

Cabinet – 4 February 2015

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

Portfolio: Councillor S. Coughlan – Leader of the Council (Lead Portfolio)

Related Portfolios: All

Service: Finance – council wide

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

1.1. This report contains two sections as follows:

Section A for Cabinet Approval - Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses. This section is for Cabinet consideration and approval.

Section B for Cabinet approval and recommendation to Council consists of:

- **Part 1** – The Revenue and Capital Budget Plan comprising the final revenue and capital budget plan following consideration of the proposals by scrutiny panels and public consultation, along with precepts.
- **Part 2** - Treasury Management and Investment Strategy as required by the CIPFA Code of Practice. It includes details on the Prudential Code Indicators (PCIs) for the next three years and asks Cabinet to approve them and recommend adoption of these to full Council. The strategy both complies with the Local Government Act 2003 and also provides an additional framework over and above the statutory minimum for monitoring performance.

2. Recommendations

2.1 Cabinet is asked to note:

- a) That at the time of despatch of this report, the precepting authorities (fire and police) had not formally notified the authority of their final council tax levels. (The council has been advised that they will both be approved following meetings scheduled for early February, final figures will therefore be provided prior to or at the Council meeting of 26 February 2015).
- b) That at the time of despatch of this report, the levy authorities (Environment Agency and Centro) had not formally notified the authority of their final demand.

Current estimates have been used for Centro and Environment Agency based on informal communication, but these are subject to formal approval. (The final levies are expected to be approved early February, and will be included within the final papers to Council).

2.2 Cabinet is asked to approve:

- a) The attached report titled Section A: The Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses.
- b) The allocation of revenue resources for 2015/16 as set out in Section B: Part 1 “The Revenue and Capital Budget Plan”, and subject to required consultation and equality impact assessment, the allocation of revenue resources and savings for 2016/17, and further delegates authority to the relevant executive directors to implement the same, subject to Council approving the budget on 26 February 2015.
- c) A Walsall council draft net council tax requirement for 2015/16 of £93.70m – with a 1.99% increase in council tax.
- d) Policy changes as set out in section 12.5 and table 1 of this report, and instruct executive directors to implement these, subject to Council approving the budget on 26 February 2015.
- e) That delegated authority be given to the Chief Finance Officer to make any necessary amendments, in consultation with the Leader (portfolio holder for finance), to take account of the final levies and precepts which have not yet been notified; any changes arising from final technical guidance or legislation on the budget, and to make any necessary amendments to the statutory determinations and council tax bands to take account of those changes and the resulting final analysis of the budget for 2015/16 and for amendments to those to be submitted and therefore recommended to Council at its meeting on 26 February 2015.
- f) The capital programme for 2015/16 of £47.96m subject to Council approving the Council’s borrowing requirement and capital expenditure plans on 26 February 2015.

2.3 Cabinet is asked to approve and recommend to Council, subject to receipt of final precepts and levies, receipt of the final settlement, technical/legislative guidance and final specific grant allocations (*substitute figures and resolution to be provided to Council to take account of any changes arising from these*):

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”.
- 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 (estimated) levies below for outside bodies and Cabinet **approve** that the final figures **be substituted** for these provisional ones once they are available at the Council meeting on 26 February 2015. (An estimate has been used within this report based on informal notification from the authorities).

LEVY	AMOUNT (£)
West Midlands Passenger Transport Authority	12,849,678
Environment agency	71,853

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, receipt of the final settlement, 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. **£621,736,676** 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. **£528,033,709** 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.

A	B	C	D
£958.88	£1,118.70	£1,278.51	£1,438.32
E	F	G	H
£1,757.95	£2,077.58	£2,397.21	£2,876.65

e) The draft precept from the Fire and Rescue Authority and the 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
	£71.04	£82.87	£94.71	£106.55
	E	F	G	H
	£130.23	£153.90	£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
£1,066.54	£1,244.30	£1,422.05	£1,599.81
E	F	G	H
£1,955.32	£2,310.83	£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.

3. Report detail

- 3.1 The council's budget is a financial representation of the organisation's plans. It is constructed as an integral part of the council's planning processes and aligned to its priorities and objectives. The attached budget plan at **Section B** sets out the revenue and capital plans for service delivery for 2015/16 and beyond.

4. Council priorities

- 4.1 The budget process is an annual cycle aiming to support delivery of council priorities within the available resources. It aims to achieve this through the delivery of efficiencies, income reviews and service reviews and redesign to redirect existing and reducing resources to areas of high council priority. This budget has been prepared using the council's priorities as outlined in the Corporate Plan which appears elsewhere on tonight's agenda for final approval.

5. Risk management

- 5.1 Budget Plan: The council reviews corporate financial planning and budget principles in accordance with the medium term financial strategy (MTFS). The budget setting process includes a comprehensive financial risk assessment to determine key risks and their impact on the budget. Services undertake risk assessments of their budgets by identifying risk factors, potential changes to service delivery and funding streams. This ensures that adequate budgetary provision is available to cover unforeseen future events. This successful approach is now embedded and is used to inform the level of earmarked and general reserves.
- 5.2 The identification of risks, and level of reserves, is referred to in the CFO statement at **Annex 3** of the budget plan. It is, however, unlikely that all risks identified will arise. Managers are required to deliver services within the available budget. Any known changes in service demand or costs arising from legislative or government demands are identified and dealt with, within the overall draft revenue budget, as an investment bid. The level of reserves is sufficient to cover the high and medium risk items. Any in-year use of general reserves may require replenishment to ensure the opening level of reserves is as required by the MTFS.

6. Financial implications

- 6.1 The council must set a balanced budget to meet its legal requirements as set out under legal implications.

7. Legal implications

- 7.1 The legal duty for a council's finances falls within s151 of the Local Government Act 1972. Arrangements for the proper administration of their affairs is secured by the s151 Officer (the Chief Financial Officer).
- 7.2 Cabinet recommend the revenue budget and draft capital programme to Council. Council are responsible for making a calculation in accordance with sections 31A to 37 of the Local Government Finance Act 1992 (as amended). This includes the statutory determinations (aggregate gross expenditure, gross income, council tax requirement for the year and setting the council tax for a financial year).

