

CORPORATE SCRUTINY AND PERFORMANCE PANEL

DATE: 28 NOVEMBER 2013

Draft Revenue Budget and Capital Programme 2014/15 for Resources Portfolio

Ward(s) All

Portfolio: Councillor C Towe - Resources

Summary of report

This report outlines the portfolio plans for future service delivery, along with the approach being taken to delivering service improvements and cost efficiency for the Resources portfolio. This includes Cabinet's draft revenue budget options and draft capital programme for 2014/15 for consultation, for the panel to consider and make recommendations to Cabinet if they so choose

Recommendation

The panel are recommended to :-

- A) Consider the portfolio plan for future service delivery, and draft revenue options in this report, and make recommendations to Cabinet as appropriate.
- B) Review and make recommendations to Cabinet as appropriate, on the draft capital programme for services within the remit of this panel.

Background papers

Various financial working papers.

Reason for scrutiny

To enable consultation and scrutiny of the draft portfolio plan, draft revenue budget options, and draft capital programme for 2014/15.

Resource and legal considerations

Cabinet on 23 October 2013 presented their draft portfolio plans on future service delivery, including the draft revenue budget 2014/15 and draft capital programme for consultation.

Corporate position

1. 2014/15 Draft Revenue Budget Headlines – corporate position

The revenue budget has been constructed in accordance with the council's medium term financial strategy (MTFS) and all relevant corporate financial protocols and presents a balanced budget. This includes the future financial predictions on all council funding and pressures, including the forecast reduction in our direct government funding. This results in:

- A focus on a policy-led, risk assessed budget setting approach using corporate priorities established by Cabinet and the Sustainable Community Strategy.
- A total net council tax requirement of **£85.40m**
- Provision for inflationary pressures of **£2.29m**
- Provision for other known budget pressures, including demographic and cost pressures, and reduced levels of income or grant, of **£6.15m**.
- New savings options of **£18.97m**
- Full year impact of savings approved in the 2013/14 budget of **£2.20m**
- Opening general reserves in line with the council's MTFS

The estimated gross revenue expenditure budget for 2014/15 will be **£619.78m**, and gross income will be **£534.38m**, resulting in a net council tax requirement of **£85.40m**. These figures may change as grant allocations are finalised and decision on council tax, etc are taken.

It has been possible to commit to £6.15m to address key priorities and funding of essential cost pressures. This includes changes to discretionary housing payments and housing benefits and the correction of income targets. It also covers a provision to fund inflationary pressures (i.e. contractual), and corporate cost pressures to fund for example, the revenue implications of the capital programme, pay and grading and pension realignments. Income targets have also been corrected in some areas and to address the impact from reduced levels of grant.

This commitment has been made possible by planned improvements in efficiencies and other savings. The council is transforming the way it undertakes its business, with a view to reducing overhead and transactional costs.

2. 2014/15 Draft Capital Programme Headlines – corporate position

The draft capital programme for 2014/15 totals £37.61m. It sets out new capital investment funded from the council's own resources of £14.05m (funded by capital receipts and unsupported borrowing) and externally funded schemes of £23.56m (funded by capital grants) and represents a balanced programme for 2014/15. In addition, the report sets out a further two years of proposals for 2015/16 to 2016/17.

Despite reductions in capital funding in recent years and going forward, the draft capital programme contains some significant investment into highways, education, and into adult social care and housing to support vulnerable households through Health through Warmth and provision of aids and adaptations. A reserve list of new projects is also reported, where funding could be redirected in year if available.

Position for services within the remit of this panel

This report summarises the portfolio plans for service delivery, including draft revenue options and draft capital programme 2014/15, for services within the remit of this panel.

The plan and options are presented to this panel for consultation and scrutiny and allow the panel to make recommendations to Cabinet.

1. 2014/15 Draft Revenue Budget

The draft portfolio plans relating to the services within the remit of this panel are attached at **Appendix 1** (Resources portfolio).

Table 1 sets out the draft revenue budget 2014/15 for the Resources portfolio, including changes in resources compared to the approved budget for 2013/14.

Table 1 : Draft Net Budget – Resources Portfolio	2014/15 £m
Budget brought forward from 2013/14	15.902
Contractual inflation	0.009
New Cost Pressures	
– Reduction in Housing Benefit admin grant	0.163
– Right to buy fallout	0.149
– Discretionary Housing Payments	0.137
New savings options	(2.510)
Full year effect of previous years approved savings	
– Implementation of the business improvement service	(0.099)
Draft net budget requirement	13.751

Further provision for pay award and pension changes are made, which are currently held corporately, and will be allocated as the budget is finalised, based on actual requirements.

