT Infrastructure equipment that is used to deliver our ICT systems and related facilities.	100	100	
Reduction in the funding associated with the provision of ICT Help Desk and Support Services, and a further reduction in the volume and costs of the personal computing facilities provided to staff and elected members.	140	140	
Savings in the staffing budget for the Strategy, Programme and Information Team as Project and Programme management support capacity is reduced as part of the general reduction in size of the Council.	100	100	
Rental income from Educaterers	21	21	
Review of facilities management budgets, service specifications and IT interfaces	49	49	
Total	704	704	
Target		704	
Remaining Shortfall/(Over Achievement)		0	

Enabling Services - Craig Cusack Strategic Director - Rob Powell Portfolio Holders - Councillor Kaur (Customers & Transformation), Peter Butlin (Finance and Property)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Forecast Closing Balance 31.03.20 £'000
HR Service Improvement Projects	60	0			60
Your HR Implementation	77	(77)			0
Information Assets - Savings	733	(200)		(533)	0
Community Energy Scheme	39	(39)	(0)		0
Enabling Services General Reserve	0		739	(739)	0
Total	909	(316)	739	(1,272)	60

Enabling Services - Craig Cusack
 Strategic Director - Rob Powell
 Portfolio Holders - Councillor Kaur (Customers & Transformation), Peter Butlin (Finance and Property)

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action	
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and later £ 000's	Total £ 000's	£ 000's	£ 000's		
Structural Maintenance															
11037000	Non Schools Planned Capital Building Mech & Elect Maintenance 2013/14	2,618	0	0	0	2,618	2,618	0	0	0	2,618	0	0		
11039000	Schools - Planned Capital Building, Mechanical & Electrical backlog maintenance 2013-14	6,000	0	0	0	6,000	6,000	0	0	0	6,000	0	0		
11142000	Non Schools Asb & Safe Water Remedials 2014/15	213	0	0	0	213	213	0	0	0	213	0	0		
11143000	Schools Asbestos & Safe Water Remedials 2014/15	1,326	0	0	0	1,326	1,326	0	0	0	1,326	0	0		
11144000	Non Sch - Planned Bldg, Mech & Elect Backlog 2014/15	2,737	0	0	0	2,737	2,737	0	0	0	2,737	0	0		
11145000	Schools Planned Bldg, Mech & Elect Backlog 2014/15	5,800	0	0	0	5,800	5,800	0	0	0	5,800	0	0		
11224000	Non-Schools Capital Asbestos And Safe Water Remedial Works 2015/16	376	0	0	0	376	376	0	0	0	376	0	0		
11225000	Schools Asbestos & Safe Water Remedials 2015/16	1,220	0	0	0	1,220	1,220	0	0	0	1,220	0	0		
11226000	Non Sch - Planned Bldg, Mech & Elect Backlog 2015/16	2,621	0	0	0	2,621	2,621	0	0	0	2,621	0	0		
11227000	Schools Planned Bldg, Mech & Elect Backlog 2015/16	5,693	0	0	0	5,693	5,693	0	0	0	5,693	0	0		
11283000	Non Schools Asb & Safe Water Remedials 2016/17	307	0	0	0	307	307	0	0	0	307	0	0		
11284000	Non Schools Asb & Safe Water Remedials 2017/18	293	0	0	0	293	293	0	0	0	293	0	0		
11285000	Non Sch - Planned Bldg, Mech & Elect Backlog 2016/17	1,960	0	0	0	1,960	1,960	0	0	0	1,960	0	0		
11286000	Non Sch - Planned Bldg, Mech & Elect Backlog 2017/18	1,769	-28	0	0	1,741	1,769	-25	0	0	1,744	3	3	£2,636 spend due to additional demand is to be funded from Project 11443000	
11287000	Schools Asbestos & Safe Water Remedials 2016/17	1,212	0	0	0	1,212	1,212	0	0	0	1,212	0	0		
11288000	Schools Asbestos & Safe Water Remedials 2017/18	793	0	0	0	793	793	-25	25	0	793	-25	0	Actual cost of projects 11288017 and 11288031 has come in less than initially estimated.	
11289000	Schools Planned Bldg, Mech & Elect Backlog 2016/17	5,408	1	0	0	5,409	5,408	1	0	0	5,409	-0	0		
11290000	Schools Planned Bldg, Mech & Elect Backlog 2017/18	7,009	-3	0	0	7,005	7,009	-10	6	0	7,005	-6	0	Actual cost of a number of projects has come in less than initially estimated.	
11442000	Non Schools Asb & Safe Water Remedials 2018/19	282	51	0	0	334	282	51	0	0	334	0	0		
11443000	Non Sch - Planned Bldg, Mech & Elect Backlog 2018/19	1,852	207	0	0	2,059	1,852	178	30	0	2,059	-30	0	Project phasing to be reviewed at Q1	
11444000	Schools Asbestos & Safe Water Remedials 2018/19	730	17	0	0	747	730	81	0	0	811	64	64	£64,104 spend due to additional demand is to be funded from Project 11540000	
11445000	Schools Planned Bldg, Mech & Elect Backlog 2018/19	6,961	315	3	0	7,279	6,961	291	27	0	7,279	-24	-0	Actual cost of a number of projects has come in less than initially estimated.	
11538000	Non Schools Asb & Safe Water Remedials 2019/20	0	399	0	0	399	0	9	390	0	399	-390	0	Underspend of 325,543 is due to programme slippage as department was carrying an Asbestos Surveyor vacancy.	
11539000	Non Sch - Planned Bldg, Mech & Elect Backlog 2019/20	0	2,335	0	0	2,335	0	2,088	328	0	2,416	-247	81	Major project impacted by slippage due to Covid 19 slow down in February 2020 and lock down in March 2020.	
11540000	Schools Asbestos & Safe Water Remedials 2019/20	0	725	0	0	725	0	435	226	0	661	-290	-64	£64,104 is to be used to support Project 1144000 spend on additional demand. £225,547 underspend is due to Asbestos Surveyor vacancy. This will be spent in 2020-21 as consultancy services has now been retained.	
11541000	Schools Planned Bldg, Mech & Elect Backlog 2019/20	2	7,122	0	0	7,124	2	6,738	399	0	7,139	-384	15	Major project impacted by slippage due to Covid 19 slow down in February 2020 and lock down in March 2020.	
11685000	Veteran's Contact Point - Complete replacement of Chrysotile Pitched Roof	53	0	0	0	53	53	0	0	0	53	0	0		
11687000	The Saltway Centre & Stratford Family Centre - Refurbish Family Centre	99	2	0	0	101	99	2	0	0	101	-0	0		
11787000	Non Schools Building Maintenance 2020-21	0	0	0	0	0	0	0	2,122	0	2,122	0	2,122	New Capital allocation as per budget resolutions.	
11791000	Schools Building Maintenance 2020-21	0	0	0	0	0	0	0	6,988	0	6,988	0	6,988	New Capital allocation as per budget resolutions.	
11793000	Non Schools Asbestos and Safe Water 2020-21	0	0	0	0	0	0	0	325	0	325	0	325	New Capital allocation as per budget resolutions.	
11795000	Schools Asbestos and Safe Water 2020-21	0	0	0	0	0	0	0	746	0	746	0	746	New Capital allocation as per budget resolutions.	
Facilities															
10592000	Small Scale Reactive / Minor Improvements County-Wide	587	59	0	0	646	587	67	0	0	654	8	8	8	£41,000 of revenue contributions to capital projects were not transferred before year end and overspent Corp Res needs to be refunded from Revenue in 2020-21. Any further spend to be funded from RCCO in future.
11318000	Universal Free School Meals Programme	0	0	0	0	0	0	0	0	0	0	0	0		
Energy															

10400000	Climate Change 2009/10	0	0	0	0	0	0	0	0	0	0	0	0	
11136000	Various Properties - Renewable Energy	240	0	995	0	1,235	240	0	0	995	1,235	0	0	
11561000	Dunsmore Home Farm, Clifton on Dunsmore - Ground Mounted Solar	4	0	0	0	4	4	0	5	0	9	0	5	Further feasibility work is to be conducted.
Information Assets														
11121000	Development of Rural Broadband	20,447	7,062	5,007	3,253	35,769	20,447	2,843	4,335	8,144	35,769	-4,219	0	CSW Broadband received a revised delivery plan from Openreach to realign the project outputs, following delays in delivery due to a) the project working in more rural areas together with a national shortage of civil engineering contractors and b) revised DCMS guidance regarding finances and project end dates. The plan was received after submission of the Q3 forecast. The approved plan reduced programme build and expenditure at year end, resulting in lower financial outputs for 2019/20. Remaining funds have been reallocated to meet the revised project milestone targets.
11465000	WCC Information Assets Purchases (multiple years)	1,151	588	81	0	1,821	1,151	212	458	0	1,821	-376	-0	Expenditure in 2019/20 was less than forecast due to the Teams Telephony rollout and associated hardware spend being delayed. The speed of the corporate cloud migration project has also meant some planned hardware replacement was not required at this point.
11661000	2018-19 ICT Software Development	178	0	0	0	178	178	0	0	0	178	0	0	
11731000	2019-20 ICT Software Development	0	144	0	0	144	0	159	0	0	159	15	15	The budget was an estimation at the start of the year as to how much internal development work would be completed. By actively supporting the Transformation programme, more development has been undertaken.
11796000	2020-21 IT infrastructure	0	0	0	0	0	0	0	150	250	400	0	400	New Capital allocation as per budget resolutions.
Strategic Asset management														
11134000	Warwick Shire Hall - Refurb Of Old Shire Hall	1,884	63	0	0	1,947	1,884	114	0	0	1,997	50	50	Additional works to demolish garage, install new entrance gates, render party walls and disability access ramp
11400000	Globe House Alcester - Remodelling of Globe House	220	0	0	0	220	220	-0	0	0	220	-0	-0	
11532000	Saltway Centre Stratford upon Avon	473	-14	0	0	460	473	-14	5	0	465	0	5	
		82,518	19,046	6,086	3,253	110,903	82,518	13,196	16,563	9,389	121,667	-5,850	10,764	

