

**ENVIRONMENT
SCRUTINY AND PERFORMANCE PANEL**

DATE: 19 JANUARY 2010

**Revised Draft Revenue Budget and Draft Capital Programme 2010/11
for Environment Portfolio and Transport Portfolio**

Ward(s) All

Portfolio:

Councillor Flower – Environment
Councillor Ansell - Transport

Summary of report

This report presents Cabinet's revised draft revenue budget and draft capital programme proposals for 2010/11 for consultation with the panel and provides an opportunity for the panel to make further recommendations to Cabinet.

Recommendation

The panel are recommended to consider the draft proposals in this report and make further recommendations to Cabinet as appropriate.

Background papers

Various financial working papers.

Reason for scrutiny

To enable consultation and scrutiny of the draft budget proposals for 2010/11.



Signed

Jamie Morris - Executive Director – Neighbourhood Services

07 January 2010

Resource and legal considerations

Services were requested to identify efficiency savings and investment for consideration in the setting of the 2010/11 corporate revenue budget and to review their base budgets in line with the corporate guidelines and estimated changes in inflation and pay awards.

1. Draft Revenue Budget 2010/11 – Environment & Transport Portfolios

- 1.1 Cabinet on 18 November 2009 presented their draft revenue budget proposals for 2010/11 for consultation. These proposals, including savings and investment proposals for the services within the remit of this panel, were reported to the panel meeting on 30 November 2009.

Table 1 sets out the draft revenue budget 2010/11 for the Environment & Transport Portfolios, and any subsequent changes to the revenue budget previously reported .

Table 1 – 2010/11 Draft Revenue Budget – Environment & Transport Portfolio	
	£m
Budget brought forward from previous year	37.142
Inflation	1.482
Other budget refresh	(1.184)
Budget pressures : demographics, cost pressures, fall out of grant	0.175
Investment : service developments	0.429
Full year effect of 2009/10 growth	0.400
Efficiencies, savings and income generation	(1.578)
Full year effect of 2009/10 savings	(0.063)
Draft net revenue budget requirement 2010/11 as reported to Environment Scrutiny and Performance Panel on 30 November 2009	36.803
Investment transferred to Community Services – enforcement of enviro-crime to complement community areas	(0.120)
Investment for increased maintenance of trees and hedges	0.116
Adjustment to full year effect of 2009/10 growth – landfill tax	(0.064)
Adjusted Draft net budget requirement 2010/11	36.735

2. Scrutiny Recommendations to Cabinet

- 2.1 At its budget scrutiny meeting on 30 November 2009, this panel received the detailed breakdown of investment bids and savings options submitted to Cabinet to enable the panel's recommendations to be made for Cabinet to consider as part of the budget process. The panel discussed the options in principle, and made the following recommendations to Cabinet:-.

Transport Portfolio

That:

- 1) The Environment Scrutiny and Performance Panel support Cabinet's budget proposals for the Transport Portfolio

And;

- 2) The Panel seek assurance from Cabinet that best value is provided for the citizens of Walsall in implementing this budget

Environment Portfolio

That:

- 1) The Environment Scrutiny and Performance Panel support Cabinet's budget proposals for the Environment Portfolio;
- 2) The Portfolio Holder for Environment should take forward the issue of the quality and cleanliness of the Bloxwich public toilets to ensure that they are safe and accessible to all;
- 3) The Environment Scrutiny and Performance Panel recommend that Cabinet should consider extending the opening hours of Bloxwich public toilets to cover Sunday mornings

And;

- 4) The Environment Scrutiny and Performance Panel fully support the interim recommendations of the Street Cleansing Working Group and ask that these are considered by Cabinet in response to their budget proposals. The Panel will report any subsequent budget recommendations following receipt of the group's final report on 4th January 2010:
 - a. There should be more litter bins across the borough
 - b. The type of litter bins used should be investigated, and a pilot of different litter bins in problem areas could reveal a need to change the bins used. A trial of using open bins is suggested
 - c. Cleansing operations such as "barrow men" should be utilised in high intensity, problem areas
 - d. Current litter hit squad arrangements of 2 teams of 2 employees should be increased to 3 teams of 2 so that the 3 key areas of the borough can be covered effectively
 - e. Funding for the current 3 Environmental Crime Officers should be extended past 31 March 2010 to ensure the valuable work they do in tackling fly tipping, litter etc can continue
 - f. Night time cleaning of the Black Country Route must be maintained

All recommendations have been reported and noted by Cabinet.