2. 2014/15 Draft Capital Programme

Table 2 sets out the draft capital programme 2014/15 to 2016/17 for the Resources portfolio with further detail of the schemes below.

Table 2 : Draft Capital Programme – Resources Portfolio			
Project	2014/15 £	2015/16 £	2016/17 £
Council funded schemes			
ICT essential maintenance	74,000	0	0
Increase council internet security	14,500	0	0
ICT essential software license changes	46,000	0	0
Improvements to ICT security	18,000	0	0
ICT requirements to cater for transitioned services	445,680	0	0
Social Care IT systems review & enhancement	550,000	550,000	0
Replenish Smarter Workplaces capital pot	152,200	0	0
Total draft capital programme	1,300,380	550,000	0

ICT essential maintenance

To improve the capacity of infrastructure services (virtual servers) that underpin the majority of ICT systems used within the council. The current server virtualisation estate is over committed and struggling to accommodate growth, and this upgrade will allow it to accommodate an increase in the use of systems.

Increase council internet security

To buy additional pieces of hardware to support the increase in the number of users accessing the internet for council business. Part of the Council's internet access services (proxy services) provide staff with secure, monitored and filtered access. This would

include upgrade to Active directory 2008/12, additional virus scanning compatibility and Kerberos authentication for staff, giving increased logging and monitoring facilities.

ICT essential software license changes

The Council needs to change the software licensing arrangements for certain ICT systems in order to remain within the law and allow for forecast capacity growth. This is primarily driven by having to keep software at certain levels to be compliant with the Governments Code of Connection. Software licensing legislation is complex and it can sometimes inadvertently be misused which can expose the council to potential fines. ICT intend to implement the upgraded systems over the third quarter of 2014 with project completion by the end of the first quarter 2015.

Improvements to ICT security

To improve the hardware / capacity of the services that secure our email and documents we share publicly. This will allow the council to increase capacity to securely accommodate the increase in the number of partners and officers accessing information off site. By improving the councils ICT security barriers (known as DMZ services), this will allow secure access to internal ICT and external systems from the internet. The new hardware required will allow for the increased number of servers required for expanding the services provided over the web. The new servers would be built with failover and redundancy to suit the council requirement for data centre disaster recovery.

ICT requirements to cater for transitioned services

Staff now working in Children's Services do not have the standard IT equipment they need to carry out their day to day work. During 2012/13 a number of services and functions transitioned to the Council from external organisations. To achieve the timescales involved in this, interim and temporary solutions were put in place for the final part of the Serco transition. To remove these temporary and interim solutions and to resume a full business as usual function for additional users there needs to be considerable investment in the supporting ICT infrastructure. ICT provision for 250 staff transferred has yet to be resolved.

Social Care IT systems review & enhancement

Case recording and reporting issues were highlighted in the Ofsted inspection conducted in June 2012. The council has been systematically undertaking a review of both the processes and systems in use in Social Care (specifically Children's), in order to help enable the organisation to customise deliverable outcomes that are client centred. This is supported and driven by key IT systems that are implemented to ensure that staff provide the best possible services and to drive efficiency across the organisation. The current system in use in Adults and Children's is provided by Civica, the name of the software solution is Paris and this was procured 9 years ago. Since the procurement of Paris it has not had any further supplier developments or updates in that time. Options are needed to find a solution that is fit for purpose, part of that solution will be the right system that fits with the business need and differing customer demand. Soft market testing has recently been finalised.

Replenish Smarter Workplaces capital pot

Upgrading the Human resources (HR) IT system which manages the council's payroll, following the supplier issuing notice that it was discontinuing support in 2013/14. Pre-approved capital for the smarter workplaces programme is being used to fund the new HR system. This has delayed some smarter workplaces activity but not detrimentally to customers. This bid is to ensure that the smarter workplaces project finishes as the current infrastructure for smarter workplaces is not complete. This will enable the programme to purchase more storage and processing power to continue as planned.

Citizen impact

The budget is aligned with council and service delivery priorities. The report sets out the plans for future service delivery for the services within the remit of this panel.

Environmental impact

The impact on the environment is considered alongside all budget / capital programme options.

Performance management

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, and there are comprehensive performance arrangements in place to monitor and manage this.

Equality Implications

Service managers have regard to equalities in setting budgets / capital programme and delivering services. Equality impact assessments will be undertaken as required prior to final recommendations being made to Council on the budget.