- 7.3 Under the Local Government Act 2003 (s25), an authority must set a council tax and balanced budget, giving 14 days notice of the council tax level prior to the date of billing. The council must set a budget before 11 March of each year. This will include the Chief Financial Officer's report that deals with the robustness of the budget and the adequacy of the reserves for which the budget provides, together with an assessment of risk. This is provided at **Annex 3** of the budget plan.
- 7.4 The Local Government Act 2003 and supporting Regulations require the Council to have regard to the Prudential Code and to set prudential indicators for the next three years to ensure that the council's capital investment plans are affordable, prudent and sustainable. The Act requires the Council to set out its treasury strategy for borrowing and to prepare an annual investment strategy (as required by investment guidance issued subsequent to the Act); this sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. This is provided at **Part 2** of the budget plan.
- 7.5 In recent years central Government has capped the level of council tax rises. For 2015/16, the Government have announced that local authorities will again need to seek approval of their electorate via a local referendum if they propose to increase council tax levels by 2% or above as confirmed as part of the local government settlement on 18 December.
- 7.6 Section 138 of the Local Government and Public Involvement in Health Act 2007 placed a general duty on every local authority in England to take such steps as it considers appropriate to secure that representatives of local persons (or of local persons of a particular description) are involved in the exercise of any of its functions, among other things by being consulted about the exercise of the function. Our approach to consultation was reported to Cabinet in October and December and is set out in section 10 of this report and in the attached document: Section A: The Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses.
- 7.7 The 2010 Equality Act whilst not imposing a specific duty to consult, lays a requirement to have due regard to the equality impact when exercising its function. Failure to meet the requirements in the Public Sector Equality Duty, may result in the council being exposed to costly, time-consuming and reputation-damaging legal challenges.
- 7.8 An Equality Impact Assessment (EqIA) is the chosen procedure, by the council, for checking lawfulness of decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. Further detail is provided in section 11 of this report.
- 7.9 Cabinet and Council members have been issued with guidance on their responsibilities in relation to setting a budget and under the public sector equality duty. Each Member has also received a full copy of the Policy, Procedure and Services equality impact assessments undertaken to assist them in their decision making.

8. Property implications

- 8.1 Any direct property implications as a result of service redesign and revenue savings proposals are assessed as part of the budget process.

9. Staffing implications

- 9.1 Staffing implications are assessed and included as part of the budget process. There has been positive and meaningful consultation with both employees and the trades unions. The contribution of the trades unions will be important in the council achieving its key aims and objectives particularly in these challenging times. Officers and members will continue to consult widely with them in all aspects of service design and delivery.

10. Consultation

- 10.1 For our services to meet the needs of local residents, and of the community at large, it is essential that our plans and policies take into account the views of local people and others who use our services. We aim to be a listening organisation and we use a broad range of consultation methods to better understand what matters most to residents and how our decisions affect them.
- 10.2 Consultation is an integral part of the budget process and a wide programme of consultation was undertaken to consult with a wide range of stakeholders (i.e. councillors via scrutiny, council tax payers, service users, and potential service users as appropriate, NNDR rate payers, voluntary and community organisations, etc.).
- 10.3 Phase one - listening and engagement - was conducted prior to draft budget proposals being available, the feedback sought was general in nature, seeking an understanding of stakeholder priorities, and this was reported to Cabinet as part of the first draft budget report on 29 October 2014. Between 21 August and 29 September 2014, over 4,600 responses to this initial phase were received. This level of response was achieved via a range of methods including face to face, online, in writing and over the phone.
- 10.4 Phase two, which began on 30 October, focused on the draft budget proposals with a direct impact on service delivery, with feedback reported to Cabinet on 17 December 2014.
- 10.5 Attached at **Section A** is a separate report outlining the approach taken, findings, including feedback from service specific consultation and Cabinet's response to each of the policy proposals, for Cabinet's consideration and approval.
- 10.6 Scrutiny panels received the draft revenue and capital budget proposals in November 2014 and Cabinet received feedback in December. The report to scrutiny included details on the draft budget proposals relating to the services within their individual remit along with a link to the full budget papers to allow wider comment to be made.

- 10.7 The second draft budget report including the feedback from public consultation, was then referred on to scrutiny panels in January 2015. The following summarises the key feedback from these scrutiny panels:

Neighbourhoods Scrutiny Panel – 6 January 2015

- Funding for community association building maintenance be restored to the draft revenue budget 2015/16;
- Cabinet pay due regard to the outcome of the Youth Support Service Review, in particular the outcome of the cost/benefit analysis between voluntary and community sector led youth work compared to directly provided services.
- Funding be allocated in the 2015/16 capital programme to create a car park at Lucknow Road, Willenhall;
- More co-ordination of the impact of budget reductions across portfolios be undertaken.

Children's Services Scrutiny Panel – 13 January 2015

- A report be considered on the CAMHS service at a future meeting;
- A report be considered detailing the outcome of the 'root and branch' review of Youth Services, when completed.

Business Employment and Local Economy Scrutiny Panel – 22 January 2015

- That Cabinet be requested to allocate sufficient funding for both the provision of a new car park at Lucknow Road, Willenhall, together with the highway scheme on Caldmore Road.
- Recommend that the consultation with local residents regarding the Lucknow Road scheme, originally recommended by the Community Services and Environment Panel on 10 October 2014, be undertaken

Health and Social Care Scrutiny Panel – 29 January 2015

This meeting will take place after the despatch of this report, and a verbal update provided at the Cabinet meeting on 4 February 2015 as necessary.

- 10.8 The treasury management strategy has been approved by the finance Treasury Management Panel (an internal governance arrangement comprising the Chief Financial Officer, Head of Finance and Corporate Financial Systems and Treasury Manager) and Audit Committee. All officers involved in treasury management are required to follow approved treasury management policies and procedures.

11. Equality implications

- 11.1 Equality impact assessments were undertaken on proposals as they developed. These assessments along with required actions were reported to Cabinet, to allow them to consider any revisions required to the final budget before recommendation to Council. Following review, a number of changes have been made to the proposals by Cabinet, as highlighted in the following paragraphs and section 12 of this report. A copy of each of the full EqlA's have been provided to Cabinet members and have been placed in each of the political group rooms. Copies are also available to view on the Committee Information pages of the Council's website.

