

Report title	Capital Programme 2024-2025 to 2028-2029 Quarter Two Review	
Decision designation	RED	
Cabinet member with lead responsibility	Councillor Louise Miles Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Tim Johnson, Chief Executive	
Originating service	Strategic Finance	
Accountable employee	James Howse	Director of Finance
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Report to be/has been considered by	Strategic Executive Board	22 October 2024
	Council	4 December 2024

Recommendations for decision:

The Cabinet recommend that Council approve:

1. The revised, medium term General Fund capital programme of £338.0 million, an increase of £4.0 million from the previously approved programme, and the change in associated resources.

The Cabinet is recommended to:

1. Approve the virements for the General Fund capital programme detailed at Appendix 4 to the report for:
 - i. existing projects totalling £11.5 million;
 - ii. new projects totalling £183,000.
2. Approve the virements for the Housing Revenue Account (HRA) capital programme detailed at Appendix 4 to the report for:
 - i. existing projects totalling £7.2 million.
3. Delegate authority to the Deputy Director of Assets, in consultation with the Section 151 Officer or their delegates, to approve virements from the provision for future projects budget held within the Corporate Asset Management capital programme to

individual schemes in order that corporate priorities can be addressed in an agile and timely manner

Recommendations for noting:

The Cabinet is asked to note:

1. That a report on today's agenda to Cabinet meeting sets out an update to the Brewer's Yard (Phase 1) project. In line with the Our Future Council programme, the virements for approval detailed at Appendix 4 to this report recommends the reallocation of £3.7 million of Council resources to the Corporate Provision and Contingency for Future Programmes. This will ensure that future capital needs can be met over the medium term through existing resources, thus reducing the need to incur additional prudential borrowing above currently approved budgets. If the report is not approved, the capital programme will be updated accordingly. The report subject to approval is:
 - Brewers Yard (Phase 1) Culwell Street Update and Re-evaluation

1.0 Purpose

- 1.1 To provide Cabinet with an update on the 2024-2025 financial performance of the General Fund and Housing Revenue Account (HRA) capital programmes, whilst also providing a revised forecast for 2024-2025 to 2028-2029 as at quarter two of 2024-2025.
- 1.2 To recommend revisions to the current approved capital programme covering the period 2024-2025 to 2028-2029.

2.0 Background

- 2.1 On 17 July 2024, Council approved a General Fund capital programme totalling £313.6 million for the period 2024-2025 to 2028-2029. Since reporting to Council on 17 July 2024, further reports have been approved increasing the General Fund capital programme by £20.4 million to £334.0 million, funded by external resources.
- 2.2 The capital programme underpins the refreshed Our City: Our Plan, which was approved by Council on 28 February 2024. To ensure that the Council's resources continue to be aligned to the needs and priorities of local people, the plan has been refreshed and developed alongside the Medium Term Financial Strategy (MTFS).
- 2.3 Our City: Our Plan sets out how the Council will continue to work alongside its local, regional, and national partners to improve outcomes for local people.
- 2.4 The plan continues to identify an overarching ambition that 'Wulfrunians will live longer, healthier lives' delivered through six Council Plan priorities:
 - Strong families where children grow up well and achieve their full potential
 - Fulfilled lives with quality care for those that need it
 - Healthy, inclusive communities
 - Good homes in well connected neighbourhoods
 - More local people into good jobs and training
 - Thriving economy in all parts of the city
- 2.5 These priorities together with the associated key outcomes, objectives and activity form a framework to improve outcomes for local people and deliver our levelling up ambitions.
- 2.6 Supporting the six overarching priorities are four cross cutting principles:
 - Climate Action
 - Driven by Digital
 - Fair and Equal
 - Wolverhampton Pound
- 2.7 The capital programme includes significant investment programmes that endeavour to create an environment where new and existing business thrive, people can

develop the skills they need to secure jobs and create neighbourhoods in which people are proud to live.