Consultation

This is a specific meeting for scrutiny to consider the draft revenue budget and draft capital programme for 2014/15.

Consultation is an integral part of the budget process and arrangements are in hand to consult with a wide range of stakeholders (i.e. councillors, residents, service users, business sector, voluntary and community organisations, etc.).

Each year the council consults residents and stakeholders as part of its budget process. This year, over 200 members of staff from across all directorates who have interaction with key groups / stakeholders, have been briefed on the budget message and will be involved throughout the budget consultation process which takes the form of two phases.

Phase one (early September to October 23rd) has seen 'Budget- have your say' postcards distributed, as well as an online form and email which are being used to capture feedback from the public on council cost cutting measures. Staff communication is key, therefore as well as the staff briefings, budget information has been shared via the Intranet and core brief, on pay slips and posters in offices. Online forms and an email address are being used to capture feedback from staff.

Phase two (24th October to 14th November) focuses on the draft budget proposals, allowing for a more informed and meaningful conversation with the public and staff. Staff involved in phase one will be provided with all the information they need to help communicate the draft budget proposals and capture and encourage feedback in the same way they did in phase one. Staff are being briefed before going out and about in the borough, talking to members of the public face to face at venues including libraries, leisure centres, supermarkets, community associations and other local venues (a detailed timetable of dates, times and locations will be published widely). Business representatives will be made aware of the draft budget proposals via existing communication channels and will be consulted at two meetings in early November.

A detailed report on consultation feedback from both phases of consultation, to include scrutiny feedback, will be presented to Cabinet on 11th December.

Any changes to these options, following public consultation, will be reported to a future meeting of the panel, providing an opportunity to make further recommendations to Cabinet. Cabinet may wish to consider the feedback contained within this report in formulating their draft budget proposals

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PORTFOLIO: RESOURCES***A. Summary of Services provided by the portfolio***Communications, Marketing and Consultation

- PR and media management
- Reputation management
- Communications strategy, planning and campaign delivery
- Media monitoring and evaluation and Reporting
- Internal communications
- Social media
- Digital and websites (including: council websites and internet)
- Marketing (including income generation and the promotion of venues e.g. New Art Gallery, through to the promotion of services e.g. fostering and adoption)
- Marketing (publications and promotional materials, sponsorship and advertising)

Shared Services & Procurement

- ICT Services and Support
- Procurement
- Print & Design

Programme Delivery and Governance

- Business Information and Intelligence, Business Analysis, service re-design
- Systems thinking training
- Programme and Project Management
- Governance Reviews - (of strategic programmes or projects)
- Freedom of Information Act/Data Protection Act - (co-ordination and management of all enquiries)
- Customer Complaints - statutory - (Social Care and Children's) and non-statutory
- Ombudsman - (co-ordination and management of issues and relationship with Ombudsman)
- Policy co-ordination - (maintenance of strategies and policy database, production and distribution of monthly policy round-up and legislation tracker, ad hoc support to policy development)
- Strategic Planning (production of Corporate Plan and contribution to other strategic documents)

Finance

- Accountancy, financial reporting, financial management, financial systems, financial strategy and planning, budget setting, financial support and advice to directorates
- Risk and Insurance - claims handling, insurance fund management, risk management
- Treasury Management including cash management and banking
- Financial administration – Accounts payable and receivable, debt management and recovery

Internal Audit

- An assurance service that provides an independent and objective opinion to the organisation on the control environment
- Advisory and related client services which are carried out to improve services and to add value, including the impact of proposed policy initiatives, programmes and projects as well as emerging risks

- Prevention, detection and investigation of fraud and corruption; and other irregularity

Benefits

- Advice, customer application support, assessment, revision, payment, recovery of overpayments, customer queries, complaints and appeals of the following benefits:-
 - Housing benefit
 - Council tax benefit
 - Discretionary housing payments
 - Free school meals
- The prevention, detection and investigation of benefit fraud and error, including the application of sanctions.
- Training and advisory sessions delivered to partner organisations.
- The administration of the housing benefit subsidy and grant claims and returns.