- 11.2 Assessing the impact of proposed changes to policies, procedures, services and organisational change is not just something the law requires, it is a positive opportunity for the council to ensure it makes better decisions, based on robust evidence.
- 11.3 Failure to meet the requirements in the Public Sector Equality Duty may result in the council being exposed to costly, time-consuming and reputation-damaging legal challenges. An Equality Impact Assessment (EqIA) is the chosen procedure for checking lawfulness of decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. These are:
- Age
 - Disability
 - Gender reassignment
 - Marriage and civil partnership
 - Pregnancy and maternity
 - Race
 - Religion and belief
 - Sex
 - Sexual orientation

11.4 Information required in the EqIA

An EqIA must contain relevant data and sufficient analysis to enable members to understand the equality implications of a proposal and any alternative options. It must have sufficient information and be presented to decision makers in time for them to understand the effects of the proposal on people with protected characteristics and;

- Consider whether action can be taken to mitigate any identified potential adverse impacts. Some proposals will affect everyone, but others will affect people from different equality groups.
- Consider whether action can be taken to enable the policy or decision to advance equality of opportunity for people who share a relevant protected characteristic.
- Request further research, consultation, or action is necessary.

11.5 What course of action does the EqIA suggest?

An EqIA should clearly identify the option(s) chosen, and their potential impacts, and document the reasons for this decision. There are four possible outcomes:

A. No major change required

When no adverse impact is identified and all opportunities to promote equality have been taken. To make this judgement, concrete evidence must be provided that people with protected equality characteristics (all groups) will not be affected adversely.

B. Adjustments are needed to mitigate adverse impact and to better promote equality.

A plan is required which must include specific deadlines for actions to be completed in order for the decision to be implemented, e.g. alternative ways of providing the service, signposting to other providers and ongoing monitoring of the impact. If there are further concerns following adjustments, the decision

must be reviewed and action taken.

C. Continue despite possible adverse impact

Compelling reasons will be needed and mitigating actions are required to minimise adverse impact. An action plan is required which must include specific deadlines by which mitigating actions need to be completed in order for the decision to be implemented, e.g. alternative ways of providing the service, signposting to other providers and ongoing monitoring of the impact. If there are further concerns following adjustments, the decision must be reviewed and action taken.

D. Stop and rethink the proposal

When an EqlA shows actual or potential unlawful discrimination and needs to be reviewed immediately.

11.6 Evaluation of Equality Impact Assessments

All managers responsible for policy proposals and operational proposals with the confirmed requirement for an EqlA carried out the EqlAs, taking into account feedback from people with protected characteristics, whether they were service users or respondents to the public consultation on Walsall Council Budget 2015/16. There were 42 proposals that have undergone an EqlA for policy, procedure and services (PPS).

- 11.7 Ongoing support was provided to these managers by Finance and the Equality, Safety and Wellbeing team, particularly in relation to identifying outcomes from the EqlAs. The table below shows the outcomes for the 42 proposals.

Decision		Number of EqlAs
A	No major change required	13
B	Adjustments are needed to mitigate adverse impact and to better promote equality	12
C	Continue despite possible adverse impact	14
D	Stop and rethink the proposal	3
Total		42

- 11.8 Where the outcomes showed B: adjustments were needed to mitigate adverse impact to better promote equality or C: continue despite possible adverse impact, the action plan had to show the adjustments needed, how to reduce the impact or justify why it should continue despite the impact. Where the outcomes showed D: stop and rethink the proposal, potential withdrawal was considered. All EqlAs that have resulted in B, C and D outcomes were further reviewed by the Equality, Safety and Wellbeing team.
- 11.9 B, C and D outcomes has been considered by Cabinet, giving opportunity to comment and where applicable, amend the budget in terms of its fairness, equality duties and objectives as well as future shaping of the services. These suggestions were fed back to the managers and EqlAs and consultation responses were finalised on this basis.

- 11.10 The 3 proposals classed as D: Stop and Rethink have all been withdrawn or replaced with an alternative proposal. For proposals where adjustments were needed to remove barriers these have been identified and will be monitored and managed following implementation. For proposals that identified possible adverse impact these will also will be monitored and managed following implementation.

Cumulative Equality Impact Assessment

- 11.11 The council recognises that, in determining the saving proposals, account is taken of relevant knowledge and information within the relevant area or directorate as well as from service users or potential users. However, it is possible that there will be people that will be impacted on by more than one reduction or service change outside the managers' areas of influence. This is referred to as 'cumulative impact' and the council will seek to understand such an impact, particularly in relation to people with protected characteristics.
- 11.12 The Equality, Safety and Wellbeing team have analysed outcomes of the EqlAs particularly where adjustments or potential adverse impacts were identified. The aim was to consider how different budget reductions may affect people of the given group and to ascertain if people of that particular group may be affected by more than one proposal. Demographic information from *Walsall: An Equality & Diversity Profile 2014*, at www.walsall.gov.uk/equalityprofile.htm, based on Walsall census was also considered in order to ascertain implications for wider social trends in Walsall.
- 11.13 The analysis showed that certain proposals were indeed related, particularly when grouped within broader categories, such as:
- Social and Educational
 - Health
 - Employment
 - Council services
 - External Facilities and Highways
- 11.14 If a particular group was affected by more than one proposal within the same category or similar category (e.g. Health and Employment) such an impact was deemed to be cumulative. This was based on the possibility of a reduction in one area potentially exacerbating issues or barriers of this group in another area that was also subject to a reduction.

Walsall Equality and Diversity Profile – key issues

- 11.15 For those protected characteristic groups identified as having potential cumulative impact the Walsall: An Equality & Diversity Profile 2014 identifies:
- Walsall has an estimated resident population of 272,200, of whom 49.2% are male and 50.8% are female.
 - Walsall has a greater proportion of children than England as a whole. One factor may be Walsall's higher proportion of minority ethnic groups – who tend to have higher than average birth rates.
 - The number of children has begun to grow nationally following many years of declining birth rates. For every 1,000 Walsall women of child bearing age there

were 70.7 live births in 2013 – which gives the borough a higher fertility level than the national average of 62.2.

