

Cabinet – 4 February 2015 - Amendments

Corporate Budget Plan and Treasury Management and Investment Strategy 2015/16

The attached is the revised recommendations following the final settlement notification being received on 3 February 2015 which resulted in an additional £561,212 revenue support grant than the provisional figures previously released. Updated resource allocations are shown the revised Table 13 below.

West Midlands Passenger Transport Authority approved the West Midlands ITA levy for 2015/16 on 28 January 2015. No change to the figures detailed in the report.

Environment Agency announced provisional levy figures for 2015/16 on 2 February 2015. Walsall's provisional allocation for 2015/16 is £74,553 an increase of £2,700 over that detailed in the report. Updated figures are shown below in section 2.3.1 (c)

West Midlands Police and Crime Commissioner have increased their element of the council tax by 1.99% for 2015/16 which was formally approved on 2 February 2015. Amended figures are detailed in section 2.3.1 (e) and (f).

James Walsh
Chief Finance Officer

2.3 Cabinet is asked to approve and recommend to Council;

- a) recommendations 2.3.1 to 2.3.3 as amended, table 13 of Corporate Budget plan and Treasury Management strategy**
- b) that due to changes in the final settlement announced on 4 February 2015 that an amended report be submitted to Council to reflect the final budget plan for 2015/16 which will also include any amendments due to receipt of final precepts and levies, technical/legislative guidance and final specific grant allocations.**

2.3.1 Revenue

- a) The allocation of revenue resources for 2015/16 as set out in Section B: Part 1 "The Revenue and Capital Budget Plan". (See amended table 13)
- b) That the recommendations of the Chief Financial Officer (CFO) in respect of the robustness of the estimates made for the purposes of the budget calculations and the adequacy of reserves **be approved**, including the levels of central contingency and an opening general reserves of not less than £10.15m, as set out in **Annex 3** of the budget plan.

- c) The final levy for West Midlands Passenger Transport and estimated levy for Environment Agency below. Cabinet **approve** that the final figures **be substituted** for the provisional one once they are available at the Council meeting on 26 February 2015.

LEVY	AMOUNT (£)
West Midlands Passenger Transport Authority	12,849,678
Environment agency	74,553

- d) The following statutory determinations (references are to the Local Government Finance Act, 1992 as amended), and subject to any final changes arising from receipt of final precepts and levies, technical/legislative guidance and final specific grant allocations, **and Cabinet approve that these will be substituted** at the Council meeting on 26 February 2015 for the final figures once received:
- I. **£622,297,888** being the aggregate gross expenditure, which the council estimates for the items set out in Section 31A(2) (a) to (f) of the Act.
 - II. **£528,594,921** being the aggregate income which the council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.
 - III. **£93,702,967** being the amount, by which the aggregate at (d) (I) above exceeds the aggregate at (d) (II), calculated by the council in accordance with Section 31A(4) of the Act, as its council tax requirement for the year.
 - IV. **£1,438.32** being the amount at (d) (III) above, divided by the council tax base of **65,147.51**, calculated by the council in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (average council tax at band D).
 - V. Valuation bands
Being amounts given by multiplying the amount at (d) (iv) above by the number which, in the proportion set out in Section 5 (1) of the Local Government Act 1992, is applicable to dwellings listed in valuation band D, calculated by the council in accordance with Section 30 and 36 of the Act as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.
- e) The draft precept from the Fire and Rescue Authority and the final precept for the Police and Crime Commissioner, issued to the council in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwelling shown below and Cabinet **approve** that the final figures **be substituted** once they are available at the Council meeting on 26 February 2015.

PRECEPTING AUTHORITY	VALUATION BANDS			
Police And Crime Commissioner	A	B	C	D
	£71.03	£82.87	£94.71	£106.55
	E	F	G	H
	£130.23	£153.91	£177.58	£213.10
Fire & Rescue	A	B	C	D
	£36.62	£42.73	£48.83	£54.94
	E	F	G	H
	£67.14	£79.35	£91.56	£109.87

- f) That having calculated the aggregate in each case of the amounts at (d) (v) and (e) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts of council tax for 2015/16 for each of the categories of dwellings shown below and Cabinet **approve** that the final figures **be substituted** once the final precepts are available at the Council meeting on 26 February 2015.

A	B	C	D
£1,066.53	£1,244.30	£1,422.05	£1,599.81
E	F	G	H
£1,955.32	£2,310.84	£2,666.35	£3,199.62

- g) That notice **be given** of the council tax within twenty one days of it being set by publishing details of the same in the "Walsall Advertiser" newspaper circulating in the Authority's area.
- h) That the Chief Financial Officer **be instructed** to take all necessary action in relation to council tax, community charge and national non-domestic rates, including, where appropriate, the signing of all documents, the giving of notices and the taking of necessary steps to ensure collection thereof.
- i) That, pursuant to Section 52ZB and 52ZC of the Local Government Finance Act 1992, the relevant basic amount of council tax for the Council is not excessive in relation to determining whether a referendum is required.

2.3.2 Capital

- a) The allocation of capital expenditure plans as set out in Section B: Part 1 "The Revenue and Capital Budget Plan".
- b) That the draft capital programme set out in the following tables **be approved** bearing in mind the principle that unless affordable from within current resources, specific projects funded by unsupported borrowing will not be commenced until a payback agreement is in place. Schemes funded from grant will commence when final allocations are published. Reserve list items will only commence should funding become available during the financial year.