Revenues Service

- Council tax - billing, collection, recovery and enforcement
- Non domestic rates (business rates) - billing, collection, recovery and enforcement
- Banking hall – corporate income collection service, including cheque processing, car parking money, external payment facilitator (WHG, south staffs water), social care payments, petty cash, internal payment facilitator (most council service transacted).
- Welfare rights unit – income maximisation, debt advice, benefits based charging scheme (previously the fairer charging scheme)

Human Resources

- HR Direct, Intranet/HR portal
- Payroll and pensions/transactional services
- HR Specialist Services. The teams within this service are business partner (directorates support), wellbeing and equality and learning and development

Legal and Democratic Services

- Legal Services providing legal advice and dealing with litigation
- Constitutional advice
- Administration of the council's formal decision-making processes
- Elections and electoral registration

B. Portfolio Objectives / Outcomes / Purpose

Communications, Marketing and Consultation

- To let me know what the council does and how I can access the 800 services delivered I need in a way that suits me.
- To tell me (and a range of other customers, including the media) honestly what the council is doing.
- To provide a two-way communications service to internal departments and to support them in the delivery of their service priorities

Shared Services & Procurement

- To reduce my council tax bill by working in a way that makes best use of money.
- To help my council procure the best value for money.
- To allow me to access council services that are efficient at a time and place that I choose.

Programme Delivery and Governance

- To listen to what I tell the council and help change the council to focus on me.

Finance and internal audit

Enable the Council to be financially stable, well governed, making the best use of money the Council is given, and providing the citizens and businesses of Walsall the services they require.

Benefits

The benefit service will deliver the right benefit to the right person at the right time.

Revenues

The revenue service will ensure customers receive the right bill first time without delay and have a choice of how to pay their council tax or business rates. The service will also help customers to maximise their welfare rights income and offer debt advice for those who are in greatest need.

Human resources

Human Resources will Work with local community partners to promote 'local jobs for local people'; Continue to engage and involve staff; Reduce sickness absence within WMBC; Support a healthy workforce. Continue to manage the TUPE transfers in and out of services. Successful implementation of Pay & Grading; Successful restructuring and realignment of services

Legal and Democratic services

Support the councillors to do the best job they can for the citizens and businesses of Walsall. Enable the citizens and businesses of Walsall to trust the integrity of the Council and what it does and provide the legal services that they require.

C. Service Design (informed by customer demand)

'Money, Home, Job'

This kind of reduction in spending cannot be achieved effectively – without serious damage to what the council achieves for Walsall people – with conventional thinking. So, for 'Money, Home, Job' and increasingly for Resources as a whole, we are taking a systems thinking approach that addresses the huge waste systematically caused by conventional management thinking and empowers our staff to re-design what we do based on a thorough understanding of customer demand.

The intention is to focus on optimising public service delivery by re-designing to meet customer needs. This achieves startling performance improvement, not available with conventional thinking, and over time releases resources. At the same time we are seeking to optimise support services through a similar process. This entails increasingly integrating support services with public service delivery in order to achieve real end-to-end delivery that effectively puts an end to the distinction between 'front-line' and 'support'. These services are all there to deliver the council's purpose.

The overall approach then is to prioritise resourcing and optimisation of public services whilst at the same time optimising and integrating support services with public services. The things that we can least afford to spend available money on are un-optimised support services.

We have been re-designing service delivery in this crucial public service area. We have focused on the typical and predictable demands from our residents for assistance under

the umbrella of 'Help me with my money, my home, my job'. This addresses the high volume demands for help under the 'traditional' service areas of Benefits, Revenues, Housing and Customer Service. We provide a council tax service to over 110,000 households in the Borough and a more targeted service to around 35,000 people who typically need assistance because they do not have enough resources of their own for themselves and their families.

These four areas are being integrated into one seamless operation which provides our residents with a vastly improved service. This is achieved through empowering our staff to do their work in a very different way. Once staff empowerment has brought about a totally different service, we find that substantial resources become available through taking out the waste that was causing a less than optimum service and this enables us to make significant financial savings too.

Staff Empowerment

The Method is based on the underlying principle that our staff are capable of doing a fantastic job if we give them the flexibility to get on and help residents and businesses. We must have appropriate governance to look after public money properly but otherwise only the rules that are necessary. We have been radically empowering our staff to help our residents and businesses better. Our staff are given opportunities to grow their role and to add to their own capability in order to provide a better all-round service. They have responded to this fantastically well. Nevertheless, the transition from a conventional way of thinking and behaving to a radically different mindset and approach to work is hugely challenging for leaders and staff alike. It requires a lot of hard work, and real determination and resolution to not allow the practices of the past to infect our current ways of working, especially given that we are clearly working in a system with other organisations who have a heavy influence on our residents who have not yet changed their thinking. In addition, those leaders and employees who haven't been given the chance to learn a different way of thinking are often unsure and/or worried about it because it is counter-intuitive and in many cases entails the opposite of what they have been asked to do for many years. So this change is very difficult to pull off. When you do, it is far more compelling than change brought about by conventional thinking and much more sustainable. But the effort required is intensive and significant and it is by its nature a bumpy ride for all involved. If we stick with it, the prize is huge.