- Young Adults (late teens – early 20s) in Walsall experienced a dip in population that isn't seen nationally. One explanation is that there are no major higher education institutions based in the borough so many people in this age group leave the borough to study.
- In comparison to England, Walsall has a lower proportion of working age people.
- Walsall has a higher proportion of people above retirement age than nationally (but only up to the ages of around 80, when this pattern reverses). For people aged 80+ yrs Walsall has fewer very elderly residents due to life expectancy levels below the national average. Within this group there are more females than males in this age group due to higher life expectancy amongst women compared to men.
- Around one in ten Walsall residents suffer from a long-term health problem or disability that substantially limits their day-to-day activities. This affects 28,100 people, and at 10.4% of the borough's population is above the national average of 8.3%. A similar number of Walsall residents (10.3%) find their day-to-day activities limited a little – again higher than the national average (9.3%). Overall, health problems and disabilities limit the daily lives of one in every five people in Walsall.

Impact – Findings and Mitigating Actions

11.16 All 9 equality characteristics defined by the Equality Act were considered. It was concluded that there does not appear to be cumulative impact on the following characteristic groups:

- Gender reassignment
- Marriage and civil partnership
- Race and minority ethnic people
- Religion and belief
- Sexual orientation

11.17 We identified cumulative effect in relation to the following protected characteristics:

- Age - in relation to children under 16 and adults 16-64 and older people 65+
- Disability – children under 16 and disabled adults 16+
- Pregnancy and maternity
- Sex - in relation to women

11.18 This means that people with these protected characteristics are likely to be affected by more than one proposal and some of which are inter-dependent, e.g. a person using one service that is being reduced may also be using a number of other services that are being reduced in the same or similar category, e.g. Social and Educational and Employment...etc.

11.19 The impact on each protected characteristic group and mitigating actions taken or to be implemented are identified in the sections below.

11.20 Protected Characteristic Group – Age - Children under 16

The cumulative impact on children can be broadly summarised into 3 categories – services available to all children, specialist services for some groups of children and services aimed at youth.

Certain social and educational services that are open to all children, such as Children Centres, Toy Library, Outdoor Adventure, Libraries and Museums were subject to proposed reductions. These have been carefully considered taking into account greatest need, feedback from service users and geographical position. A range of mitigating actions have been put forward with concrete actions for services to implement.

- a) **Children Centres (22)**, whilst reducing a number of buildings, will continue to deliver a whole range of activities through outreach work, local access points and will open their services to more customers by widening their definition of the vulnerable.
- b) Relevant assets from the **Toy Library (39)** will be moved to a suitable accessible venue and the possibility of integrating with Spa4ce will be explored.
- c) Alternative proposals developed so that the **Sneyd Watersports** and **Aldridge Airport Activity Centres (62)** can continue to provide activities for mentally and physically disabled children.
- d) **Library services (65)**, whilst reducing a number of buildings, the service proposed a reasonable travel distance to any one library so that children have a suitable choice of a venue. In addition, the service will increase the frequency of its mobile library service and housebound library service. Partnerships with local organisations for book exchange will be established.
- e) The council will aim to bring together **Walsall Museum (67)** and the **Local History Centre (66)** historic collections including archives at a single location open to the public and review opening hours patterns based on need. More materials from the collection will be digitised.
- f) The **Children's Taxi Budget (17)** and **School Transport (27)** are two specialist areas impacting on vulnerable children with disabilities and those who have specific arrangements for attendance at faith schools. The potential impact on these groups has been carefully considered. In order to avoid or manage any potential disadvantage, risk assessments will be undertaken on all cases and support will continue to be provided to those most at risk. In order to manage the additional cost to foster carers, increased mileage rates will be paid. The council's Respite provider (Bluebells) will utilise its minibuses to put in place alternative transport for some of the affected children based on greatest need. Other children will be supported as part of their care plan. Such a provision should meet the needs of the children in respect of faith, special educational needs and any other specific requirements.
- g) A number of budget proposals have been put forward in the **Youth Services (30, 31, 32, 33, 35)**. The areas affected include the Information, Advice and Guidance (IAG), Targeted Youth Work, Targeted Youth Support and Voice of

Children and Young People. As a result of these proposals, there will be less Personal Advisers to support young people with specific projects and intervention strategies. The service will therefore develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need, including some of the existing and potential users with protected characteristics, will continue to be supported. Equality and Diversity competencies of in-house staff, particularly where services are de-commissioned, brought in-house or developed in partnerships with schools will be strengthened and any disadvantage and barriers monitored. New technology will be used to allow young people to engage in democracy debates and participate in the UK Youth Parliament.

- h) **Healthy Child 0-5 ages (PH3) and Healthy Child Programme, school nursing service, ages 5-19 (PH4)**. These programmes currently provide support to some vulnerable groups, including people with protected characteristics. Public Health will ensure that providers will remodel the service offer with minimal impact on service users. This may entail prioritising/incentivising safeguarding and looked after children through the procurement process. Concerns will be addressed through close contract monitoring processes.
- i) A number of external facilities and highways have been subject to savings, some of these may impact on children, in terms of maintenance of parks, facilities and roads. In order to continue to support children's play outside and safety, the council will implement a new **Green Space Strategy (58)** that allows for prioritisation of play equipment maintenance for children and young people, access to prams and push chairs and wheelchair users. The review of all existing **traffic signs (102)** (removal of non-required signs) will require a one off investment in order to ensure more efficient maintenance in future. We will ensure that at least one **road name plate (90)** is provided in future and the council will not proceed with the reduction in maintenance of **road markings (101)** as originally proposed. In terms of **maintenance of drainage and streams (100)**, the council will pilot a scheme that will give us more information in terms of affecting people with mobility issues. Finally, although we have made proposals to close the **Pelsall toilets (83)**, alternative accessible toilets will be provided in the Village Centre in daytime hours and on Saturdays.

11.21 Protected Characteristic Group – Age - Adults (16-65)

Some of the savings mentioned in relation to Children will also affect young adults. In addition, there are proposals that will impact on adults with specific characteristics, e.g. learning difficulties or disabilities as well as on adults in general and of all ages.

- a) The budget proposals that have been put forward in the **Youth Services (30, 31, 32, 33, 35)** will also affect young people older than 16 into their early 20s. The areas affected include the Information, Advice and Guidance (IAG), Targeted Youth Work, Targeted Youth Support and Voice of Children and Young People. As set out in further detail in section 11.20. g) above, the service will develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered.