The panel's requests in relation to the standard of cleaning, accessibility and opening hours of Bloxwich public toilets are currently being assessed and information on the feasibility and costs will be reported back to the panel at its meeting in March.

Since the budget consideration the panel has now received a report from the street cleansing working group. The recommendations were supported and officers are currently assessing which of these can be implemented in the current financial year and which ones will need additional resources in the council's budget for 2010/11. An action plan on all the recommendations on street cleansing will be brought back to the panel at its March meeting.

3. Draft Capital Programme 2010/11 – Environment & Transport Portfolios

- 3.1 Cabinet on 16 December 2009 presented their draft capital programme for 2010/11 for consultation.

Table 2 below sets out the draft capital programme 2010/11 for the Environment & Transport Portfolios, with the full list of associated schemes listed in **Appendices 1 and 2**

Table 2 – 2010/11 Draft Capital Programme – Environment & Transport Portfolio	
Mainstream (Council's own resources)	£m
Supported Borrowing schemes	2.476
Schemes with Prior Year Approvals	0.126
Capital impact of proposed revenue investment / Invest to save	0.376
Health & Safety requirements	0.300
Other proposals	1.014
Total Mainstream resources (Appendix 1)	4.292
Non Mainstream (Externally Funded) – Appendix 2	0.229
Total	4.521

If grant or mainstream funding is unavailable the scheme will not proceed. At this point in time, a number of grants have not been confirmed, therefore there is likely to be some movement as the budget process progresses.

3.2 Leasing Programme

Leasing minimises the call on capital resources by spreading the acquisition cost over some years. Revenue funds are needed to finance operating leases. Assets identified within the draft leasing programme relating to services within the remit of this panel are summarised in **Appendix 3**.

Citizen impact

The budget is aligned with service activity within service plans across the council. Investment is intended to be targeted at service improvement, stability and user influence. The report to the panel on 30 November set out the vision and priorities for the services within the remit of this panel.

Environmental impact

Services within the remit of this panel have a direct influence and impact on the environment.

Performance management

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, wherever possible. The report to the panel on 30 November included reference to performance management and key indicators.

Equality Implications

Services consider equality issues in setting budgets and delivering services. Irrespective of budgetary pressures the council must fulfil its equal opportunities obligations

Consultation

This is the second of two meetings for scrutiny to consider Cabinets draft budget proposals. Recommendation from the panels first meeting on 30 November 2009 were presented to Cabinet at its meeting on 16 December 2009. This meeting provides the panel with a further opportunity to consider the revised draft revenue budget and first draft capital programme 2010/11 and make recommendations for Cabinet to consider prior to Cabinet proposing the final budget for 2010/11 at its meeting on 3 February 2010.

Report Author & Contact Officers:

Stephanie Simcox – Service Accounting & Financial Planning Manager

☎ 01922 652703

SimcoxS@walsall.gov.uk

Tracey Evans – Lead Accountant – Resources & Neighbourhoods

☎ 01922 652430

EvansT@Walsall.gov.uk

DRAFT CAPITAL SCHEME PROPOSALS 2010/11: Mainstream (council's own resources)

PORTFOLIO	PROJECT	CAPITAL 2010/11 £	COMMENTS
Supported Borrowing (Government allocation via Formula Grant)			
Transport	Local Transport Plan	2,476,000	The Local Transport Block Grant from the Department for Transport to deliver the objectives set out in the Local Transport Plan.
Sub-total Supported Borrowing		2,476,000	
Prior Year Approvals			
Environment	Streety Crematorium - Mercury abatement equipment / new cremators	125,801	It is a statutory requirement that 50% of the number of cremations should be mercury abated by 2012. Cabinet has agreed to install mercury abatement plant by 2012. Current assumptions are that the equipment will be leased and the capital costs will cover set up and implementation costs
Sub-total Prior Year Approvals		125,801	
MUST DO SUB-TOTAL		2,601,801	