Annex K										
Finance - Andy Felton										
Strategic Director - Rob Powell										
Portfolio Holders - Councillor Butlin (Finance & Property), Councillor Kaur (Customers and Transformation)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	
Assistant Director - Finance	140	364	224	(2)	(68)	(66)	138	296	159	Savings target has been held on AD cost centre and not allocated out to specific areas, so is ultimately off-set by savings in other areas below.
Finance Delivery	2,837	2,618	(219)	(1,021)	(980)	40	1,816	1,638	(178)	A number of vacancies have been held through the year pending the FOM outcome and then took time to recruit to, leading to the overall underspend. Some is off-set by the unallocated savings on the AD cost centre.
Treasury Management, Pension Fund, Internal Audit, Risk and Assurance	1,192	1,171	(21)	(1,289)	(1,462)	(173)	(97)	(291)	(194)	The underspend is a result of the Treasury Management team successfully managing cash investments to deliver a greater level of return than budgeted for.
Commercialism	253	256	3	0	(15)	(15)	253	242	(11)	
Strategic Finance	852	694	(158)	(76)	(72)	4	777	623	(154)	A number of vacancies have been held through the year pending the FOM outcome and then took time to recruit to, leading to the overall underspend. Some is off-set by the unallocated savings on the AD cost centre.
Finance Transformation	2,841	2,761	(80)	(1,149)	(1,104)	45	1,692	1,657	(35)	Higher than anticipated vacancies within BAIC.
Net Service Spending	8,115	7,865	(250)	(3,536)	(3,700)	(164)	4,578	4,165	(414)	

Finance - Andy Felton

Strategic Director - Rob Powell

Portfolio Holders - Councillor Butlin (Finance & Property), Councillor Kaur (Customers and Transformation)

2019/20 Savings

Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual Outturn £'000	
Reduction in the support for service managers and Elected Members for budget setting, quarterly financial monitoring and final accounts.	5	5	
Reduction in staffing capacity by focussing on greater use of standardised processing of transactions, less manual intervention and exploring	90	90	
Total	95	95	
Target		95	
Remaining Shortfall/(Over Achievement)		0	

Finance - Andy Felton Strategic Director - Rob Powell Portfolio Holders - Councillor Butlin (Finance & Property), Councillor Kaur (Customers and Transformation)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.18 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.19 £'000
Finance - Savings	620		414	(1,034)	0
Finance - Training	81			(81)	0
Finance - Service Improvement Projects	369			(369)	0
LA Counter Fraud Fund Grant	16				16
Total	1,086	0	414	(1,483)	16

Annex L										
Governance & Policy - Sarah Duxbury										
Strategic Director - Rob Powell										
Portfolio Holders - Councillor Kaur (Customers & Transformation)										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	Agreed Budget	Final Outturn	Variation Over/ (Under)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Assistant Director - Governance & Policy	242	165	(77)	0	(0)	(0)	242	165	(77)	£77k underspend used to cover Corporate Policy team set-up in 2019/20.
Communications	1,082	1,147	65	(687)	(683)	4	394	463	69	Overspend due to increased salary costs in Marketing and Communications specific to 2019/20.
HROD	2,057	2,210	152	104	(174)	(278)	2,162	2,036	(126)	Underspend due to £62k of income received that was unbudgetted, £28k underspend on IT Support and Maintenance and net staffing underspend of £25k across HROD.
Property Management	1,721	1,408	(314)	(1,381)	(1,363)	18	340	45	(295)	Underspend position includes a combination of underspends (including £420k underspend on SAM projects and a £219k underspend on One Public Estate) offset by overspends (including £198k as a result of MTFs savings not being realised from sale of Montague Road). A carry forward request will be made in respect of delayed moves on Montague Road/ Hawkes Point.
Legal & Democratic	6,889	8,362	1,474	(6,227)	(8,238)	(2,011)	662	125	(537)	£537k underspend due to additional external trading income of 292k providing legal work to other local authorities, £171k of additional internal trading income from supporting WCC Transformation and £75k underspend on Democratic Services posts held vacant as a result of pending restructure.
Corporate Policy	0	80	80	0	0	0	0	80	80	New cost centre created in 2019/20 in line with Corporate Policy FOM and no base budget for 2019/20.
Net Service Spending	11,991	13,371	1,380	(8,191)	(10,458)	(2,267)	3,800	2,913	(886)	

Governance & Policy - Sarah Duxbury Strategic Director - Rob Powell Portfolio Holders - Councillor Kaur (Customers & Transformation)			
2019/20 Savings			
Savings Proposal Title	2019/20		Reason for financial variation and any associated management action
	Target £'000	Actual to Date £'000	
Workforce Strategy and Organisational Development Service - Redesign the service reducing management and team capacity; streamlining learning and development processes with the HR Service Centre and reducing spend on corporately funded learning.	49	49	
The purchase of the new HR and payroll system will provide an alternative learning management and e-learning option resulting in the decommissioning of WILMA and a reduction in the current licence costs.	31	31	
Increased surplus from external legal work - combination of reducing operating costs, increasing utilisation and delivering more external hours to external customers at increased hourly rates.	34	34	
Reduction in the Council's borrowing costs as a result of using capital receipts from the sale of land and buildings (both urban sites and smallholdings) to reduce long term debt	955	955	
Release of contingency	85	85	
Repayment of Hawkes Point self-financed borrowing.	198	0	Planning permission for Montague Road not secured by developer. This has impacted on sale of site and timeframes.
Reduced maintenance of the smallholdings estate.	7	7	
Use of one-off resources to match the timing of when capital receipts from the sale of strategic sites are expected to be received.	(473)	(473)	
Total	886	688	
Target		886	
Remaining Shortfall/(Over Achievement)		198	

Governance & Policy - Sarah Duxbury Strategic Director - Rob Powell Portfolio Holders - Councillor Kaur (Customers & Transformation)					
2019/20 Reserves					
Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
HR&OD - Savings	308	(98)	73	(283)	0
Going for Growth Apprenticeship Scheme	245		52		297
Savings	799		465	(1,264)	0
Property - Savings	1,566	(295)	76	(1,347)	0
One Public Estate	168		219		387
Total	3,086	(393)	886	(2,894)	685

Governance & Policy - Sarah Duxbury
 Strategic Director - Rob Powell
 Portfolio Holders - Councillor Kaur (Customers & Transformation)

2019/20 to 2021/22 Capital Programme

Project	Description	Approved Budget					Forecast					Variance in £ 000's	Total Variance £ 000's	Reasons for Variation and Management Action
		Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and £ 000's	Total £ 000's	Earlier Years £ 000's	2019/20 £ 000's	2020/21 £ 000's	2021/22 and £ 000's	Total £ 000's			
10972000	Planning Consent For Europa Way	748	3	0	0	751	748	8	0	0	756	5	5	Europa Way sale completed and no further spend, small overspend of £4.7k against £751k budget financed from corporate resources in 2019/20 which needs to be reimbursed from RCCO in 2020-21.
11291000	Rural Services Capital Maintenance 2016/17	643	0	0	0	643	643	-20	0	0	623	-20	-20	Balance of corporate resource given up for Capital Rightsizing
11292000	Rural Services Capital Maintenance 2017/18	627	0	0	0	627	627	-236	236	0	627	-236	0	Overaccrued in 2018/19, budget balance to be slipped into 2020/21.
11335000	Rationalisation of County Storage	3,205	5,574	0	0	8,779	3,205	5,372	202	0	8,779	-202	0	Capital receipt not received in year due to Planning Permission not being given by WDC to the Crest Nicholson application and therefore funded from corporate resources in 2019/20. Current capital expenditure remains within budget at present following change of Forestry's move to Henley rather than Budbrooke Depot. Negotiations currently in progress with Wilmot Dixon Interiors on final account and in respect of compensation events due to WDI from WCC.
11440000	Strategic Site Planning applications	1,978	634	1,300	0	3,912	1,978	-144	2,061	17	3,912	-778	0	Sales in progress for Land at Warton and Eastboro with remaining budgets to slip to 2020/21. Meadow Farm, Rugby sale is complete. Dunkelys/Cherry Tree Farm sale completed to Homes England on 31st March 2020, slippage into 2020/21 for final spend. Top Farm sale profiled for expenditure in 2020/21 and 2021/22.
11446000	Rural Services Capital Maintenance 2018/19	110	100	0	0	210	110	86	0	0	196	-14	-14	Balance of corporate resource given up re Capital Rightsizing
11503000	Planning Consent re the disposal of Dunchurch depot	63	17	0	0	80	63	11	6	0	80	-6	-0	Project complete within budget and small underspend of £6k against total project budget of £80k carried to 2020/21.
11542000	Rural Services Capital Maintenance 2019/20	0	356	0	0	356	0	99	0	0	99	-257	-257	Balance of unspent corporate resource given back under Capital Rightsizing
11689000	Maintaining the smallholdings land bank	0	0	844	0	844	0	0	844	0	844	0	0	
11790000	Rural Services Capital Maintenance 2020/21	0	0	0	0	0	0	0	356	0	356	0	356	£356k approved in February 2020 Budget Resolutions.
Grand Total		7,374	6,685	2,143	0	16,202	7,374	5,176	3,706	17	16,272	-1,509	70	