- b) Similarly, the **Healthy Child Programme 5-19 ages (PH4)** mentioned in relation to Children support will affect some young adults. Actions to be taken to mitigate this impact are set out in 11.20. h).
- c) Adult Social Care has put forward a proposal not to launch any new placements for people with learning disabilities and difficulties – the proposal is referred to as **recruitability payments (151)**. There are 15 placements currently ongoing that will be completed by 31 March 2015. There will be an overall service redesign and in order to create new work experience pathways, vocational opportunities will be developed with existing stakeholders and local colleges.
- d) Adult Social Care is also planning to cease **Recruitability Payments to Sheltered Employment Users (156)**. In order to mitigate the potential impact on the people with learning disabilities and difficulties, the apprentices will be able to access employment opportunities within or outside the Council. Other options, such as work placements and work experience will also be developed. Care leavers will be prioritised for any such work placements.
- e) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those with a number of protected characteristics. The council will introduce a hardship grant to support people affected by the review and the design and administration of the fund will be subject to equality considerations.

11.22 Protected Characteristic Group – Age - Older people

- a) The **Library services (65)** proposal has a potential to adversely impact on older people. Whilst reducing the number of buildings, the service will ensure that there is reasonable travel distance to any one library so that residents have a suitable choice of a venue. In addition, the service will increase the frequency of its mobile library service and housebound library service. Partnerships with local organisations for book exchange will be established. Needs of older service users will be particularly considered when implementing these changes.
- b) The council proposes to cease **the bus service (160)** that provides a mobile First Stop Shop, however it will offer similar support in other council locations, such as libraries in Darlaston and Willenhall. The council will ensure that residents currently utilising this facility are aware of the change and take on board any suggestions for future development.
- c) As identified for Children under 16 in 11.20.i), a number of external facilities and highways that have been subject to savings will also impact on older people, in terms of maintenance of parks, facilities and roads. The new **Green Space Strategy (58)** will allow for prioritisation of maintenance of equipment and access to wheelchair users. Further action in relation to proposal reference number 102, 90, 101, 100 and 83 is as set out in that section above.

11.23 Protected Characteristic Group – Disabled people - Disabled children under 16

- a) **Short breaks for children (13)** with special needs and children with disabilities will be remodelled. Through this process, the council will ensure that support is targeted and provided fairly according to needs. In order to achieve this, the occupancy rate at our in-house provider Bluebells will be increased and future provision monitored.

- b) **Children's Taxi Budget (17)** and **School Transport (27)** impact on vulnerable children with disabilities and those who have specific arrangements for attendance at faith schools. Actions are as set out at 11.20. f) above.
- c) **Children Centres (22)** will continue to deliver a whole range of activities through outreach work, local access points and open their services to more customers by widening their definition of the vulnerable, in particular ensuring that more parents will be able to access play and stay groups mitigating risks relating to early identification of disability concerns.
- d) Budget proposals in **Youth Services (30, 31, 32, 33, 35)** will also affect disabled children. The service will develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need, including some of the existing and potential users with disabilities, will continue to be supported.
- e) Relevant assets from the **Toy Library (39)** currently used by disabled children will be moved to a suitable accessible venue with the possibility of integrating with Spa4ce being explored.
- f) Alternative proposals have been made so that the **Sneyd Watersports** and **Aldridge Airport Activity Centres (62)** can continue to provide activities for mentally and physically disabled children.
- g) **Library services (65), Walsall Museum (67)** and the **Local History Centre (66)** proposals may also impact on disabled children under 16 and these will be addressed as set out in section 11.20. d) and e).
- h) As identified for Children under 16 in 11.20.i), and for older people, a number of external facilities and highways that have been subject to savings will also impact on disabled children under 16, in terms of maintenance of parks, facilities and roads. The new **Green Space Strategy (58)** will allow for prioritisation of maintenance of equipment and access to wheelchair users. Further action in relation to proposal reference numbers 102, 90, 101, 100 and 83 is as set out in 11.20. i) above.

11.24 Protected Characteristic Group – Disabled people - Disabled adults 16+

- a) **Children Centres (22)**, whilst reducing a number of buildings, will continue to deliver a whole range of activities through outreach work, local access points and open their services to more customers by widening their definition of the vulnerable. The council will particularly ensure that more 16+ young adults can access various activities offered.
- b) **Youth Services (30, 31, 32, 33, 35)** proposals may affect disabled adults 16+. As a result of these proposals, there will be less Personal Advisers to support young people with specific projects and intervention strategies. The service will therefore develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need, including some of the existing and potential users with protected characteristics, will continue to be supported. Equality and Diversity

competencies of in-house staff, particularly where services are de-commissioned, brought in-house or developed in partnerships with schools will be strengthened and any disadvantage and barriers monitored. New technology will be used to allow young people to engage in democracy debates and participate in the UK Youth Parliament.

- c) The **Parent Partnership Service (35)** saving will be mitigated by expanding the use of new technology and by an additional £20,000 put into the service through an alternative budget. Implementation of the service changes will be undertaken in consultation with the Parent Partnership Service Steering Group.
- d) Alternative proposals have been developed so that the **Sneyd Watersports and Aldridge Airport Activity Centres (62)** can continue to provide activities for mentally and physically disabled children.
- e) **Library services (65)** - the service proposes a reasonable travel distance to any one library so that disabled youth and adults 16+ have a suitable choice of a venue. In addition, the service will increase frequency of its mobile library service and housebound library service. Partnerships with local organisations for book exchange will be established. The council will aim to bring together all of **Walsall Museum (67)** and the **Local History Centre (66)** historic collections including archives (local history) at a single location open to the public and review opening hours patterns based on need. More materials from the collection will be digitised.
- f) The Public Health proposal **Population Mental Health (PH9)** is reviewing how mental health services are commissioned through the Transformation Fund. This will affect some existing provision aimed at minority ethnic people with mental health issues. Future services will be designed in a way that continues to meet the needs of the existing or future service users with these characteristics.
- g) **Recruitability Payments (151)** and ceasing of **recruitability payments to sheltered employment users (156)**, some of whom are 16+. In order to mitigate the potential impact on the people with learning disabilities and difficulties, the apprentices will be able to access employment opportunities within or outside the council. Other options will also be developed.
- h) A number of external facilities and highways have been subject to savings, some of these may impact on disabled adults 16+, in terms of maintenance of parks, facilities and roads. These cover 58, 102, 90,101,100 and 83 and actions to mitigate are shown in section 11.20.i).
- i) The proposal to **cease the bus service that provides a mobile First Stop Shop (160)** may impact on disabled people 16+. However, the council will offer similar support in other council locations, such as libraries in Darlaston and Willenhall and will ensure that residents currently utilising this facility are aware of the change and take on board any suggestions for future development.
- j) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those will be disabled 16+. The council will introduce a hardship grant to support people affected by the review and design and administration of the fund will be subject to equality considerations.