- 2.8 The capital programme also reflects the priorities of the Strategic Asset Management Plan. Individual capital project delivery milestones are set and financial analysis is undertaken over the lifecycle of each project, by project managers in conjunction with Strategic Finance, and is captured in the Council's project management system. Regular project delivery updates are provided through the relevant governance structures (including Project Assurance Group where appropriate) enabling robust governance and challenge.
- 2.9 Despite inflation now on a downwards trend, there still remains considerable uncertainty and risk of costs pressures across the capital programme, with increases in the cost of materials already being realised, which have resulted in budget increases on a number of projects across the capital programme. The Council will continue to monitor and report on the ongoing impact of these projected cost pressures.
- 2.10 In addition, there are also supply chain delays, which could impact completion dates on projects and result in further cost pressures. The Council continues to assess the potential implications on its wider capital programme in terms of delivery timescales and increases in costs. Project contingency budgets are viewed in light of these pressures in order to mitigate against such cost increases, however these are unprecedented market conditions and the ongoing risk should be noted.
- 2.11 In light of ongoing financial challenges, the Council will continue to ensure that all projects brought forward for inclusion in the capital programme are subject to rigorous challenge and review. This includes projects funded from the Corporate Provision and Contingency for Future Programmes.

Our Future Council – Responding to the Financial Challenge

- 2.12 The Capital Programme makes a significant contribution to the shaping of the City and on the economy of the City and therefore will contribute to the Council's plans for Our City: Our Plan.
- 2.13 As detailed in Our Future Council (OFC) - Responding to the Financial Challenge report on this same agenda, the Capital programme plans a crucial part in contributing in addressing the projected financial challenge, namely the projected revenue deficit of £32.6 million by 2026-2027.
- 2.14 The Capital Programme and the revenue implications (Treasury Management Budget) continue to be reviewed as part of OFC programme. Our approach to reviewing the Capital Programme and to minimise the cost of any additional borrowing include;
- Reviewing and rephasing of projects in the capital programme, with particularly focus on costs associated with our assets, ICT, and fleet into later years.

- Ensuring we are maximising the use of external grant funding to fund projects. Projects that attract significant grant funding and require some match funding in the form of borrowing, will be assessed on an individual business case.
- Looking to generate more capital receipts to fund short life assets
- The principle that any new projects are 'invest to save' and pay for the cost of borrowing and / or where the capital expenditure is required to support essential day to day services.

2.15 The current review has resulted in £46.4 million being re-profiled from 2024-2025 into later years. However, the current Capital Programme does not include the full extent of the potential costs of maintaining, and replacing the Council's assets, fleet, ICT etc. based on current level of requests, the current projections of the revenue cost of the capital programme currently exceed the draft revenue budget for 2025-2026. Therefore, the Capital Programme will continue to be reviewed with updates provided to Councillors in future reports

3.0 Capital programme – Summary

General Fund

- 3.1 On 17 July 2024, Council approved a General Fund capital programme totalling £313.6 million for the period 2024-2025 to 2028-2029. Since then, further reports have been approved increasing the General Fund capital programme by £20.4 million to £334.0 million, funded by external resources. Full details can be found in Appendix 1 to the report and are summarised below:
- Establishment of supplementary budget of up to £20.0 million approved for the Green Innovation Corridor scheme, funded in full by awarded grant from the Ministry for Housing, Communities and Local Government (MHCLG). The scheme is a multi-phased transformational programme to be developed and delivered collaboratively with the University of Wolverhampton, and wider partners and stakeholders for which Council will act as Accountable Body;
 - Budget of £357,000 created for the Carriageway Surfacing within the Transportation capital programme, fully funded from Network North Funding. Projects have been developed to resurface Dudding Road, Hall Green Street and Wergs Hall Road, in line with the grant conditions allowing to utilise the allocated grant in 2024-2025;
 - Finally, budget of £35,000 for the Fly Tipping Intervention Grant Scheme within the Waste Services capital programme created following acceptance of grant from the Department for Environment, Food and Rural Affairs (DEFRA). Projects for acquisition and installation of SMART cameras, bollards and drones were developed to aid in the identification of Fly Tippers and to support the enforcement activity.
- 3.2 In addition to this, reallocation of resources totalling £7.7 million from the Corporate Provision and Contingency for Future Programmes budget to individual projects has

been approved, details of which can be found in Appendix 2 to the report and are summarised below:

- £4.0 million for the Digital & IT capital programme to progress with the transformation of technological infrastructure, ensuring it meets and future-proofs against best practice guidelines from the Public Services Network (PSN) and National Cyber Security Centre (NCSC);
- £3.7 million for the provision of Fleet Workshop and Electrification requirements at the new depot site. Once complete, the new facility will offer the West Midlands region a centre of excellence to lead in electric fleet vehicle servicing and maintenance whilst also providing opportunity of its Electric Vehicle (EV) services to the private and public sector;

- 3.3 This report reflects all known approvals to 31 October 2024. However, the Council continues to operate as usual, and reports subject to delegated authority may still progress during the period of preparing the report and it being considered by the Cabinet and Full Council. Where this situation arises, an update will be provided at the relevant meeting on any material changes to the information being presented.
- 3.4 This report considers further specific changes to budgets. A full list of the proposed capital programme can be found in Appendix 1 to the report.
- 3.5 Table 1 shows the approved General Fund capital programme budget compared with that proposed, along with the resources identified to finance the proposed change.

Table 1: Summary of the General Fund capital programme

General Fund capital programme	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028	2028 - 2029	Total
	£000	£000	£000	£000	£000	£000
Budget						
Approved	173,738	106,119	37,132	17,000	-	333,989
Variations						
New projects	1,183	1,305	-	-	-	2,488
Existing projects	(47,557)	20,410	25,727	2,969	-	1,549
	(46,374)	21,715	25,727	2,969	-	4,037
Projected	127,364	127,834	62,859	19,969	-	338,026
Financing						
Approved						
Internal resources	58,620	47,807	24,102	17,000	-	147,529
External resources	115,118	58,312	13,030	-	-	186,460
	173,738	106,119	37,132	17,000	-	333,989
Variations						
Internal resources	(13,918)	(2,778)	15,051	2,097	-	452
External resources	(32,456)	24,493	10,676	872	-	3,585
	(46,374)	21,715	25,727	2,969	-	4,037
Projected						
Internal resources	44,702	45,029	39,153	19,097	-	147,981
External resources	82,662	82,805	23,706	872	-	190,045
Projected	127,364	127,834	62,859	19,969	-	338,026

- 3.6 The profiling of the general fund capital programme reflects only approved budgets, which explains the weighting towards the current financial year and reducing in later years. The budget figures in later years is likely to increase as the Council progresses through the MTFS as projects are developed and are brought forwards for approval. As external resources, most significantly grants from central government and the West Midlands Combined Authority (WMCA), represent over 50% of budget financing, the prevalence of single-year funding settlements and single-bid applications for funding also contributes to this profile.
- 3.7 In line with Our Future Council, and as per section 2.15 above, £46.4 million has been recommended to be re-profiled from 2024-2025 into later years.
- 3.8 This report recommends variations to the approved capital programme totalling an increase of £4.0 million, funded from additional grant allocations, capital receipts and revenue contributions from schools to capital outlay (RCCO), which brings the total revised capital programme to £338.0 million.
- 3.9 Details of all projects that have contributed to the overall increase of £4.0 million in the General Fund capital programme can be found in Appendices 1 and 2 to the report, however, the key projects are as follows:
- An increase of £1.8 million relating to Waste capital programme due to grant allocation from DEFRA. The Council has been awarded capital grant in support of the delivery of weekly food waste collections, with the current target for implementation being April 2026;
 - There is an increase of £875,000 relating to the General Fund Housing capital programme due to Disabled Facilities Grant allocation from the MHCLG;
 - An increase totalling £872,000 within the Transportation capital programme. This relates to a number of projects:
 - £500,000 relating to Highway Improvement Traffic Signal Upgrades. This is funded by grant from the Department for Transport (DfT)
 - £350,000 relating to the City Region Sustainable Transport Settlements (CRSTS) - Major Projects capital programme for the A4123 Walk, Cycle and Bus Priority Improvement Measures project. This is funded from CRSTS grant which is distributed via the WMCA, and is subject to a grant agreement
 - £22,000 also relating to the CRSTS – Major Projects capital programme for the Ultra-Low Emissions Vehicles (ULEV) Development project. This is funded from CRSTS grant which is distributed via the WMCA, and is subject to a grant agreement
 - Further to this, an increase totalling £408,000 is proposed within the General Fund Housing capital programme relating to the Empty Property Strategy (£328,000) and Capitalised Salaries (£80,000) programmes, fully funded