Annex M										
Other Services - Virginia Rennie										
Strategic Director - Rob Powell										
2019/20 Revenue Budget										
Service	Gross Expenditure			Gross Income			Net			Reason for Variation and Management Action
	Agreed Budget £'000	Final Outturn £'000	Variation Over/(Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/(Under) £'000	Agreed Budget £'000	Final Outturn £'000	Variation Over/(Under) £'000	
Government Grants & Business Rates	0	0	0	(231,258)	(235,466)	(4,208)	(231,258)	(235,466)	(4,208)	Additional business rates income and compensatory government grants to offset the impact of changes to exemptions and discounts not known at the time the budget was set.
Central Block DSG and other central grants to support schools and pupils	0	0	0	(82,760)	(82,875)	(115)	(82,760)	(82,875)	(115)	
0-5 Strategy for Children - Children's transformation	0	0	0	(1,690)	(1,690)	0	(1,690)	(1,690)	0	
Capital Financing Costs	39,146	29,959	(9,188)	0	(3,267)	(3,267)	39,146	26,692	(12,454)	Lower than anticipated capital financing costs than provided for in the budget as a result of slippage in the capital programme and the level of unallocated Capital Investment Fund requiring less borrowing to be taken out.
Strategic Management Team	1,202	1,164	(38)	0	0	0	1,202	1,164	(38)	
County Coroner	531	603	72	(78)	(86)	(8)	453	517	64	
Environment Agency - Flood Defence Levy	243	245	2	0	0	0	243	245	2	
External Audit Fees	141	153	12	0	(9)	(9)	141	144	3	
Pensions deficit under-recovery	1,641	1,641	0	0	0	0	1,641	1,641	0	
Members Allowances and Expenses	1,070	886	(184)	0	0	0	1,070	886	(184)	
Other Administrative Expenses and Income (Including Insurance)	4,008	3,654	(354)	(4,867)	(6,082)	(1,215)	(859)	(2,427)	(1,569)	The underspend is primarily as result of income which was not budgeted at the start of the year from dividends (£400,000) and the Oxygen Finance rebate scheme (£522,000). The latter has been adjusted for in the budget for 20200/21 onwards. The balance is from general underspends in insurance and expenses on the sale of assets.
Subscriptions	195	132	(63)	0	0	0	195	132	(63)	
Apprenticeship Levy	663	591	(71)	0	0	0	663	591	(71)	
Net Service Spending	48,839	39,028	(9,811)	(320,653)	(329,474)	(8,821)	(271,814)	(290,446)	(18,632)	

Other Services - Virginia Rennie
Strategic Director - Rob Powell

2019/20 Reserves

Reserve	Approved Opening Balance 01.04.19 £'000	Movement in Year £'000	Effect of Outturn £'000	Transfer for new Reserve Strategy £'000	Closing Balance 31.03.20 £'000
Corporate Reserves					
Capital Fund	1,437		221		1,658
General Reserves	30,464	(4,036)	18,860	(24,065)	21,223
Insurance Fund	8,942		183		9,125
Provision for Redundancy Costs	10,579	(2,179)			8,400
Medium Term Contingency	6,835			4,999	11,834
Schools	16,253	(475)	-678		15,100
DSG Reserve	0		-2,958		-2,958
Contingency for DSG overspend	0			12,314	12,314
IT Sinking Fund	0	2,773			2,773
Unringfenced Government Grants	0	18,111			18,111
Total Corporate Reserves	74,510	14,193	15,628	(6,752)	97,579
Other Services Reserves					
Business Rates Pool Risk Reserve	4,027	1,505			5,532
Quadrennial Elections	422	265			687
Corporate Transformation Fund	3,353	(11,571)	169	20,386	12,336
WCC Business Rates Appeals Reserve	6,739	1,212			7,951
Corporate Partnership Initiatives	2155			(2,155)	0
Audit Fee Reserve	777		(3)		774
Interest Rate Volatility Reserve	5,436				5,436
Adult Social Care Reserve	4,637			(4,637)	0
Pensions Deficit Reserve	466				466
Corporate Apprenticeship Fund	737				737
Schools in Financial Difficulty	2,069	(248)			1,821

Corporate Systems Replacement Reserve	9,153			(9,153)	0
Local Resilience Forum - Brexit Funding	89	175			264
Fire Transformation Fund	972		(109)		863
Childrens Transformation Fund	0	4,539		1,678	6,217
Digital Transformation Fund	2,046			(2,046)	0
Sustaining Prevention Fund	0	1,500		16,000	17,500
Financial Instrument (General Fund) - Threadneedle Social Bond	3,125	(48)	(742)		2,335
Total Other Services Reserves	46,203	(2,672)	(685)	20,073	62,919
Directorate Reserves					
Resources Transformation Fund	627			(627)	0
Resources Systems Replacement Reserve	919			(919)	0
Resources Traded Services Reserve	225			(225)	0
Resources Service Savings	567			(567)	0
LATC Operational Reserve	248				248
People Directorate Reserve	7,229	3,000		(10,229)	0
Communities Risk Reserve	0			5,647	5,647
People Risk Reserve	0			12,844	12,844
Resources Risk Reserve	0			4,036	4,036
Total Directorate Reserves	9,815	3,000	0	9,960	22,775
Total	130,528	14,522	14,943	23,280	183,273

Appendix N – Individual Reserve Detail

Directorate	Service	Description	1st April Reserve £'000	Carry Forward Request £'000	20/21 MTFS commitment £'000	21-25 MTFS commitment £'000	Unallocated in MTFS Budgets £'000
Earmarked - Schools Reserves							
Schools	Education Services	DSG Reserve - County Council spend	-2,958	0	0	0	-2,958
	Other Services	School Balances	14,162	0	0	0	14,162
		Loans To Schools	14	0	0	0	14
		Schools Absence Insurance Equalisation Account	924	0	0	0	924
Total Earmarked Schools Reserves			12,142	0	0	0	12,142
Earmarked - External Reserves							
Communities	Education Services	School Improvement Monitoring & Brokering Reserve	646	-211	0	0	435
	Fire and Rescue	Emergency Service Network	766	0	0	0	766
	Environment Services	Proceeds of Crime	163	0	0	0	163
		S38 Developer Funding	350	0	0	0	350
	Strategic Commissioning Communities	Speed Workshops	825	0	0	0	825
		Rural Growth Network	242	0	0	0	242
People	Children and Families	Adoption Central England	1,209	-400	0	0	809
		House Project Grant - Innovation Programme Grant	0	0	0	0	0
		Controlling Migration Fund	391	-245	-146	0	0
Resources	Business and Customer Services	Museum, Records and Libraries Trust Funds and Bequests	338	0	0	0	338
	Finance	LA Counter Fraud Fund Grant	16	0	0	0	16
	Governance and Policy	One Public Estate	387	0	0	0	387
Corporate	Other Services	NNDR Pool Surplus Reserve	5,532	0	0	0	5,532
Total Earmarked External Reserves			10,866	-856	-146	0	9,864