11.25 Protected Characteristic Group – Pregnancy and maternity

The following proposals impacted on this group and actions to mitigate this have been set out:

- a) **Children Centres (22)**, whilst reducing a number of buildings, will continue to deliver a whole range of activities through outreach work, local access points and open their services to more customers by widening their definition of the vulnerable. The council will develop an integrated model for Early Years to deliver services with health and education that meets need and addresses issues identified. Further consultation will be undertaken with schools to understand and mitigate risk relating to withdrawal of Early Help family support for school age children. Ante-natal pathway will be implemented in partnership with Health to assess the needs of parents and target parenting and other support as appropriate. This will mean that risks relating to domestic abuse and mental health issues will be identified by health visitors and midwives early on and referred for appropriate intervention. Suitable training will be undertaken by all staff before starting the new responsibilities. The new definition of the vulnerable will mean that all parents will be able to access play and stay groups across the borough mitigating risks relating to early identification of disability, special educational need and social care concerns. These activities will be free of charge therefore financial barriers will be mitigated. This will mean that parents will continue to be afforded opportunity to meet other parents to access advice and support and to gain support in relation to social isolation, post natal depression and speech and language development of young children. The council will ensure there are adequate access points for services by retaining some venues in Willenhall South, Brownhills and Pheasey to reduce any negative impact on parents (women in particular) that have barriers to travel.
- b) **Youth Services (30, 31, 32, 33, 35)** proposals in relation to Information, Advice and Guidance (IAG), Targeted Youth Work, Targeted Youth Support and Voice of Children and Young People. As identified the service will develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need will continue to be supported. The council will monitor the impact of reduced levels of youth work on teenage pregnancy rates. Equality and Diversity competencies of in-house staff, particularly where services are de-commissioned, brought in-house or developed in partnerships with schools will be strengthened and any disadvantage and barriers monitored.
- c) **Library services (65), Green Spaces (58), traffic signs (102), road name plate (90), road markings (101), maintenance of drainage and streams (100) and Pelsall toilets (83)** may also impact this group, with actions as set out in 11.20. d) and i) above being taken.
- d) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those will be pregnant women or those on maternity. The council will introduce a hardship grant to support people affected by the review and design and administration of the fund will be subject to equality considerations.

11.26 Protected Characteristic Group – Sex, women in particular but all those with caring responsibilities

- a) **Children Centres (22)** – as the pregnancy and maternity group above, the impact and mitigating actions to address this as far as is possible are set out at 11.25. a) above.
- b) Public Health Programmes - **Healthy Child 0-5 ages (PH3)** and **Healthy Child Programme, school nursing service, ages 5-19 (PH4)** may impact on women or men caring for children. Public Health will ensure that the providers will remodel the service offer with minimal impact on service users. This may entail training of volunteers to offer breastfeeding support and prioritising/incentivising safeguarding and looked after children through the procurement process. Concerns will be addressed through close contract monitoring processes.
- c) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those will be women or men with caring responsibilities. The council will introduce a hardship grant to support people affected by the review and design and administration of the fund will be subject to equality considerations.

Equalities Summary

11.27 The council has carefully considered the EqlAs where the outcome was to go ahead with the reductions despite potential adverse impact (option C on the form). Great emphasis was put on managing and mitigating this adverse impact to the services' best ability, within available budgets, and in consultation with their service users with protected characteristics. However, we recognise that some service users may potentially see a change in the way their needs are met, particularly in the following areas:

- Reduced local presence of some council services and potentially limited opening hours, particularly in relation to children's child care, community hubs provided by libraries, Local History Centre, Garden Waste, Pelsall toilets, road maintenance. Some of these services/venues provided technical facilities, e.g. computers or play equipment that some local people rely on.
- New venues that parents, older people or young people will have to travel to or walk to which may be further away from their home and may impact on their personal finance and time.
- Refocusing services to those who are in greatest need and developing new assessment/ eligibility criteria may result in some of the existing service users not qualifying for the service in future. This may, for example, include targeted youth work, respite care, or revisions to the council tax reduction scheme.
- Developing services jointly with new partners, decommissioning or re-commissioning services and remodelling new provision may also result in some users no longer qualifying for assistance or their needs not met in the same way as before. Any such newly redesigned service will have to pay attention to staff's equality and diversity competence to continue to support people with protected characteristics.

- 11.28 This list is not exhaustive and more details are provided in the full EqlA forms. Managers from the areas where potential cumulative impact has been highlighted are collaborating in order to understand the impact fully and implement mitigating actions. This may require sharing data on existing customers, improving our staff training, putting in some transitional arrangements and considering future demand jointly.
- 11.29 Mitigating action plans from the EqlAs will be appropriately supported and progress tracked through the council's Corporate Equality Group. Any potential disadvantage for any particular groups in future will be monitored and amendments made accordingly. The council will publicise further information relating to these plans in the annual Public Sector Equality Duty reports.