from allocation of additional capital receipts, recycled within the Housing capital programme;

- Finally, there is an increase totalling £77,000 relating to the Education capital programme due to RCCO contributions from schools (£44,000) and additional Schools Condition Grant allocation from the Department for Education (DfE) (£33,000).

3.10 On 17 July 2024, Council approved a revised HRA capital programme totalling £528.0 million for the period 2024-2025 to 2028-2029. Of the approved £528.0 million HRA budget, £143.4 million relates to 2024-2025 financial year.

3.11 Due to updated delivery timescales, it is proposed to reprofile the HRA capital programme resulting in a net rephasing of £14.4 million from 2024-2025 into future years. A full review of the impact will be carried out as part of the 30-year HRA Business Plan which will be presented to Cabinet in January 2025.

3.12 Table 2 shows the approved HRA capital programme budget compared with that proposed, along with the resources identified to finance the proposed change.

Table 2: Summary of the HRA capital programme

Housing Revenue Account capital programme	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028	2028 - 2029	Total
	£000	£000	£000	£000	£000	£000
Budget						
Approved	143,396	136,958	105,165	80,452	62,025	527,996
Variations						
Existing projects	(14,413)	(902)	(3,475)	14,561	4,229	-
	(14,413)	(902)	(3,475)	14,561	4,229	-
Projected	128,983	136,056	101,690	95,013	66,254	527,996
Financing						
Approved						
Internal resources	137,013	136,779	105,165	80,452	62,025	521,434
External resources	6,383	179	-	-	-	6,562
	143,396	136,958	105,165	80,452	62,025	527,996
Variations						
Internal resources	(14,413)	(2,642)	(3,475)	14,561	4,229	(1,740)
External resources	-	1,740	-	-	-	1,740
	(14,413)	(902)	(3,475)	14,561	4,229	-
Projected						
Internal resources	122,600	134,137	101,690	95,013	66,254	519,694
External resources	6,383	1,919	-	-	-	8,302
Projected	128,983	136,056	101,690	95,013	66,254	527,996

4.0 Existing projects

4.1 The changes proposed for existing projects within the General Fund capital programme total an increase of £1.5 million as outlined in paragraph 3.8. A more detailed listing of the individual projects can be found in Appendices 1 and 2 to the report.

- 4.2 Requests for budget virements between existing projects within the General Fund capital programme total £11.5 million, a summary of these is available in Appendix 4 to the report.
- 4.3 In line with the Our Future Council programme, as per section 2.14 of this report, a review and rephrasing of projects in the capital programme, with particular focus on cost associated with our assets, ICT and fleet has been carried out. As a result of this initial exercise, a request for budget virements of £2.7 million as a result of this exercise are included within the total of £11.5 million above, available in Appendix 4 to the report.
- 4.4 The following paragraphs provide commentary where there has been a significant update to key projects compared to the previous quarterly report:

City Learning Quarter

- 4.5 City Learning Quarter (CLQ) is one of the Council's top regeneration priorities being fundamental to the levelling up approach for the City. The Council is managing the delivery of the CLQ programme which includes Phase 1, the City of Wolverhampton College Advanced Technology and Automotive Centre (ATAC) and Phase 2, which will create a lifelong learning hub in Wolverhampton City Centre comprising a new, refurbished and extended College building, with integrated and improved Library and Adult Education facilities at land around the existing College's Metro One building at Bilston Street.
- 4.6 The CLQ Programme has successfully secured public funding of approximately £69.2 million from multiple sources. Phase 1, ATAC has benefited from Black Country Local Enterprise Partnership (BCLEP) and WMCA grant awards while Phase 2 will be funded by a combination of BCLEP, Council & College Contributions, Towns Fund, Levelling Up Fund and Department for Education Capital Funding.
- 4.7 Practical completion of the new ATAC building was achieved on 25 July 2024 as planned, and the new facilities were opened to staff and students on 2 September 2024.
- 4.8 Following conclusion of works undertaken under the Pre-Construction Services Agreement (PCSA), the main construction contract has been awarded to Speller Metcalfe for the works to the Central Library, which will see investment to enable the co-location of Library and Adult Education services within the building. The project will also see essential repairs to the façade of the Grade II* listed building. Investment in the existing Adult Education Service accommodation is also included within this phase of the works. The current target completion for these works is Autumn 2025.

Brewers Yard Phase 1 – Culwell Depot relocation

- 4.9 The report on this same agenda titled "Brewers Yard (Phase 1) Culwell Street Update and Re-evaluation" sets out a detailed update to this scheme. The

refreshed business case is projected to make £3.7 million available to ensure that future Council capital requirements can be met through existing approved budgets, avoiding additional prudential borrowing where possible.

One Public Estate – Asset Transformation Programme (Loxdale, Stowheath & Hickman Avenue Depot)

- 4.10 The proposed project is the relocation of existing services from the former Loxdale Primary School (Loxdale) and Stowheath Day Training Centre (Stowheath) to Hickman Avenue Depot, to unlock the Stowheath and Loxdale brownfield sites for residential development. This project forms part of the wider Asset Transformation Programme. Council approval was obtained for this project to proceed, subject to grant, on 29 March 2023.
- 4.11 The funding bid with the Brownfield Land Release Fund 2 (BLRF2) Round 3 submitted earlier in 2024 was successful, and the Council has been awarded £1.4 million towards the Loxdale and Stowheath residential schemes. This, combined with funding secured from the Land and Property Investment Fund (LPIF) of £2 million, means that the schemes have not achieved sufficient funding to proceed. Efficiencies linked to the utilisation of existing Council sites are being explored to accommodate the relocation of Council services to expedite the scheme and provide improved value for money.

Housing Revenue Account (HRA)

- 4.12 The forecast at quarter 2 is for a total anticipated spend of £129.0 million, which includes reprofiling of budgets of £14.4 million to future years, and some reallocation between projects. £6.0 million of funding for Estate Remodelling and £5.0 million of New Build development has been reprofiled to future years to reflect delivery timescales. The estate reprofiling reflects the timing of planned demolition once all properties earmarked are vacant and made safe to take down. Demolition of Phase 1 at New Park Village is programmed to take place early in 2025. It is proposed to reallocate £2.5 million budget from unallocated new build provision to develop infill sites identified as suitable for new homes. Further grant funding from Homes England has been secured to support new build projects, bringing the total funding secured in 2024-2025 to £3.0 million, and work on site has started at development sites at Bushbury, Old Fallings Crescent and Ettingshall.
- 4.13 Projected spend on stock condition works to existing homes is projected to be largely on budget with a total forecast across projects of £103.4 million with a total of £3.4 million being reprofiled to future years. Works are progressing well with significant spend being projected across the major schemes, including Remedial Works to Non-Traditional Properties (£18.9 million including acceleration of £2.5 million), workings to High Rise estates (£21.8 million) and Heath Town (£18.5 million). £13.0 million of spend on Internal Decency is anticipated with Void Refurbishment costs forecast at £15.0 million. Reprofiling of budgets includes £2.5 million of High Rise works and £5.4 million of Low- and Mid-Rise infrastructure works to future years.