Directorate			1st April Reserve	Carry Forward Request	20/21 MTFS commitment	21-25 MTFS commitment	Unallocated in MTFS Budgets
			£'000	£'000	£'000	£'000	£'000
Reserves Subject to Annual Review - Internal Policy							
People	Children and Families	Priority Families Reserve	906	0	-300	0	606
Resources	Business and Customer Services	Warwickshire Local Welfare Scheme	476	0	0	0	476
	Enabling Services	Community Energy Scheme	0	0	0	0	0
	Governance and Policy	Going for Growth Apprenticeship Scheme	297	0	0	0	297
Corporate	Other Services	LATC Operational Reserve	248	0	0	0	248
		Local Resilience Forum - Brexit funding	264	0	0	0	264
		Corporate Apprenticeship Fund	737	0	0	0	737
		Redundancy Fund	8,400	0	0	0	8,400
		Schools in Financial Difficulty	1,821	0	-70	-280	1,471
Total Annual Review - Internal Policy			13,149	0	-370	-280	12,499
Reserves Subject to Annual Review - Volatility							
Communities	Environment Services	Domestic Homicide Reviews	87	0	0	0	87
	Fire and Rescue	Pensions Reserve	333	0	0	0	333
People	Children and Families	Youth Justice Remand Equalisation	523	0	0	0	523
Corporate	Other Services	Financial Instruments Reserve	2,335	0	0	0	2,335
		Insurance Fund	9,125	0	0	0	9,125
		Capital Fund	1,658	0	0	0	1,658
		NNDR Appeals Reserve	7,951	0	0	0	7,951
		Pensions Deficit Reserve	466	0	0	0	466
		Quadrennial Elections	687	0	0	0	687
Corporate	Other Services	Audit Fee Reserve	774	0	0	0	774
		IT Sinking Fund	2,773	0	0	0	2,773
		Interest Rate Volatility Reserve	5,436	0	0	0	5,436
		Contingency to cover DSG overspend	12,314	0	0	0	12,314
Total Annual Review Volatility			44,461	0	0	0	44,461

Directorate			1st April Reserve £'000	Carry Forward Request £'000	20/21 MTFS commitment £'000	21-25 MTFS commitment £'000	Unallocated in MTFS Budgets £'000
Investment Funds							
Corporate	Other Services	Fire Transformation Fund	863	0	0	-863	0
		Children's Transformation Fund	6,217	-199	0	-6,018	0
		Organisational Change Fund	12,337	0	0	-7,722	4,615
		Un-ringfenced Government Grants	18,111	0	-18,111	0	0
		Revenue Investment Funds	17,500	0	-185	0	17,315
Total Investment Funds			55,027	-199	-18,296	-14,603	21,929
Reserves Subject to Annual Review - Specific Investment Projects							
Communities	Education Services	Virtual School for children looked after	93	-40	0	0	53
		Education management information system	44	0	0	0	44
	Environment Services	Flood Management Reserve	458	0	0	0	458
		Fire and Rescue	Vulnerable People Earmarked Reserve	84	0	0	0
	Strategic Commissioning for Communities	Kenilworth Station	552	0	0	0	552
		Skills Delivery for Economic Growth	131	0	0	0	131
Resources	Business and Customer Services	European Match Funding	166	0	0	0	166
		Corporate Customer Journey Programme	210	0	0	0	210
	Enabling Services	HR - Service Improvement Projects	60	0	0	0	60
Total Annual Review Specific Investment Projects			1,799	-40	0	0	1,759
Management of Financial Risk							
Communities		Directorate Risk Reserve	5,647	-515		0	5,132
People		Directorate Risk Reserve	12,844	-280		0	12,564
Resources		Directorate Risk Reserve	4,036	-1,504		0	2,532
Corporate		General Reserves	21,223	0		0	21,223
Total Management of Financial Risk			43,750	-2,299	0	0	41,451
Available for Use Reserves							
Corporate		Medium Term Financial Contingency	11,834	-731	-276	-6,340	4,487
Total Available for Use Reserves			11,834	-930	-276	-6,340	4,487
Total			193,027	-4,125	-19,088	-21,223	148,591

Investment Funds

The Medium-Term Financial Strategy creates five years' investment funds as below. Years 2 to 5 are in the Investment funds reserve above.

Council Investment Funds £000	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Sustaining Prevention Fund – A fund to pump-prime upfront investment in demand management and early intervention initiatives prior to the financial benefits accruing.	1,400	1,400	1,400	1,400	1,400	7,000
Climate Change Fund – A fund to invest in priorities flowing from the Climate Change Task and Finish Group and Council Plan 2025	800	800	800	800	800	4,000
Commercial Fund – A fund to deliver commercial investment in outcomes for Warwickshire arising from the commercial strategy.	800	800	800	800	800	4,000
Place Shaping and Capital Investment Fund – A fund to support capital feasibility work, investment in place and to improve delivery.	1,000	1,000	1,000	1,000	1,000	5,000
Total MTFS Allocation	4,000	4,000	4,000	4,000	4,000	20,000

Appendix O – Carry Forward Requests

Service	Title	Description	Amount £'000
Education Services	Virtual Schools Grant (Earmarked Funds)		40
Education Services	School Improvement Grant (Ringfenced Funds)		211
Education Services	Early years closing the gap work (Ringfenced Funds)	To tackle the variations in children's social and academic development	199
Strategic Commissioning for Communities	City of Culture	£1m allocation over 4 years approved as part of 2019/20 budget.	250
Strategic Commissioning for Communities	Minerals Plan	Funding for the external inspection of the minerals plan. This is a statutory activity.	65
Environment Services	Community Transport pilot scheme	Support for vulnerable and elderly members of the community and provision of appropriate transport links to shops, medical appointments etc	200
Strategic Commissioning for People	Health Champions	EIPCCF funding for Health Champions work to be undertaken	80
Strategic Commissioning for People	Mosaic development	Continuation of mosaic development	200
Children and Families	MASH Education post and 2nd MASH nurse	Posts agreed in light of the immediate lessons learned from the paused OFSTED inspection	150
Children and Families	Adoption Central England (Ringfenced)	Accumulated reserve from partnership funding – ACE Board have requested to return some of the surplus to each partner while retaining £809k for managing future pressures	400
Children and Families	Controlling Migration (Ringfenced)	Unspent Section 31 grant funds which will continue to be spent in 20/21	245
Business and Customer Support	Support for service redesign	Funding will be used temporarily to support the salary budget in 2020/21 as the service continues to implement the service redesign.	214
Business and Customer Support	Community capacity building	Project approved by Cabinet, funded from Early Intervention Fund.	90
Business and Customer Support	Time banking	Project approved by Cabinet, funded from Early Intervention Fund.	60

Service	Title	Description	Amount
			£'000
Commissioning Support Unit	Support for service redesign	Funding will be used temporarily to support the salary budget in 2020/21 as the service continues to implement the service redesign.	400
Enabling Services	BDUK/LFFN programme	WCC element of match funding for government grant for the wider programme. WCC element is £200k, overall project is £5.7m.	200
Enabling Services	Sharepoint migration	Contract already in place, funding spread across two years based on delivery milestones. Includes cost of a project manager	581
Governance and Policy	Removal costs for Montague Road/Hawkes Point	Office move costs forecast for 2019-20 - due to delay in sale of building this funding will be required in 2020-21	340
Governance and Policy	Graduate Scheme	Funding to employ 3 graduates for 2 years, salaries and membership of the NDGP	200
		Total	4,125

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Cabinet

11 June 2020

Treasury Management Outturn 2019/20

Recommendation

That Cabinet considers and comments on Treasury Management outturn in respect of 2019/20.

1. Introduction

1.1 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 CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code). During 2019/20 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (reported to Council in March 2019);
- a mid-year (minimum) treasury update report (delegated and reported to Cabinet September 2019); and
- an annual review following the end of the year describing the activity compared to the strategy (this report).

1.2 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

1.3 Treasury management in the context of this report is defined as:

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

2 Investments

2.1 The Council has an investment portfolio consisting of reserves and cash arising from daily receipts being in excess of payments on a short term basis.

- 2.2 Security and liquidity of cash was prioritised above the requirement to maximise returns. The Council adopted a cautious approach to lending to financial institutions, and continuously monitored credit quality information regarding the institutions on the Council's approved Lending List.
- 2.3 The Council's investment portfolio at the end the financial year 2019/20 was as follows:

Table 1: Investment Position at 31 March 2020

	Invested at 31st March 2019	Additions (Withdrawals)	Invested at 31st March 2020
In house deposits	167.523	54.489	222.012
Money Market/External Funds	173.453	-42.264	131.189
Total Treasury Management Investments	340.976	12.225	353.201
Cash	18.053	2.991	21.044
Total Cash and Cash Equivalents and Short Term Investment	359.029	15.216	374.245

- 2.4 Balances overall have increased. This is due to a number of factors including the revenue and capital outturn positions, and the government paying some 2020/21 grants in advance - providing a £14m Covid-19 grant at the very end of the financial year and a £4.8m business rates grant paid before the start of 2020/21.
- 2.5 The mix of in house and externally managed funds has changed during the year, with the trend continuing towards a greater allocation to internally managed longer-term loans that provide higher returns as detailed in Appendix A. However, towards to the end of the year requirements to hold more short-term cash developed, in particular:
- The emerging risks and pressures driven by the Covid19 pandemic. In the last few weeks of the financial year this issue rapidly escalated in seriousness resulting in a national lockdown beginning in the last week of the year. In order to be able to provide rapid cashflow support wherever it may be needed and in a situation of unprecedented uncertainty, no further fixed term loans were issued, and higher short-term balances were built up.
 - The potential to make an early payment of the next 3 years of pension fund contributions (£84.5m) was set out in the Treasury Management report to Cabinet in February. An urgent leader decision has been made which enables this payment to be made if deemed appropriate.
- 2.6 The performance of the Council's internally and external managed investments (weighted) versus the benchmark is set out in Table 2:

Table 2: Investment Performance to 31 March 2020

	Average Interest rate year to date	Benchmark Rate : 7 day LIBID	Variance
	%	%	%
In house deposits	0.75	n/a	
Money Market/External Funds	1.27		
Total	0.99	0.53	0.46

- 2.7 At the start of the year interest rates were expected to be 0.75% until September and then rise to 1% but instead stayed at 0.75% until March and then dropped to 0.1%. The rate of interest earned had been increasing through year driven by the longer-term gradual increase in the bank rate compared to the previous year and activity to increase the amount of cash earning higher rates in longer term loans. At Quarter 2 returns were reported of 1.05%. However the reduction in the Bank of England base rate from 0.75% to 0.25% on the 11th March and then to 0.1% on the 19th March alongside activity to maximise liquidity in response to the uncertainty of the Covid-19 pandemic has reduced the overall weighted average rate of return to 0.99%, by the end of the year. This still exceeds the London Interbank Bid Rate (LIBID) that is used as a benchmark by 0.46% (similar to last year when the benchmark was exceeded by 0.47%). The impact in 2019/20 was mitigated by the interest rate changes only happening in the last few weeks of the year, however the impact of the reduced base rate will be much more significant in 2020/21.
- 2.8 Appendix B illustrates the mix of treasury management investment returns from the different deposits held at the end of the year. The lowest rate was 0.07%, this being the year end rate on a Debt Management Account Debt Facility this fund was utilised at the year end to diversify short term investments as short term balances were increased to improve liquidity. This rate follows the base rate up or down quickly in comparison to other returns which follow with more lag. The highest rate was 4.34% for the CCLA Property Fund whose rate of return is not as directly driven by the bank rate and is a higher return and higher risk profile asset. Risk varies with return across all investments and diversification across different funds is important for security, risk management, and liquidity purposes hence not investing all cash in the fund with the highest rate of return. This analysis excludes cash balances which are not investments and investments that are not held for treasury management purposes.

2.9 The interest earned on the Council's investments was as follows:

Table 3: Interest Earned to March 2020

	Year to date Gross	Manager Fees	Year to date Net
	£m		£m
		£m	
In house deposits	1.417	n/a	1.417
Money Market/External Funds	2.392	0.332	2.060
Total	3.808	0.332	3.476

- 2.10 The net interest earned increased from £3.047m in 2018/19 to 3.476m in 2019/20 due to higher cash balances available to invest, higher average underlying interest rates, an increase in the proportion of longer-term investments earning higher rates of return, and lower management fees.
- 2.11 Externally managed funds incur management fees which are noted in Table 3. Internally managed funds do not present fees in the same way, either county council cash is lent to other institutions (e.g. other local authorities) who pay fees as the borrower or are invested in deposit funds that present net returns rather than gross returns with costs. In addition to external manager fees tabled above, there were internal costs of £0.074m, bringing total costs to £0.406m.
- 2.12 Most of the deposits simply provide a return and the deposit value is static. However, some funds are of a nature where the deposit itself has a value which can rise or fall, presenting an opportunity for higher returns but with higher risk. These are the CCLA Property Fund, Threadneedle Social Bond Fund, Federated Cash Plus fund and the Aberdeen Ultra Short Duration Fund. The changes in the underlying asset value of these investments are not reflected in investment returns above but would be realised upon selling. The movements in asset value during 2019/20 are illustrated in Appendix C.
- 2.13 Holdings in the **CCLA Property Fund** (£10.3m) have remained static during the year other than accumulating interest earned. The CCLA Property Fund suspended trading in March due to the volatility in markets caused by Covid-19. Valuing assets is currently not possible without significant uncertainty which causes a material risk of disadvantage to entities joining or leaving the fund at this time. The amount invested by the Council is relatively low at £10.3m and this cash is not required for operational purposes in the short term so does not need to be liquidated. Holdings in the **Threadneedle Social Bond Fund** (£32.1m) have also remained static. This fund has a significant difference between bid and offer prices and therefore liquidating this fund would come at a more significant cost, but the fund is still possible to access in 4 days. Holdings in the **Federated Cash Plus** were held for most of the year but during March were moved into instant access funds to provide the flexibility to respond to urgent Covid-19 driven cashflow support requirements, and hence do not appear in the year end balances. Holdings in the **Aberdeen Ultra Short Dated Fund** were held through the year, but the specific class of shares held was changed in May to reduce manager fees.

- 2.14 Appendix D illustrates the liquidity profile of investments held at the year end, i.e. how quickly in days our investments could be brought back into cash. A significant proportion of investments are available within days, and the majority within 6 months. Trading of the CCLA Property Fund has been suspended and so it is represented as being available at 365 days for the purposes of illustrating liquidity rather than the usual one-month timeframe.
- 2.15 Table 4 details our consultant's view on interest rates. The impact of Covid-19 and the uncertainty it generates is likely to see interest rates staying very low for some time. This will in turn cause low returns on cash deposits and money market funds. Further commentary on the wider economic environment from our external advisers (Link) is provided at Appendix E. Note that this commentary relates to what was known at the time of the outturn but some events, in particular in relation to Covid-19, have moved on since then.

Table 4: Interest Rate Forecast

	June 2020 – March 2022
Interest Rate Forecast	0.10

Source: Link Asset Services

3 Debt Financing

- 3.1 The authority had borrowing held with the Public Works Loans Board (PWLB) of £341.4m of principal as at the 31st March 2020 with no outstanding interest due at that date. The weighted average interest payable on the loans during 2019/20 was 4.9%. Total interest payable for the year was £16.9m.
- 3.2 During the financial year, the authority had £10m maturing debt. The County did not undertake any new long term borrowing in 2019/20 in order to run down spare cash balances and borrowing remained within the prudential limits. The profile of when debt was taken out and when it is due to mature, including the £10m repaid during 2019/20, is set out in Appendix F.
- 3.3 Interest rates on PWLB debt were increased without warning during the year, driven by the requirement to keep total PWLB borrowing within statutory limits and to discourage what is viewed as excessive borrowing by a number of local authorities seeking commercial returns at significant risk in order to support their budgets.
- 3.4 Interest rates currently being paid on debt are high compared to rates currently available for new borrowing which were around 2.3% at the end of March, with the exact value depending on the duration of the term for the borrowing. However it was not appropriate to refinance this debt due to the early redemption fees put in place by HM Treasury to protect from the loss of income that would result if local authorities did refinance to lower rates. This position will be kept under review.

- 3.5 The Council does not currently hold any variable rate debt and so is not exposed to interest rate risk on debt.

4 Compliance with Treasury Limits and Prudential Indicators

- 4.1 During 2019/20, the Council operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Policy Statement and Treasury Management Strategy. Full details of the Prudential Indicators set for 2019/20 are shown in Appendix G. Explanations of the terminology employed are set out in Appendix H.

5 Sensitivity Analysis

- 5.1 For the purposes of disclosure on Market Risk a sensitivity analysis has been carried out to show the impact of a change in interest rates of + 1% on the debt portfolio.

- 5.2 The following table shows the results of the sensitivity analysis:

	Actual	+1% increase in Base Rate	
	Fair Value at 31.03.2020	Fair Value at 31.03.2020	Difference
	£m	£m	£m
Debt (new borrowing)	507.529	427.613	79.916
Debt (early repayment)	738.174	603.42	134.754

- 5.3 The above table demonstrates how as interest rates rise the fair value of a given level of debt reduces. The early repayment figures are higher than the new borrowing figures, and this illustrates the early redemption penalties for Public Works Loan Board debt.

6.0 Non-Treasury Investments

- 6.1 In 2019/20 the Council initiated an investment strategy for non-treasury management purposes, in order to encompass investments for commercial or service purposes. This section explains the 2019/20 activity in respect of commercial and service investments.

- 6.2 During the year the Council maintained a position of not making investments primarily for a financial return. All non-Treasury investments have been for primarily service reasons. The Council has introduced a new Commercial Strategy during 2019/20 and this may change the nature of investments going forwards. The governance of any new developments will require the treasury management strategy and investment strategy to be updated as appropriate and approved by Council, including the introduction of appropriate performance indicators to enable the Council to understand and manage investment risks.

6.3 The non-treasury investments held by the Council are summarised below:

Property

6.4 As at the 31st March investment property was valued at £23.6m. Capital receipts of £2.03m were generated by sales during the year. Excluding assets sold during the year, the value of assets held increased by 1.05%. This is in the context of the overall assets of the Council being valued at £1.1bn.

Business Loans

6.5 Loans to the value of £0.3m were in issue to small businesses at the end of the year. These are managed by the Coventry and Warwickshire Reinvestment Trust to whom the Council issues funding via the capital programme.

6.6 Loans to the value of £0.9m were issued by the Coventry and Warwickshire Reinvestment Trust in respect of the Coventry and Warwickshire Duplex fund (the total fund value is £2m). This is a combined loan and grant fund to support local businesses that also receives funding from Coventry City Council and the Coventry and Warwickshire Local Enterprise Partnership.