Service improvement

This work has led to startling performance improvement in key areas. For example, our conventional approach to dealing with electronic notifications from DWP of changes that had an impact on our customers entailed suspending benefits and typically it was taking us 55 days to restore appropriate benefits. With our new mindset and approach, we have for several months been able to achieve the same thing within one or two days for 90% of our customers – this entails **a performance improvement of over 2000%** and would not have been available with conventional management thinking.

The integrated Money, Home, Job service is therefore a significant service improvement in an area where the council has faced, and continues to face, heavy increases in demand as a result of the recession and subsequent welfare reforms at a national level that have hit many Walsall residents hard. The new mindset has allowed us to approach the challenges of welfare reform by the government much more effectively than we would have done. So our support for those affected by the 'bedroom tax' has been comprehensive and joined-up and our approach to taking over responsibility for what was the 'social fund' from the DWP by creating the Walsall Crisis Support Scheme has enabled us to help a lot of residents who have nowhere else to turn in very difficult circumstances.

SUPPORT SERVICES

We are taking a similar customer-focused approach to our work to re-design support services to make them fit for purpose for our future organisation. Our work to understand purpose from the customer perspective and to understand customer demand over the last few months has led to two working purposes for our support services; 'Help me when I need it – right, fast and simple' and 'Spend my council tax money wisely'.

Our intention is to continue to work to understand at a much greater level of detail the demand from our customers going forwards so that we can empower our staff and re-design our services to help to deliver the best possible public services. From what we know already, we expect underlying principles of our continued re-design to include:

- Increasing integration of support services with public service delivery – to ensure real end-to-end service delivery for the customers and businesses of Walsall
- Collaborative, multi-functional advice and support easily obtained.
- Ready access for our customers to the help and advice that they need at first point of contact – not having to speak to several people in order to get to the help that is needed.
- Our staff having optimum flexibility to give customers the help they need in the way they need it
- Effective use of ICT to assist our customers where it can be shown to meet their needs and add real value for them, not for the sake of 'cheapness' (which would be huge false economy).

Clearly, the needs from support services will be derived very largely from the changes made to direct public service delivery and so a collaborative approach will be needed with all executive directors to bring forward complementary savings options going forwards.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached. This summarises the current cash limit for 2013/14 and the proposed cash limit for 2014/15. It details the proposed changes in activity required for 2014/15.

In summary the proposed net budget for 2014/15 is £33.184m compared to £35.335m in 2013/14, a change of £2.15m. (Figures quoted exclude the income from Central Support Services recharges for ease of reference).

E. Future capital requirements

The proposed capital programme for the Resources portfolio is £1.3m – all council funded new bids.

Further funding to support essential works, including health and safety and other projects that cannot be programmed at the start of the year (Self insured property damage, risk management, review of leasing requirements) is earmarked as a separate capital reserve, to be drawn upon as required in year.

F. Revenue savings options requiring a change in policy to implement

There are a number of revenue savings options that require an executive decision to implement. For Resources, these relate to –

- F1 Increase charges for blue badges
- F2 Reduce participation in recruitability scheme
- F3 Cease in house print and design service

F1: Increase charges for blue badges

Estimated Net Saving			
2014 / 2015	2015 / 2016	2016 / 2017	Implementation cost
£33,000	£0	£0	£0

1. Description of the Savings Proposal

Increase in the application fee for blue badges from £2 to £10. This will raise an additional £33k income. The fee is refundable if the application is unsuccessful.

The introduction of the new blue badge scheme has led to an increase in printing and stationery costs, and thus an additional £35k pressure will be levied as a result of this change.

2. Implications Associated With Savings Proposal

2.1 Customers

A cross section of residents within the borough apply for blue badges and will be required to pay the additional fee. A significant percentage of residents applying for blue badges receive the disability living allowance (DLA) mobility component and therefore receive funds specifically for help towards their mobility. Therefore whilst any increase in fees may have an impact, this increase for a large percentage of our residents is mitigated by the DLA mobility award.

2.2 Employees

No impact.

2.3 Partners

No impact.

2.4 Corporate Plan

No impact.

2.5 Other Council Services

No impact.

3. Associated Risks

- 3.1 There is a reputational risk associated with any increase in fees. This increase is allowed for within the scheme and the risk is minimal.