5.0 New projects and virements

5.1 Table 3 provides a summary of new projects requiring approval, covering the period 2024-2025 to 2028-2029, and identifying where additional funding is required and where the new expenditure can be met from existing resources. A detailed analysis of the individual projects included in this table can be found in Appendix 4 to the report.

Table 3: Summary of new projects requiring approval

Directorate	2024-2025 to 2028-2029		
	Forecast outturn	Additional external resources required	Virements from existing projects
	£000	£000	£000
General Fund	2,488	2,305	183
Total	2,488	2,305	183

5.2 The new projects requiring approval are funded from additional external resources of £2.3 million and virements totalling £183,000. This is discussed below whilst a list of the virements can be found in Appendix 4 to the report:

- Council received capital grant of £1.8 million from DEFRA in support of the delivery of weekly food waste collections, and therefore approval is sought to establish the appropriate budget in readiness for delivery. There is currently an ongoing challenge with DEFRA on the sufficiency of the grant allocation.
- Approval is also sought for new project within the Highways Improvement Capital programme of £500,000, funded from grant allocation from the DfT distributed via TfWM for traffic signal obsolescence upgrades

5.3 New projects created through virements relate to Education capital programme. In summary, approval is sought for the following new projects totalling £183,000 created through virements:

- It is proposed to reallocate resources of £179,000 to carry out capital maintenance works at various schools in the City. The proposed virement is funded from the existing external resources;
- In addition to this, an allocation of £4,000 of existing internal resources is requested for new project within the Building Schools for Future ICT Infrastructure capital programme. The new project is for the acquisition of networking data cabinets.

5.4 On 10 July 2024, Cabinet approved the recommendation to delegate authority to the Deputy Director of Assets to approve virements from the provision for future projects budget within the Corporate Asset Management capital programme to individual schemes in order that corporate priorities can be addressed in an agile and timely manner. This reports seeks to update this delegation in order to

strengthen it in line with OFC principles. It should be noted that there were six virements totalling £49,000 approved through the existing delegated authority to support urgent works. Virements can be seen in the Appendix 5 to the report.

6.0 Medium term capital programme financing

6.1 Table 4 details the approved financing for the capital programme for 2024-2025 to 2028-2029 and incorporates the requested approvals for projects included in this report.

Table 4: Approved and forecast capital financing 2024-2025 to 2028-2029

General Fund capital programme	2024-2025 to 2028-2029			
	Approved budget	Recommended budget	Variance	Resource as % of expenditure
	£000	£000	£000	
Expenditure	333,989	338,026	4,037	
Financing				
Internal resources				
Capital receipts	44,067	45,500	1,433	13.5%
Prudential borrowing	103,421	102,396	(1,025)	30.3%
Revenue contributions	41	85	44	0.0%
Reserves	-	-	-	0.0%
Subtotal	147,529	147,981	452	43.8%
External resources				
Grants & contributions	186,460	190,045	3,585	56.2%
Subtotal	186,460	190,045	3,585	56.2%
Total	333,989	338,026	4,037	100.0%

Housing Revenue Account capital programme	2024-2025 to 2028-2029			
	Approved budget	Recommended budget	Variance	Resource as % of expenditure
	£000	£000	£000	
Expenditure	527,996	527,996	-	
Financing				
Internal resources				
Capital receipts	28,202	25,441	(2,761)	4.8%
Prudential borrowing	372,786	373,807	1,021	70.8%
Revenue contributions	-	-	-	0.0%
Reserves	120,446	120,446	-	22.8%
Subtotal	521,434	519,694	(1,740)	98.4%
External resources				
Grants & contributions	6,562	8,302	1,740	1.6%
Subtotal	6,562	8,302	1,740	1.6%
Total	527,996	527,996	-	100.0%

6.2 Capital receipts totalling £45.5 million have been assumed in the General Fund capital programme over the medium term period of 2024-2025 to 2028-2029 and can be seen in Table 5. This is an increase of £1.4 million when compared to the approved budget, which has arisen due to re-profiling of receipts and capital requirements.