6.7 Interest of £0.012m has been earned during 2019/20 in respect of these loans.

Companies

6.8 At the 31st March the Council held shareholder interests totalling £2.046m in the following companies.

- University of Warwick Science Park Innovation Centre Ltd (£1.811m)
- Coventry and Solihull Waste Disposal Company (£0.035m)
- Municipal Bonds Agency (£0.200m)
- Eastern Shires Purchasing Organisation (£100)
- SCAPE Group Ltd (£0.075m)
- Warwick Technology Park Management Company Ltd (£3)
- Warwick Technology Park Management Company (No.2) Ltd (£2)

6.9 The Council has two wholly owned local authority trading companies, owning the single £1 share in each:

- Educaterers Ltd
- Warwickshire Legal Services Ltd

6.10 Educaterers has a loan facility for in place with the Council. At the 31st March the loan balance was £1.528m.

7.0 Covid-19 Impact and Update

7.1 In December 2019 China reported the then unidentified initial cases of Covid-19 to the World Health Organisation. By March the UK government

announced a range of measures to control the virus and support the economy, including a lockdown and cash support to businesses and individuals, and the Bank of England significantly reduced the base rate to support the economy.

7.2 By mid-May Covid had been impacting on treasury activity and performance in the following ways:

- Reductions in cash balances driven by:
 - Paying supplier invoices immediately rather than on the normal 31 day terms to support supplier cash flow.
 - Providing loans to businesses to support the local economy.
- Losses in income from returns on investments driven by:
 - The reduction in the Bank of England base rate.
 - Holding lower cash balances due to providing cash support to other entities.
 - Holding cash in a more liquid form in order to be able to respond quickly to potential calls to provide cashflow support.
- Treasury services have supported activity within the Council to look at ways to support the Warwickshire economy and Warwickshire businesses.
- Activity was undertaken in March and April bringing more cash into instant access and shorter-term accounts to improve liquidity.
- Activity was undertaken to open additional short-term accounts to spread short term cash over a larger number of institutions to reduce risk.

7.3 By May some of the initial uncertainty had reduced and activity had been started to normalise treasury holdings. However, this will take a period of time to achieve as it is necessary to identify and secure the most appropriate opportunities and funds to put assets back into.

7.4 Covid-19 has had a relatively small impact on the returns on investments in 2019/20 because it impacted late in the financial year. However, it will have a significant impact in 2020/21 when it will impact for the full year. This and any longer-term impact will be taken into account in the setting of the next Medium Term Financial Strategy.

8.0 Financial Implications

8.1 The financial implications of the Treasury Management outturn are set out in the body of the report. Returns on investment were broadly as forecast for 2019/20 but Covid-19 will have a significant adverse impact on returns in 2020/21.

9.0 Environmental Implications

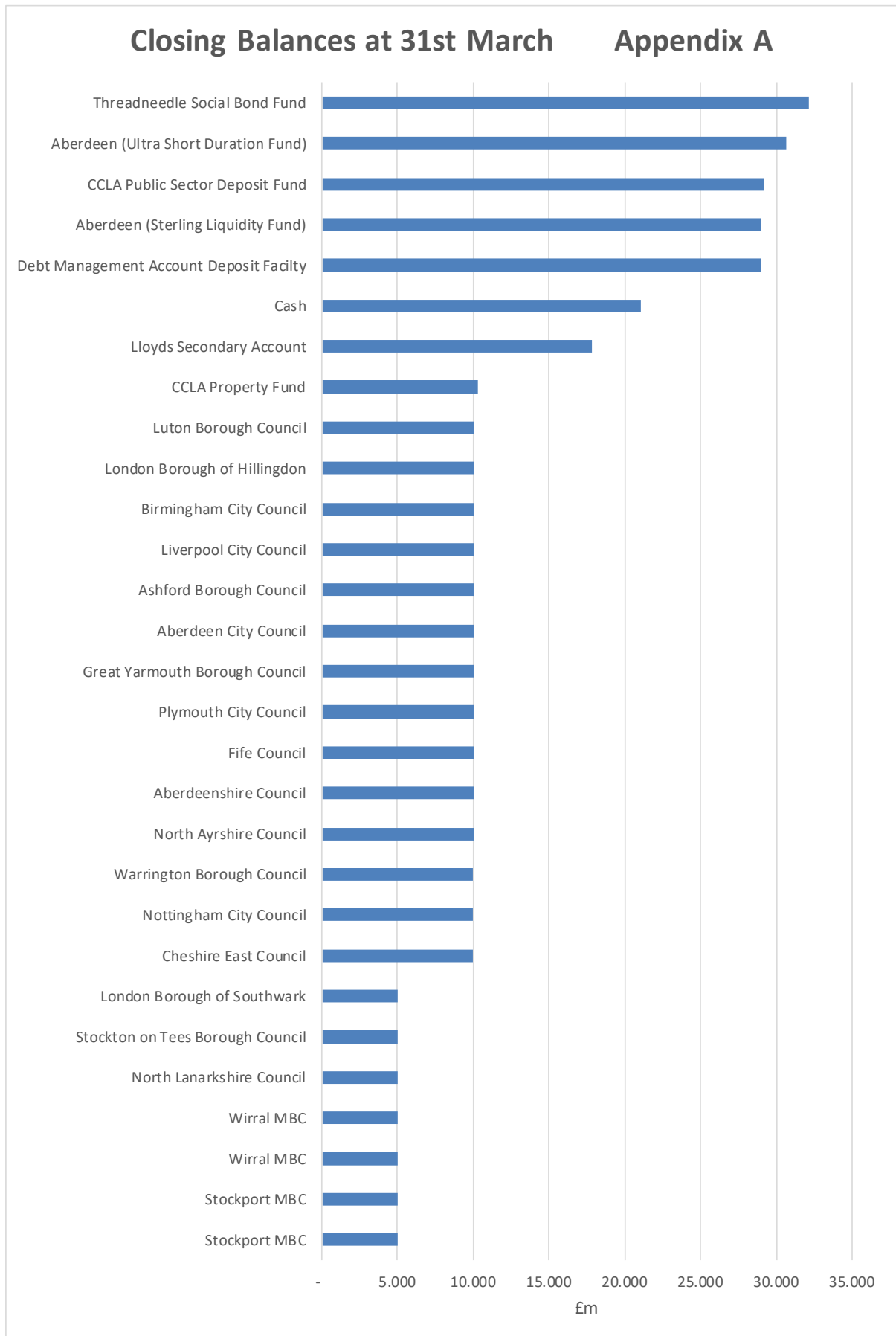
- 9.1 Pooled funds invested in will include investment in a range of different companies which will have a range of carbon footprints and climate impacts. The impact is not currently measured but a revised Treasury Strategy for 2020/21 does propose making climate change a higher profile matter for investment considerations but keeping in correct perspective the primary requirements for security, liquidity, and yield.