12. Amendments to the Revenue Plans and Capital Programme

- 12.1 On 29 October 2014 Cabinet presented the Financial Plan 2015/16 to 2018/19: Draft Revenue Budget and Capital Programme for Consultation setting out plans for service delivery, including proposals to meet funding reductions and cost pressures within the context of a four year financial outlook for the period 2015/16 to 2018/19, and a draft capital programme, for onward consultation.
- 12.2 Portfolio plans identified the indicative revenue cash limit and draft capital programme, summary of services within the portfolio, objectives and future plans, along with a list of revenue savings and efficiencies proposed for each of the 4 year budget plan from 2015/16 to 2018/19 and capital plans where appropriate.
- 12.3 Further to previous reiterations of the 2015/16 budget proposals to Cabinet on 29 October and 17 December 2014, there have been a number of changes to revenue proposals following extensive budget consultation (as identified in Section A of the attached report - Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses) and following review of equality impact assessments (as identified in the previous section of this report), as outlined below:
- Removal of saving number 51 – £80,000 in 2015/16 and £100,000 in 2016/17 for the reduction in support to Community Associations.
 - Amendment and reduction in saving number 58 from £362,708 to £135,383 in 2015/16 for the greenspaces, countryside and infrastructure maintenance service (reduction of £227,325).
 - Amended saving number 62 from £97,000 to £48,500 in 2015/16 for the review of the outdoor adventure service, with £48,500 moving to 2016/17 (changed from the proposed ceasing of the service which has been withdrawn).
 - Amendment and reduction in saving number 65 from £385,092 to £288,819 in 2015/16 for the deferral of library closures by 3 months (Reduction of £96,273).
 - Amended saving number 69 - £5,367 in 2015/16 for New Art Gallery now to be made from operational staffing changes (the proposed reduction in winter opening hours will no longer be implemented).

- Amendment and reduction in saving number 82 from £477,732 to £226,747 in 2015/16 for street cleansing activity (Reduction of £250,985).
- Removal of saving number 80 - £310,000 in 2016/17 for the introduction of charging for garden waste collection.
- Removal of saving number 96 - £100,000 income in 2015/16 from the charging for district centre car parking (as reported to Cabinet on 17 December 2014).
- Amended saving number 101 - £6,500 in 2015/16 and £28,500 in 2016/17 for reduced maintenance of road markings now to be made from operational general efficiencies within the Engineering & Transportation service.
- Amended saving number 111 - £47,502 in 2015/16 for the ceasing of recruitability now to be made from operational staffing savings.
- Amended saving number 152 - £260,000 in 2015/16 and £20,000 in 2016/17 for the Fallings Heath respite care review and design of staffing provision and targeted increase in occupancy rates (the proposed replacement of residential provision will no longer be implemented).
- Removal of the deferred saving of £90,000 from 2014/15 to 2015/16 for the removal of subsidies for the maintenance of grass sports facilities (as reported to Cabinet on 17 December 2014).

12.4 In total, £1,212,452 of savings proposals have been removed in 2015/16 and £458,500 in 2016/17 - this has been funded as follows:

- Use of alternative funding / collection fund income - £748,310 in 2015/16 and £410,000 in 2016/17.
- Substitute proposals (as set out above) - £319,369 in 2015/16 and £48,500 in 2016/17
- Use of one off reserves - £144,773 in 2015/16.

12.5 The list of savings proposals requiring an executive (Cabinet) decision to proceed was reported to Cabinet on 29 October 2014. Changes arising from Cabinet's review of the developing proposals, budget or specific consultation feedback and equality impact assessment review are shown in the table overleaf. Where significant changes have been made to the original proposal, further information has been made available to allow Cabinet to approve implementation of the policy change, as highlighted in the table overleaf. Cabinet are asked to approve these and instruct executive directors to implement the same.

12.6 One change has been made to the draft capital programme for 2015/16 which is the inclusion of £405k for the remediation of the strategically important Lex site at Wolverhampton Street, Waterfront. The site has been recently acquired by the council from the Homes and Communities Agency (HCA), as per Cabinet's approval of this course of action in April 2014 and subsequent report in December 2014. The site forms a key part of the wider Waterfront redevelopment project, which is aimed at creating a new leisure destination in the town centre.

Table 1 : Summary of Savings requiring an Executive (Cabinet) decision				
Saving ref	Policy Saving Consulted on	2015/16 £	2016/17 £	Revision to original proposal from Cabinet report 29 October 2014 and Cabinet Approval required
Children's Services				
12	Remove funding to providers of support & advice on domestic violence	0	120,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
13	Redesign short breaks for children with disabilities	50,000	150,000	Amended to include more effective use of local resources including bluebell Unit and an improved needs assessment process. Approve policy saving with revisions above.
17	Reduce use of taxis for children in care	67,000	0	Amended to include increase in foster carer mileage rate. Approve policy saving with revisions above.
22	Close some and redesign remaining children's centre services	1,350,000	500,000	Proposal for approval is outlined in a separate report elsewhere on the February Cabinet agenda.
25	Reduction in non statutory school attendance support service & introduction of fees and charges	0	89,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
27	Reduce expenditure on school bus passes and restrict eligibility for SEN pupils assisted transport	20,000	75,000	Proposal for approval is outlined in a separate report elsewhere on the February Cabinet agenda.
30	Changes to targeted careers information, advice and guidance	1,000,000	40,000	Amended to include: <ul style="list-style-type: none"> • Reconfigure the delivery model and provide further focus on meeting the needs of most vulnerable young people • Establishment of a 14-19 partnership with key stakeholder representation Approve policy saving with revisions above.
31	Changes to delivery of youth work	490,000	580,000	Proposal for approval is outlined in a separate report elsewhere on the February Cabinet agenda on Youth Service Provision.

Summary of Savings requiring an Executive (Cabinet) decision				
Saving ref	Original Policy Saving Consulted on	2015/16 £	2016/17 £	Revision to original proposal from Cabinet report 29 October 2014 and Cabinet Approval required
32	Changes to how we deliver individual targeted support	86,000	54,000	Proposal for approval is outlined in a separate report elsewhere on the February Cabinet agenda on Youth Service Provision.
35	Changes to Parent Partnership Service	20,000	10,000	Amended to include: <ul style="list-style-type: none"> • Greater use of technology • Use of alternative budget to mitigate impact Approve policy saving with revisions above.
36	Changes to how we reduce teenage pregnancy	0	30,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
Community, Leisure & Culture				
51	Reduced funding to Community Associations	80,000	100,000	To remove the 2015/16 proposal and review the 2016/17 saving during 2015/16.
57	Reduction in grants to Allotment Associations	13,790	0	Approve the policy saving with the following revision: <ul style="list-style-type: none"> • Criteria for allocation of funding will include that sites be maintained so they remain accessible for less mobile plot holders.
58	Parks, nature reserves and public open spaces	362,708	0	Approve revised proposal of £135,383 – amended policy for approval is provided below.
59	Grass verges and floral displays	524,060	0	Approve proposal as set out.
60	Reduction in tree maintenance & Urban Forestry services	135,696	0	Approve proposal as set out.
62	Outdoor adventure service (Sneyd and Aldridge Airport)	97,000	0	To remove the original proposal and replace with an alternative operational staffing saving of £47,500 in 2015/16 and a further operational saving of £47,500 in 2016/17.
65	Reduction of the Library network from 16 to 8 libraries over 2 years	385,092	180,630	Approve the policy saving including the development of mobile and online services, deferred for 3 months in 2015/16.
66	Reduction in Local History Centre service	69,158	0	Approve proposal as set out.