- 6.3 In order to be prudent, a detailed review of the schedule of asset disposals is undertaken to identify only those that are likely to be completed. The planned utilisation of capital receipts will reflect the need to balance the benefit for both the capital programme and the revenue budget and will form part of the ongoing Medium Term Financial Strategy.
- 6.4 Whilst the forecast of capital receipts is deemed prudent at this stage, it will continue to be monitored closely throughout the financial year. In the event that capital receipts assumptions change, updates will be provided in future reports to Councillors.

Table 5: Receipts assumed in the revised General Fund capital programme

General Fund	Projected					Total £000
	2024 - 2025 £000	2025 - 2026 £000	2026 - 2027 £000	2027 - 2028 £000	2028 - 2029 £000	
Capital programme receipts	6,400	12,200	11,900	9,000	6,000	45,500

- 6.5 It is the Council's strategy to use capital receipts to reduce the Council's need to borrow to fund the approved capital programme. Capital expenditure has a direct impact upon the Council's revenue budgets and therefore needs to be restricted to projects essential to the Council's priorities. Any proposals to increase the level of the capital programme are considered in accordance with the Capital Strategy.

7.0 Key budget risks

- 7.1 The delivery of major capital projects and programmes (i.e. City Learning Quarter), which have a significant reputational risk to the Council, are captured as unique risks on the Council's Strategic Risk Register. The main risk that impacts the future delivery of the capital programme is the strategic risk around the Council's Medium Term Financial Strategy in terms of the significant uncertainty in relation to demand for services, inflation and levels of government funding.

- 7.2 The overall risk associated with the programme continues to be quantified as amber.

8.0 Evaluation of alternative options

- 8.1 This report provides an update on progress of capital projects during 2024-2025 and anticipated budget requirement for future years. The evaluation of alternative project options is detailed in individual investment proposals.

9.0 Reasons for decision

- 9.1 To seek Cabinet's recommendation to Council to approve the revised capital budgets. This will ensure that the capital programme reflects the latest forecasts and budget requirements.

10.0 Financial implications

- 10.1 The financial implications are discussed in the body of this report. The revenue implications of the new and existing projects seeking approval for additional or

changes in resources for the General Fund have been considered and reflected in the 'Treasury Management Activity Monitoring – Mid Year Review 2024-2025' report also on the agenda for approval at this meeting.

- 10.2 New capital grant notifications received during quarter two 2024-2025 can be seen in the table below. Notifications can either confirm new, or additions to existing grants, or reflect reductions in existing grants where resources are no longer required:

Directorate	Funding body	Name of grant	Project(s) funding	£000
Organisation	Department for Environment Food & Rural Affairs	Food waste collections	Food waste collections	1,805
Organisation	Department for Levelling Up, Housing and Communities	Disabled Facilities Grant	Disabled Facilities Grants Capital Programme	875
Organisation	Department for Transport (via Transport for West Midlands)	Traffic Signal Obsolescence Grant	Traffic Signal Obsolescence Grant Updates	500
Organisation	Department for Transport (via West Midlands Combined Authority)	A4123 Black Country Multi Model Corridor - Wolverhampton/Sandwell/Dudley (CRSTS Major Projects)	GF - BCT Walk/Cycle and Bus Priority Improvement Measures - A4123 - Sandwell	175
Organisation	Department for Transport (via West Midlands Combined Authority)	A4123 Black Country Multi Model Corridor - Wolverhampton/Sandwell/Dudley (CRSTS Major Projects)	GF - BCT Walk/Cycle and Bus Priority Improvement Measures - A4123 - Wolverhampton	88
Organisation	Department for Transport (via West Midlands Combined Authority)	A4123 Black Country Multi Model Corridor - Wolverhampton/Sandwell/Dudley (CRSTS Major Projects)	GF - BCT Walk/Cycle and Bus Priority Improvement Measures - A4123 - Dudley	87
Families	Department for Education	Schools Condition Allocation	Schools Capital Maintenance - Contingency for emergency work	33
Organisation	Department for Transport (via West Midlands Combined Authority)	ULEV Black Country (CRSTS Major Fund)	Black Country ULEV - Development	22
HRA	Homes England	HE Development Grant	New Build - Old Fallings Crescent	1,740
Total grant notifications				5,325