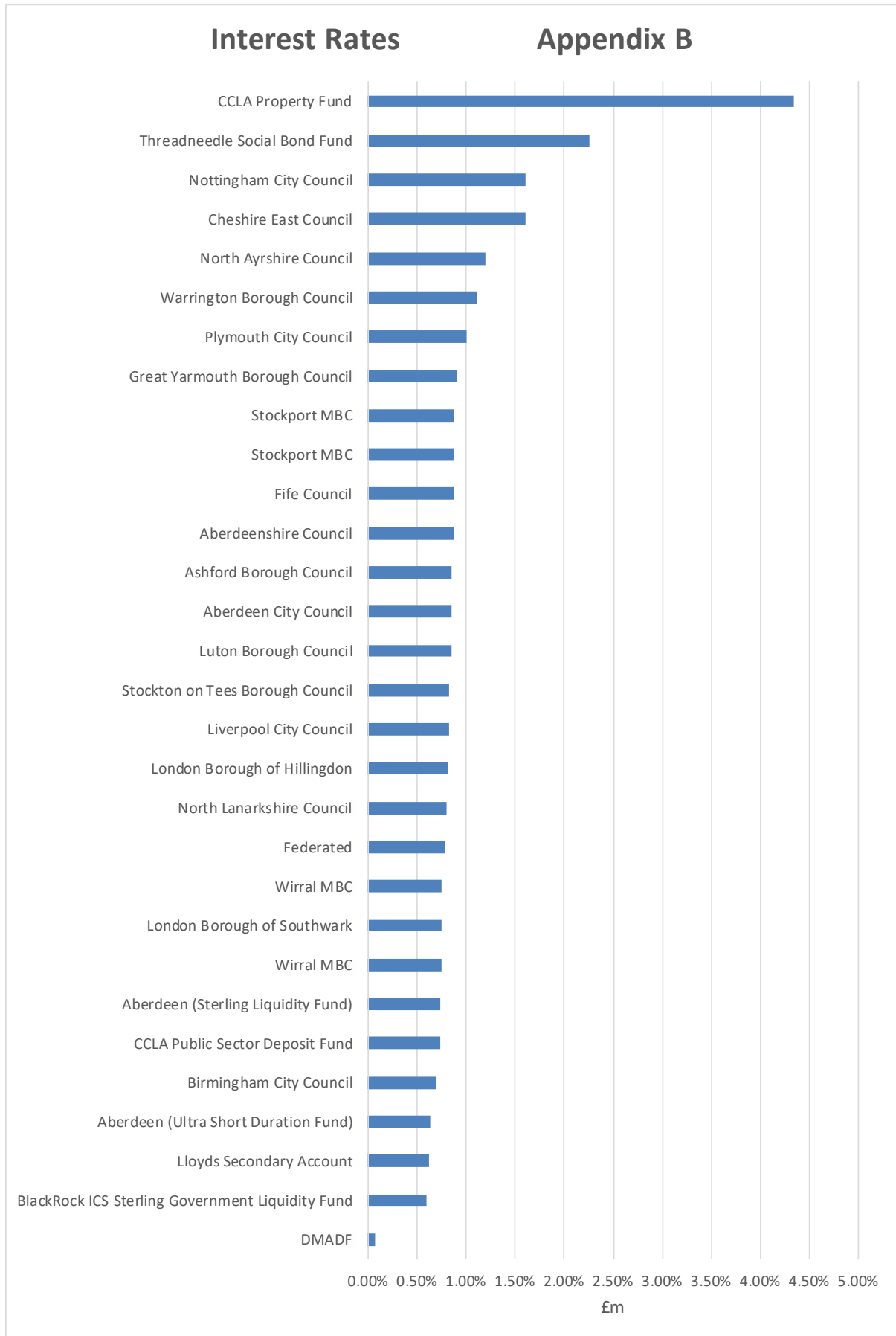
Background Papers

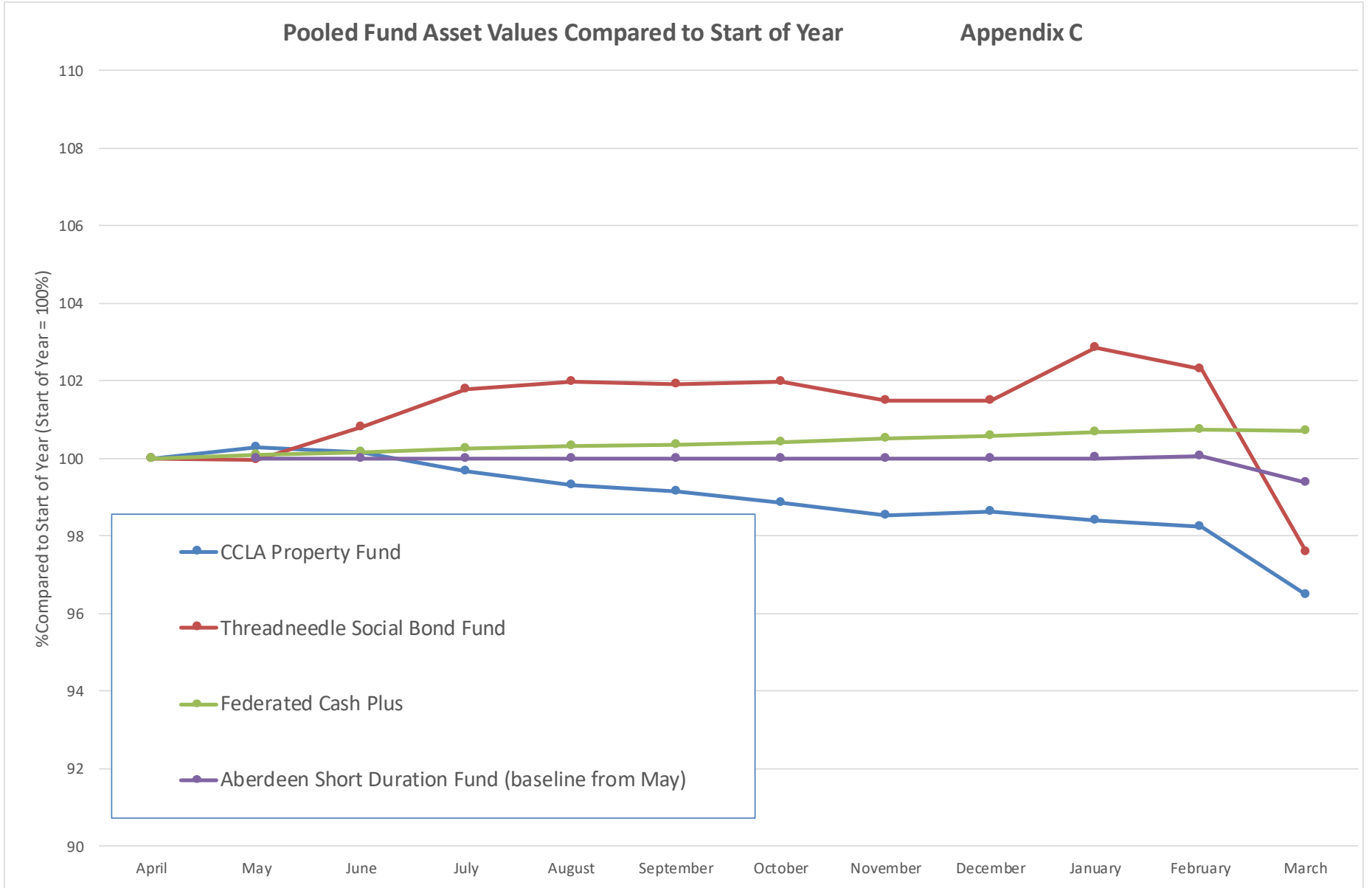
None

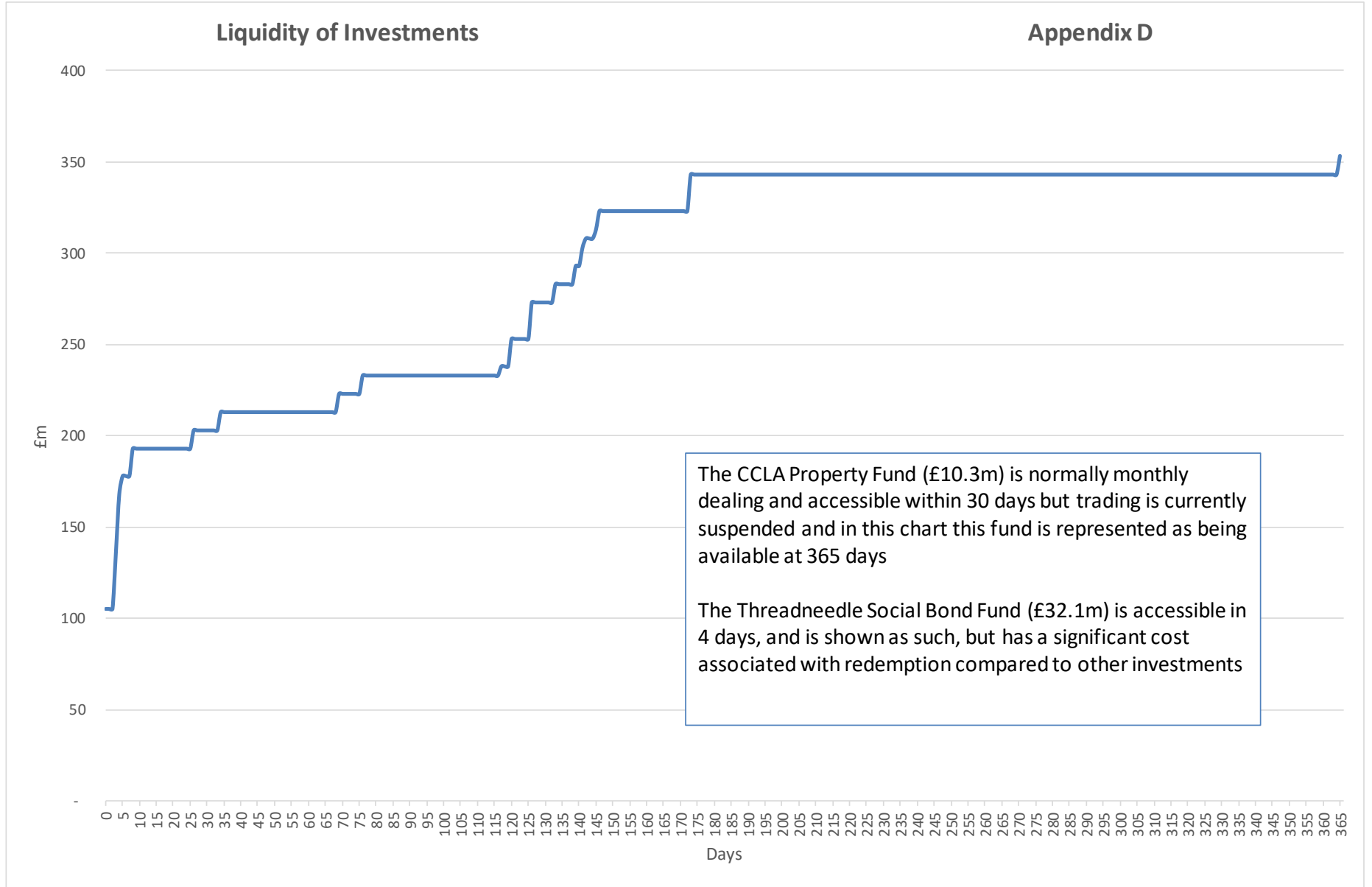
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The report was not circulated to members prior to publication.