Capital Costs of Revenue Proposals for Investment / Invest to Save approved in 13th and 20th October Cabinet Budget meeting			
Environment	Cleaner, Greener - Additional Litter Bins	10,000	To fund 40 new bins. Bins will include a space on the side which can be used for advertising community events. This will remove the need for voluntary organisations to fly post. Bins would include a grill for cigarette butts. Some litter bins in the town centre could be sponsored and businesses who contribute to rubbish in the town centre would be approached to contribute funding towards a bin. This will also help to further encourage the recycling habit amongst our residents, a small number of additional recycling bins will be installed in Walsall town centre within existing budget. Subject to the success of this, further provision could be rolled out in other centres. A trial of gum boards in Walsall town centre will also be carried out within existing budgets to help reduce the problem of discarded chewing gum on pavements and roads in the area.
Environment	Cleaner, Greener: Re-organise community clean teams: purchase of hot jet pavement cleaning machine to clean pavement areas in district centres and shopping precincts	116,000	Reorganisation of the existing street cleaning teams around the proposed new areas for neighbourhood management, making the service more accountable to community structures and elected members. This bid funds a hot jet pavement cleaning machine to clean pavement areas in district centres and shopping precincts.
Transport	Town centre on street parking	250,000	The town centre pay and display capital set up costs will be £250k and is needed to fund the purchase and installation of 50 pay and display machines, changes to tariff boards and new electricity supplies
Sub-total- Capital Costs of Revenue Proposals for Investment / Invest to Save approved in 13th and 20th October Cabinet Budget meeting		376,000	
Health and Safety Commitments			
Transport	Hatherton Road multi-story car park	200,000	This bid was originally intended for 2011/12 however this has now been brought forward to 2010/11 because it is extremely likely that initial structural / safety / aesthetic works will be needed. Small sections of the outside structure are beginning to fall away and damage vehicles below. The assessment as to the structural integrity and safety aspects is to commence as soon as possible and will assist estimating the value of any remedials. The lease with Network Rail requires that we keep the car park in good repair, but we are seeking to consider options available to the Council in this regard.
Environment	Memorial Safety	100,000	The Health and Safety Executive requires all burial authorities to control the risk associated with the operation or their cemeteries, including risks from unsafe memorials. This project provides funding for continual safety work on memorials.
Sub-total Health and Safety Commitments		300,000	
Other Proposals			
Environment	Depot works/move	264,000	Proposed to be used to support the HSE works/depot move. Council has just received tenders for the depot move and final costings will be brought back at a later stage.
Transport	Highways Maintenance	750,000	This project is to safeguard progress already made in the condition of Walsall's classified highway network and maintain service levels.
Sub-total Other Proposals		1,014,000	
OTHER SCHEMES SUB-TOTAL		1,690,000	
TOTAL SCHEMES		4,291,801	

DRAFT CAPITAL PROGRAMME 2010/11: EXTERNALLY FUNDED

Portfolio	Project	2010/11 £'000	Funding body
Environment	Waste Infrastructure Capital Fund	150,000	DEFRA
TOTAL ENVIRONMENT		150,000	
Transport	Development of Highway Asset Inventory	47,500	Department for Transport (LTP)
Transport	Road Safety Partnership	31,272	Department for Transport
TOTAL TRANSPORT		78,772	
TOTAL EXTERNALLY FUNDED		228,772	

DRAFT LEASING PROPOSALS 2010/11

PORTFOLIO	2010/11 DRAFT LEASING PROGRAMME			
	NEW CAPITAL EXPENDITURE	REVENUE IMPLICATIONS		
		NEW STARTS	CURRENT LEASES	TOTAL
	£' 000s	£' 000s	£' 000s	£' 000s
<u>Environment</u>				
Catering - Vehicles	0	0	2	2
Street Pride - Equipment	0	0	42	42
Street Pride - Vehicles	251	11	323	334
Public Protection - Equipment	0	0	6	6
<u>Vehicles - Fleet Services Budget</u>				
Mayoral/Markets	49	5	25	30
CIPS	0	0	25	25
Print & Design	0	0	5	5
Public Protection	73	1	0	1
Street Cleansing	562	56	67	123
Leisure, Culture & Lifelong learning	8	1	209	210
ICT	0	0	6	6
Housing - WHG				
Waste	2030	58	758	816
Social Care & Inclusion	1179	102	224	326
Grounds Maintenance	171	17	304	321
Highways	0	0	5	5
Engineering & Town Planning	19	0	12	12
Fleet Services	198	20	7	27
Catering	128	2	17	19
TOTAL - ENVIRONMENT	4,668	273	2,037	2,310
TOTAL LEASING PROGRAMME	4,668	273	2,037	2,310

Note that the revenue implications have been calculated using an indicative rate per £'000 which will fluctuate with market conditions