CAPITAL PROGRAMME 2015/16	
MAINSTREAM (COUNCIL FUNDED) SCHEMES	ESTIMATED VALUE £
<i>Prior Year Approvals</i>	
Social IT Systems Review & Enhancement	550,000
Rushall Primary / EDC alterations	350,000
Libraries Universal Digital Offer – a 21 st century Public Library service	54,840
Active Living – Oak Park and Bloxwich Leisure Centres	14,969,854
Bentley Employability and Learning Hub	115,000
Walsall Market	1,750,000
<i>Rolling Programme Schemes</i>	
Proactive Memorial Safety in Walsall cemeteries	60,000
Public Lighting 'Invest to save' for replacement LED lighting	250,000
Highway Maintenance Programme	1,900,000
Highway Maintenance – funding shift from revenue	100,000
Retained Housing Land Inspection/Maintenance of LSVT sites	50,000
Preventative adaptations and Supporting Independence	250,000
Health Through Warmth – Safety Net support	150,000
Aids & Adaptations – statutory element	750,000
<i>New Capital Bids</i>	
Leamore Park additional fencing	14,000
A single library management system for Black Country	210,000
Walsall Gala Baths refurbishment	1,000,000
Mayrise system mobile working	138,000
Traffic signals – replacement of obsolete equipment	200,000
Traffic signals – invest to save conversion to LED lighting	650,000
LEX remediation works	405,000
ICT essential upgrade to Blackberry server	16,501
ICT essential upgrade to Windows 2003 servers	110,000
<i>Council Wide bids</i>	
Funding to support essential works including Health & Safety, and other projects that cannot be guaranteed at start of year	1,000,000
Provision for match funded external schemes	350,000
Reserve list projects – allocation to be drawn upon in year	60,000
Total	25,453,195

NON-MAINSTREAM CAPITAL PROGRAMME – SCHEMES FUNDED FROM EXTERNAL SOURCES 2015/16	ESTIMATED VALUE £
Basic Need	4,393,150
Devolved Formula Capital	571,223
Capital Maintenance	2,784,688
Active Living – Oak Park and Bloxwich Leisure Centres	1,561,717
Aldridge Airport – development of Walsall Country Park including the Top Hangar (match funding may be required for resurfacing of access road)	2,000,000
Beacon Lodge, Community Activity Centre	20,000
Barr Beacon Event Arena	20,000
Allotments and Community Gardens	5,000
Outdoor fitness equipment	25,000
Forest Arts Centre hall conversion	100,000
LTP Highway Maintenance Programme	2,415,000

NON-MAINSTREAM CAPITAL PROGRAMME – SCHEMES FUNDED FROM EXTERNAL SOURCES 2015/16 - Continued	ESTIMATED VALUE £
Integrated Transport Block / Local Transport Plan 2015/16	1,247,000
Darlaston Strategic Development Area Access Project	4,945,132
Disabled Facilities Grant	1,632,000
Community Capital Capacity Grant	797,000
Total	22,516,910

LEASING PROGRAMME 2015/16	
PORTFOLIO	EXPENDITURE £
Environment & Transport portfolio – vehicles and equipment	2,115,832
Community, Leisure & Culture portfolio – leisure equipment	588,000
Total	2,703,832

CAPITAL PROGRAMME RESERVE LIST ITEMS 2015/16	
MAINSTREAM (COUNCIL FUNDED) SCHEMES	ESTIMATED VALUE £
Willenhall Lawn Cemetery extension	1,200,000
Local History Centre upgrade of computers	18,252
Darlaston Swimming Pool refurbishment	150,000
Walsall Country Park	68,500
Security improvement programme	5,000
Retained Housing Land Inspection & Maintenance of LSVT sites	50,000
Residential Parking – Construction of new residential parking facilities (verge parking)	250,000
Promotion of Community Health & Safety	240,000
Local safety schemes	400,000
Regenerating Walsall	200,000
Preventative Adaptations and Supporting Independence	750,000
Aids & Adaptations – statutory element	250,000
Leasing vs Buy	2,560,000
Total	6,141,752

2.3.3 Treasury Management

- a) Section B – Part 2 – The Treasury Management and Investment Strategy 2015/16, including the council's borrowing requirement and the adoption of the prudential indicators, **be approved**.
- b) That decisions to effect movements between conventional borrowing and other long term liabilities, such as leases, **be delegated** to the Chief Finance Officer.
- c) That decisions to use capital receipts or unsupported borrowing within the framework of approved prudential indicators **be delegated** to the Chief Finance Officer.

Corporate Budget Plan and Treasury Management and Investment Strategy Part B
Section 4 Medium term financial outlook – 2016/17 plus

Table 13 : Provisional Revenue Cash Limits by Portfolio					
Portfolio	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Finance & Communications	4.48	4.21	3.76	3.43	2.92
Children's Services	57.13	55.10	52.21	50.73	47.04
Community, Leisure & Culture	18.25	17.45	16.65	16.24	15.15
Environment & Transport	32.73	30.62	29.23	28.43	26.20
Health	0.01	0.01	0.01	0.01	0.01
Personnel & Business Support	0.23	(1.18)	(3.38)	(4.96)	(5.58)
Regeneration	7.46	7.00	6.45	6.24	5.76
Social Care	68.64	62.49	58.36	55.27	51.14
Net Portfolio Cash Limits	188.93	175.70	163.29	155.39	142.64
Capital Financing	0.73	0.48	0.18	(0.02)	(0.02)
Levies	12.92	12.92	12.92	12.92	12.92
Central budgets *	(108.88)	(93.53)	(78.92)	(68.88)	(54.15)
Council Tax Requirement	93.70	95.57	97.47	99.41	101.39