The Economy and Interest Rates

UK. Brexit. The main issue in 2019 was the repeated battles 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.

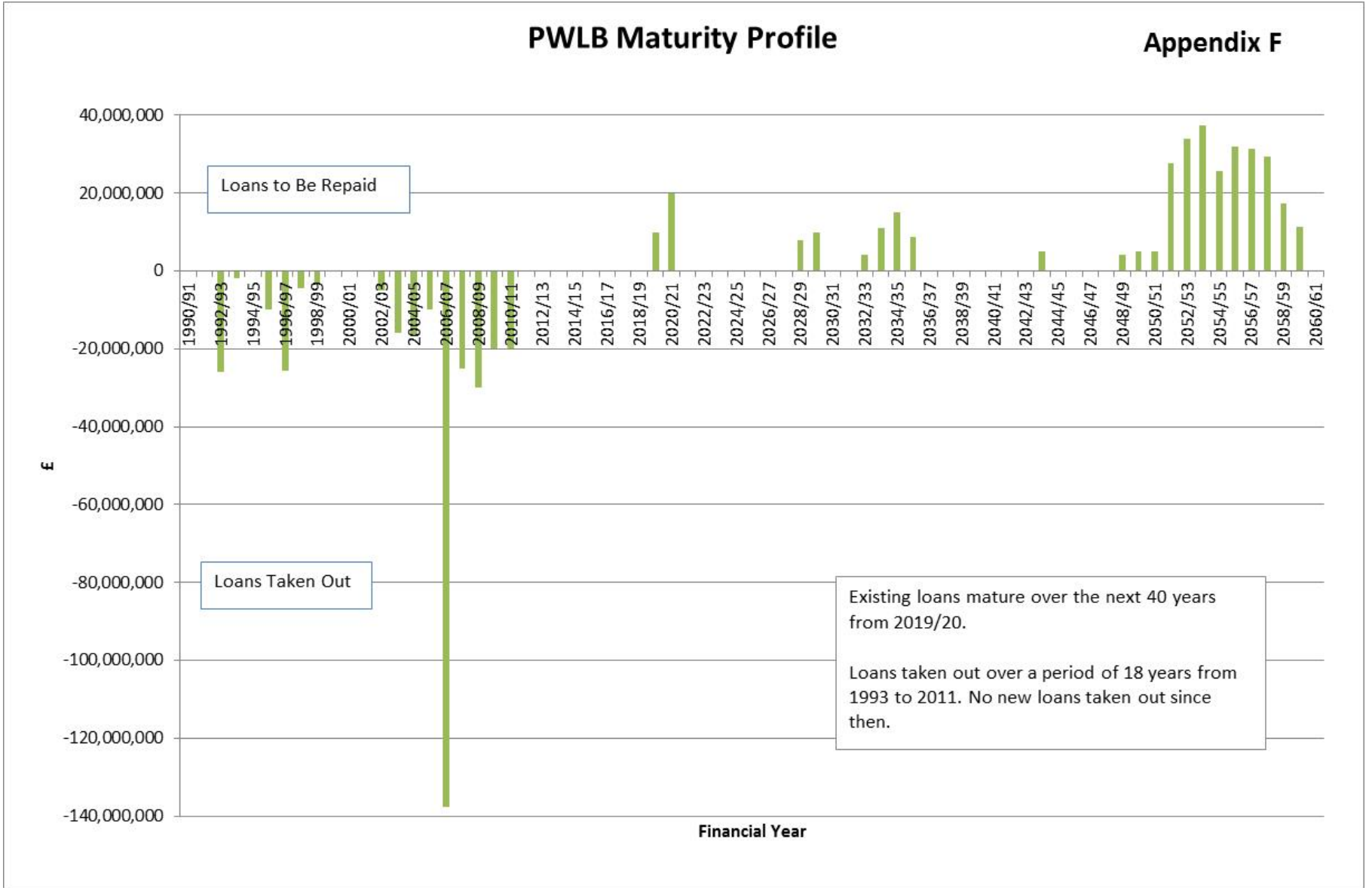
EUROZONE. The annual rate of GDP growth has been steadily falling, from 1.8% in 2018 to only 0.9% y/y in quarter 4 in 2019. The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended 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.



Prudential Indicators

Appendix G

	2018/19	2019/20	2020/21	2021/22	2022/23
(1). AFFORDABILITY PRUDENTIAL INDICATORS					
	Actual	Actual	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000
Capital Expenditure	84,077	109,628	147,887	84,887	22,101
	%	%	%	%	%
Ratio of financing costs to net revenue stream	6.99	6.78	6.45	6.41	6.33
	£'000	£'000	£'000	£'000	£'000
Gross borrowing requirement					
Gross Debt	362,274	352,274	332,274	332,275	332,275
Capital Financing Requirement as at 31 March	301,581	289,709	280,056	271,793	261,113
Under/(Over) Borrowing	(60,693)	(62,565)	(52,218)	(60,482)	(71,162)
	£'000	£'000	£'000	£'000	£'000
In year Capital Financing Requirement	(12,367)	(11,872)	(9,653)	(8,263)	(10,680)
	£'000	£'000	£'000	£'000	£'000
Capital Financing Requirement as at 31 March	301,581	289,709	280,056	271,793	261,113
PRUDENTIAL INDICATOR	2018/19	2019/20	2020/21	2021/22	2022/23
(2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS					
	estimate	estimate	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000
Authorised limit for external debt -					
Borrowing	516,818	420,482	420,899	386,983	374,167
other long term liabilities	12,000	12,000	12,000	12,000	12,000
TOTAL	528,818	432,482	432,899	398,983	386,167
	£'000	£'000	£'000	£'000	£'000
Operational boundary for external debt -					
Borrowing	430,681	350,402	350,749	322,486	311,806
other long term liabilities	10,000	10,000	10,000	10,000	10,000
TOTAL	440,681	360,402	360,749	332,486	321,806
Upper limit for fixed interest rate exposure					
Net principal re fixed rate borrowing / fixed term investments	100%	100%	100%	100%	100%
Upper limit for variable rate exposure					
Net principal re fixed rate borrowing / fixed term investments	25%	25%	25%	25%	25%
Upper limit for total principal sums invested for over 365 days (per maturity date)	£'000	£'000	£'000	£'000	£'000
	£60,000	£60,000	£60,000	£60,000	£60,000
Maturity structure of new fixed rate borrowing during year	upper limit	lower limit	Actual		
under 12 months	20%	0%	0%		
12 months and within 24 months	20%	0%	0%		
24 months and within 5 years	60%	0%	0%		
5 years and within 10 years	100%	0%	0%		
10 years and above	100%	0%	0%		
Maturity structure of new variable rate borrowing during year	upper limit	lower limit	Actual		
under 12 months	20%	0%	0%		
12 months and within 24 months	20%	0%	0%		
24 months and within 5 years	60%	0%	0%		
5 years and within 10 years	100%	0%	0%		
10 years and above	100%	0%	0%		

Note – The top line capital expenditure figures represent currently approved capital expenditure and hence they tail off in future years. As new capital expenditure plans are developed and approved the actual capital spent in future years will be higher than is set out here.

Appendix H

Prudential Indicators Glossary

Ratio of financing costs to net revenue stream

The ratio of financing costs to net revenue stream shows the estimated annual revenue costs of borrowing, less net interest receivable on investments, plus repayments of capital, as a proportion of annual income from council taxpayers and central government. The estimates of financing costs include current and future commitments based on the capital programme.

Gross Borrowing

Gross borrowing refers to the Authority's total external borrowing and other long term liabilities versus the Capital Financing Requirement.

Actual and Estimated Capital Expenditure

Actual and estimates of capital expenditure for the current and future years.

Capital Financing Requirement

The Capital Financing Requirement (CFR) represents capital expenditure financed by external debt and not by capital receipts, revenue contributions, capital grants or third party contributions at the time of spending. The CFR measures the Authority's underlying need to borrow externally for a capital purpose. The Authority has a treasury management strategy which accords with the CIPFA Code of Practice for Treasury Management in the Public Services.

Authorised Limit

In respect of its external debt, the Authority approves authorised limits for its total external debt gross of investments. These limits separately identify borrowing from other long-term liabilities such as finance leases. Authorised Limits are consistent with the Authority's current commitments, service plans, proposals for capital expenditure and associated financing, cash flow and accord with the approved Treasury Management Policy statement and practices. The Authorised Limit is based on the estimate of most likely prudent, but not necessarily the worst case scenario and provides sufficient additional headroom over and above the Operational Boundary.

Operational Boundary

The Operational Boundary for external debt is based on the same estimates as the authorised limit but reflects the Head of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included within the authorised limit to allow for unusual cash movements, and equates to the maximum of external debt projected by this estimate. The operational boundary represents a key management tool for in-year monitoring. Within the operational boundary, figures for borrowing and other long-term liabilities are separately identified.

Limits on Interest Rate Exposure

This means that the Authority will manage fixed and variable interest rate exposure within the ranges. This provides flexibility to take advantage of any favourable movements in interest rates.