4. Consultation and customer feedback

- 4.1 As part of the budget process appropriate consultation with blue badge users and applicants will be undertaken.

5. **Legal Implications**

- 5.1 The increase is allowed for within the Department for Transport Blue Badge Scheme.

6. **Equal Opportunities and Environmental Implications**

- 6.1 Blue badges are applied for by a wide cross section of residents from within Walsall. The Blue Badge generally is issued for a period of three years and the increase of £8 is minimal.

7. **Equality Impact Assessment**

- 7.1 An equality impact assessment is currently being undertaken for this savings proposal, which will be assessed by the equalities team.

F2: Reduce participation in recruitability scheme

Estimate Net Saving			
2014 / 2015	2015 / 2016	2016 / 2017	Implementation cost
£45,000	£0	£0	£0

1. Description of the Savings Proposal

Background

Recruit-Ability is a positive action programme that aims to further support the employment prospects of disabled people. Recruit-Ability opportunities are only open to people with a disability. Each placement is for up to 12 months with each person employed on a fixed term contract. The scheme aims to provide work experience and the opportunity to study for a qualification and is one of a number of provisions the Council currently has which supports equal opportunity and in particular people with a disability in the recruitment and selection process.

Savings

This proposal concerns the reduction of spend on the Recruit-Ability scheme from the current available budget of £90k (6FTE posts) to £45k (3 FTE posts).

2. Implications Associated With Savings Proposal

2.1 **Customers**

No implications.

2.2 **Employees**

A reduction in spend will reduce the number of available posts from 6 full to 3 full time equivalents. The council however will continue to fully support people with a disability in all of its recruitment activity and display the two tick symbol on all job adverts. This guarantees people with a disability an interview where their application meets the minimum specification for the job.

2.3 **Partners**

No Implications.

2.4 **Corporate Plan**

No implications.

2.5 **Other Council Services**

No implications.

3. Associated Risks

- 3.1 When recruiting to these posts the council receive a high number of applications and there is an expectation that this will continue. Reducing the number of posts available will reduce the number of specific opportunities on offer. The council however continues to take positive action for disabled applicants and provide a guaranteed interview scheme for all jobs. This provision will continue to positively support applications from disabled applicants.

4. **Consultation and customer feedback**

- 4.1 The council is fully committed to building a truly representative workforce and will continue to ensure that the hardest to reach groups have access to job opportunities within the council through its equal opportunity policies.

5. **Legal Implications**

- 5.1 None.

6. **Equal Opportunities and Environmental Implications**

- 6.1 Walsall council is committed to a robust equal opportunities recruitment policy and all advertisements display the two tick symbol. This means that people with a disability, who submit an application which meets the minimum criteria for the job are guaranteed an interview. The council will continue to offer support through schemes that support its citizens including young people, the long term unemployed and people with disabilities. This is achieved through the Walsall Works Scheme and Corporate Apprenticeships placements for people of all ages. The council also provides a number of work experience placements for all people of all ages and will continue with its positive action schemes for people with disabilities through RecruitmentAbility.

7. **Equality Impact Assessment**

- 7.1 An equality impact assessment is currently being undertaken for this savings proposal, which will be assessed by the equalities team.

F3: Cease in house print and design service

Estimate Net Saving			
2014 / 2015	2015 / 2016	2016 / 2017	Implementation cost
£150,000	£0	£0	£0

1. **Description of the Savings Proposal**

Stop providing an in-house Print and Design service as a result of continued unviability to operate commercially.

2. **Implications Associated With Savings Proposal**

2.1 **Customers.**

None.

2.2 **Employees**

There are 14 posts in the Print & Design department all of which would be at risk if this option is accepted.

2.3 **Partners**

We currently provide print and design services to Lichfield District Council and a few small external customers including WACC and schools.

2.4 **Corporate Plan**

None.

2.5 **Other Council Services**

Arrangements will need to be in place to manage print effectively; we currently print a number of council jobs in house including election material, pay-slips, committee documents, council tax bills and cheques which will all need to be correctly sourced elsewhere.

3. **Associated Risks**

3.1 There is a risk that contracts will be procured that are not fit for purpose and it is proposed that some capacity to manage these is kept in house.

There is a risk in processing council data with third parties and data governance activities and assurance will be sought from all suppliers and the SIRO and their team will be consulted on council work being taken off site.

Activity to get appropriate alternative suppliers for some work will need to commence before the Council meeting in February to ensure continuity of service.

4. **Consultation and customer feedback**

4.1 There is no impact on the customer but internal services will need to be consulted and supported in finding alternative providers.