[RJ/05112024/W]

11.0 Legal implications

- 11.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and it set out the responsibilities for the Council's Section 151 officer
- 11.2 The Local Government Act 2003 brought in the current regime for capital finance for local authorities. It reduced the level of central control over local authority borrowing

and capital expenditure. The Council as part of its decision making should have regard to the Government's guidance notes on the general fund revenue account budget.

- 11.3 Each project mentioned in this report will have its own specific legal implications, raised and tailored in their respective reports.

[ST/05112024/B]

12.0 Equalities implications

- 12.1 There is a range of individual projects delivered through the Council's capital programme that have significant impacts on specific groups and equality implications should be considered when individual capital projects are being developed.

- 12.2 This requirement would also apply if there were to be any redirection of capital funding in year to ensure that the impact of any changes is considered.

13.0 All other implications

- 13.1 A wide range of projects delivered through the capital programme have significant environmental implications and are geared to promote improvements to the physical environment.
- 13.2 Projects funded and delivered through the Council's capital programme typically have significant impact on the Council's property portfolio. Corporate landlord implications must be considered and included in relevant documents and reports when individual capital projects and programmes are being developed.
- 13.3 There is a range of individual projects delivered through the Council's capital programme which could have health and wellbeing implications, these should be considered when individual capital projects are being developed.

14.0 Schedule of background papers

- 14.1 Individual Executive Decision Notice, 7 June 2024 - Contract Award - Carriageway Resurfacing 2024/2025;
- 14.2 Individual Executive Decision Notice, 9 July 2024 – [New Transport and Fleet Depot](#);
- 14.3 Council, 17 July 2024 - [Capital Budget Outturn 2023-2024 including Quarter One Capital Budget Monitoring 2024-2025](#);
- 14.4 Individual Executive Decision Notice, 19 July 2024 - [Replacement of a Modular Building at Christ Church CE Infant School and Nursery and Westacre Infant School](#);
- 14.5 Joint Cabinet and Cabinet (Resources) Panel, 24 July 2024 - [Investment in our School Assets 2024-2025](#);

- 14.6 Joint Cabinet and Cabinet (Resources) Panel, 24 July 2024 – [Green Innovation Corridor – Acceptance of Grant Funding](#);
- 14.7 Individual Executive Decision Notice, 22 August 2024 – [Expansion of Tettenhall Wood Special School](#);
- 14.8 Individual Executive Decision Notice, 26 August 2024 – [Fly Tipping Intervention Grant Scheme](#);
- 14.9 Individual Executive Decision Notice, 9 September 2024 - [Introduction of additional in-year school places at Bilston Church of England Primary School](#);
- 14.10 Individual Executive Decision Notice, 18 September 2024 – [UK Shared Prosperity Fund 2024-25 Reallocation of Capital Funds](#);
- 14.11 Individual Executive Decision Notice, 21 October 2024 - Digital & IT Capital Programme – Approval of Schemes 2024-25;
- 14.12 Individual Executive Decision Notice, 21 October 2024 - Variation to standard terms of conversion – Lawnswood Campus Pupil Referral Units.

15.0 Appendices

- 15.1 Appendix 1 – Detailed project budget
- 15.2 Appendix 2 – Detailed forecast change
- 15.3 Appendix 3 – Projects requiring approval
- 15.4 Appendix 4 – Virements for approval
- 15.5 Appendix 5 – Virements to note