5. **Legal Implications**

- 5.1 TUPE will be a factor if the service is outsourced. Advice on creating a Community Interest Company (or equivalent) may also be required.

6. **Equal Opportunities and Environmental Implications**

- 6.1 There will be no change to the environmental impact of printing. There is no expected detrimental impact to Equal opportunities.

7. **Equality Impact Assessment**

- 7.1 An equality impact assessment is currently being undertaken for this savings proposal, which will be assessed by the equalities team.

Resources Portfolio Cash Limit

								HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
Service	Activity covered by this Area (per portfolio plan)	Gross Expenditure 2013/14	Gross Income 2013/14	Net Budget 2013/14	Cash Limit 2014/15	Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Core services											
My Money, My Home, My Job	<p>The establishment of the integrated 'Money, Home, Job' service is the most advanced significant outcome from the application of the Vanguard Method approach. This service integrates four services which were previously in three different directorates – Benefits, Revenues, Housing and Customer Service. The benefits of this approach relate to empowering staff; improving services; and making substantial financial savings - which are the three objectives of the Working Smarter Programme. Services covered by My Money, My Home, My Job are;</p> <ul style="list-style-type: none"> • Council tax - billing, collection, recovery and enforcement • Non domestic rates (business rates) - billing, collection, recovery and enforcement • Banking hall – corporate income collection service, including cheque processing, car parking money, external payment facilitator (WHG, south staffs water), social care payments, petty cash, internal payment facilitator (most council service transacted). • Welfare rights unit – income maximisation, debt advice, benefits based charging scheme (previously the fairer charging scheme) • Advice, customer application support, assessment, revision, payment, recovery of overpayments, customer queries, complaints and appeals of the following benefits:- <ul style="list-style-type: none"> - Housing benefit - Council tax benefit - Discretionary housing payments - Free school meals • The prevention, detection and investigation of benefit fraud and error, including the application of sanctions. • Training and advisory sessions delivered to partner organisations. • The administration of the housing benefit subsidy and grant claims and returns. <p>The Housing service is shown within the Regeneration & Transport Portfolio.</p>	118,716,753	-112,168,423	6,548,330	6,240,377	-307,953	<p>Investment: +£163k reduction in housing benefit admin grant +£137k discretionary housing payments +£95k to offset other service pressures +£7k contractual inflation Non policy saving: Customer focused redesign, reducing roles that are no longer needed -£677k Policy Saving: Increasing income from the blue badge scheme -£33k</p>	<p>We have been re-designing service delivery in this crucial public service area. We have focused on the typical and predictable demands from our residents for assistance under the umbrella of 'Help me with my money, my home, my job'. This addresses the high volume demands for help under the 'traditional' service areas of Benefits, Revenues, Housing and Customer Service. We provide a council tax service to all 118,000 households in the Borough and a more targeted service to around 35,000 people who typically need assistance because they do not have enough resources of their own for themselves and their families. These four areas are being integrated into one seamless operation which provides our residents with a vastly improved service. This is achieved through empowering our staff to do their work in a very different way. Once staff empowerment has brought about a totally different service, we find that substantial resources become available through taking out the waste that was causing a less than optimum service and this enables us to make significant financial savings too. The integrated Money, Home, Job service is therefore a significant service improvement in an area where the council has faced, and continues to face, heavy increases in demand as a result of the recession and subsequent welfare reforms at a national level that have hit many Walsall residents hard. The new mindset has allowed us to approach the challenges of welfare reform by the government much more effectively than we would have done. So our support for those affected by the 'bedroom tax' has been comprehensive and joined-up and our approach to taking over responsibility for what was the 'social fund' from the DWP by creating the Walsall Crisis Support Scheme has enabled us to help a lot of residents who have nowhere else to turn in very difficult circumstances.</p>			
Electoral Services	• Elections and electoral administration	627,393	-3,545	623,848	623,848	0					

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Non-core services											
Finance - Accountancy	• Accountancy, financial reporting, financial management, financial systems, financial strategy and planning, budget setting, financial support and advice to directorates • Treasury Management including cash management and banking	3,380,664	-96,601	3,284,063	2,987,738	-296,325	Non policy savings: Reduction in external audit fees -£133k Admin efficiencies and increased income from schools -£70k Improved operational efficiencies (removing vacant post) -£43k Reduce training budgets -£20k	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.			
Finance - Council Wide/Corporate	• External audit fees • CMT • Council wide - added sums, corporate expenses All of the above are required to be accounted for centrally and the majority are non-controllable.	6,468,199	-217,175	6,251,024	6,141,522	-109,502	Investment: £149k to cover reduction of income in relation to " Right To Buys" Non policy savings: Increase in dividend income from investment in Birmingham Airport -£200k General efficiencies -£27k Improved operational efficiency through deletion of vacant admin support post -£31k				
Financial Administration	• Financial administration – Accounts payable and receivable, debt management and recovery	2,639,020	-146,513	2,492,507	2,440,766	-51,741	Non policy saving : Through improved operational efficiency deleting 2 posts -£52k				
Risk and Insurance	• Risk and Insurance - claims handling, insurance fund management, risk management	341,834	-205,494	136,340	15,472	-120,868	Non policy saving: Through reducing insurance premiums -£100k Deletion of vacant post -£21k				
Legal	• Legal Services providing legal advice and dealing with litigation	1,830,161	-237,421	1,592,740	1,592,740	0					
Democratic and Mayoral	• Members allowances • Group expenses • Members allowances / expenses • Mayoral services / transport / secretary • Constitutional advice • Administration of the council's formal decision-making processes	2,257,768	-63,793	2,193,975	2,193,975	0					
Human Resources	• HR Direct, Intranet/HR portal • Payroll and pensions/transactional services • HR Specialist Services. The teams within this service are business partner (directorate support), wellbeing and equality and learning and development	3,954,875	-761,823	3,193,052	2,889,415	-303,637	Investment: +£77k to offset service pressures +£3k contractual inflation Non policy savings: Improved efficiency savings through deletion of posts in the sickness absence reporting centre -£70k Deletion of posts in specialised human resources teams - £143k Reduction of funding of recognised trade union activities -£100k Efficiencies from advertising council job vacancies primarily online rather than in hard copy -£25k Policy Saving: Reduce participation in the recruitability scheme -£45k				

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Internal Audit	<ul style="list-style-type: none">• An assurance service that provides an independent and objective opinion to the organisation on the control environment• Advisory and related client services which are carried out to improve services and to add value, including the impact of proposed policy initiatives, programmes and projects as well as emerging risks• Prevention, detection and investigation of fraud and corruption; and other irregularities	584,363	0	584,363	584,363	0		Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.				
Programme Delivery and Governance												
Programme Delivery and Governance (Inc Business Solutions)	<ul style="list-style-type: none">• Business Information and Intelligence, Business Analysis, service re-design• Systems Thinking training• Programme and Project Management• Governance Reviews - (of strategic programmes or projects)• Freedom of Information Act/Data Protection Act - (co-ordination and management of all enquiries)• Customer Complaints - statutory - (Social Care and Children's) and non-statutory• Ombudsman - (co-ordination and management of issues and relationship with Ombudsman)• Policy co-ordination - (maintenance of strategies and policy database, production and distribution of monthly policy round-up and legislation tracker, ad hoc support to policy development)• Strategic Planning (production of Corporate Plan and contribution to other strategic documents)	1,776,609	-15,889	1,760,720	1,605,790	-154,930	Non policy saving : Downsizing of the service -£155k.	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.				
Shared Services and Procurement												
ICT	ICT Services and Support	5,282,739	-10,130	5,272,609	5,014,255	-258,354	Non policy savings: General efficiencies specifically on new telephone system & cancellation of subscription to DWP transactions engine -£40k Efficiencies through stopping use of ATAR, the electronic time recording system -£62k Deletion of post -£41k Downsizing Infrastructure team -£24k Customer focused redesign of support teams -£90k	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.				
Post Room	Post room	509,398	-17,959	491,439	472,439	-19,000						Non policy saving: Through deletion of 1 post -£19k
Print & Design		1,061,530	-810,902	250,628	100,628	-150,000						Policy Saving: Ceasing of in-house service -£150k
Procurement	Procurement	1,804,880	-1,804,880	0	-188,114	-188,114						Non policy saving: From customer focused redesign -£188k.

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Communications	<ul style="list-style-type: none"> • PR and media management • Reputation management • Communications strategy, planning and campaign delivery • Media monitoring and evaluation and Reporting • Internal communications • Social media • Digital and websites (including: council websites and internet • Marketing (including income generation and the promotion of venues e.g. New Art Gallery, through to the promotion of services e.g. fostering and adoption) • Marketing (publications and promotional materials, sponsorship and advertising) 	736,519	-77,000	659,519	469,380	-190,139	Non policy saving: From downsizing of the service -£190k.	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.			
Total Resources		151,972,705	-116,637,548	35,335,157	33,184,594	-2,150,563					