Summary of Savings requiring an Executive (Cabinet) decision				
Saving ref	Original Policy Saving Consulted on	2015/16 £	2016/17 £	Revision to original proposal from Cabinet report 29 October 2014 and Cabinet Approval required
67	Closure of Walsall Museum	70,000	0	Approve proposal as set out.
69	New Art Gallery opening times in winter	5,367	0	To remove the original proposal and replace with an alternative operational staffing saving of the same value.
<i>Environment & Transport</i>				
77	Household waste recycling centres	98,000	0	To approve the closure of the household waste recycling centres for one additional day at each site per week and to reduce daily opening hours to 9am to 5pm.
78	Collection of non-recyclable household waste	0	532,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
79	Reducing how many months the garden waste service is in operation	140,000	0	Approve collection of garden waste for six months between April to September.
80	Charging for collection of garden waste	0	310,000	To remove the original proposal.
82	Cutting the number of street cleansing staff and cleaning less often	477,732	0	Approve revised proposal of £226,747 – amended policy for approval is provided below.
83	Closure of Pelsall toilets	12,000	0	Approve proposal as set out.
88	Reducing reactive highways by 20%	0	180,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
90	Reduced replacement of road name plates	10,000	0	Approve proposal as set out.
95	£5 increase per month in charges for staff parking and town centre business permits	30,000	0	Approve proposal as set out.
96	Introduction of car parking charges for district centres	100,000	0	No approval required as this was withdrawn by Cabinet on 17 December.
100	Reduced maintenance of road drainage and streams	18,000	72,000	Approve the 2015/16 saving on a trial basis and instruct officers to ensure contingencies are in place to deal with flood events.

Summary of Savings requiring an Executive (Cabinet) decision				
Saving ref	Original Policy Saving Consulted on	2015/16 £	2016/17 £	Revision to original proposal from Cabinet report 29 October 2014 and Cabinet Approval required
101	Reduced maintenance of road markings	6,500	28,500	To remove the original proposal and replace with an alternative operational saving of the same value.
102	Reduced maintenance of traffic signs	16,000	64,000	Approve the 2015/16 saving on a trial basis.
<i>Personnel and Business Support</i>				
111	Cease participation in recruitability	47,502	0	To remove the original proposal and replace with an alternative operational saving of the same value.
<i>Social Care</i>				
147	Review of extra care sheltered housing	0	250,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
150	Review of partnership with Dudley and Walsall Mental Health Trust	0	200,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
151	Review of recruitability payments to sheltered employment users	104,000	0	Approve proposal as set out.
152	Review of respite service for people with learning disability – Fallings Heath	260,000	20,000	Approve saving to be delivered partly by increased occupancy rates at Fallings Heath and partly from a strategic review of in-house social care services.
153	Review of day services for people with learning disability	0	517,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
154	Review of sheltered employment services for people with learning disability	0	300,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
155	Review of Community Alarm and related services	0	570,000	No approval required at this stage as this year 2 proposal is subject to further consultation.
160	Cease the bus service that provides a mobile first stop shop	22,253	0	Approve proposal as set out, noting that alternative arrangements will be made to provide services in other council locations.
<i>Corporate Funding</i>				
163	Review of Council Tax reduction scheme	2,360,406	0	No approval required as Council approval was received 12 January 2015.

Summary of Savings requiring an Executive (Cabinet) decision				
Saving ref	Original Policy Saving Consulted on	2015/16 £	2016/17 £	Revision to original proposal from Cabinet report 29 October 2014 and Cabinet Approval required
164	Review council tax discounts for vacant properties	1,000,000	0	No approval required as Council approval was received 12 January 2015
Health				
PH1	Remodelling of Sexual Health services	53,000	70,000	Approve proposals as set out, noting that efficiencies will be addressed through the re-procurement of the services. The service will continue to focus on the most vulnerable.
PH2	Remodelling Drugs and Alcohol Services	390,141	70,000	
PH3	Targeting Infant feeding to vulnerable groups	45,000	0	Approve proposal as set out, noting that transformation fund investment in early intervention, children's centres and teenage pregnancy will mitigate against concerns raised.
PH4	Remodelling School Nursery led Healthy Child Programme	100,000	0	
PH5	Remodelling of Adult Healthy Weight/Physical Activity services	155,000	45,000	Approve proposals as set out, noting that efficiencies will be addressed through the re-procurement of the services. The service will continue to focus on the most vulnerable.
PH6	Targeting Health Trainers service to the most needy	62,000	20,000	
PH7	Services to support working age population healthy lifestyles	30,000	10,000	
PH8	Hospital infection control	134,000	0	Approve proposal as set out.
PH9	Community mental health advice and guidance	133,000	0	Approve proposal as set out, noting that concerns will be partially mitigated through investment in alternative mental health services and promotion of the Five Ways to Wellbeing and Making Every Contact Count (MECC) initiatives.

Revised Proposal – reference 58: Reduction in Green Space Management, Countryside Management and Park Rangers Activities

Original Net Saving	Revised Net Saving	
2015 / 2016	2015 / 2016	Implementation cost
£362,708	£135,383	-

1. Description of the Revised Savings Proposal

- 1.1 Green Spaces and Countryside Management currently cover 63 parks and play areas and 31 countryside sites over a seven day week period including public and bank holidays. The team consists of 18 employees. The proposal is to remove 1 vacant senior post by April 2015. Other savings include a reduction in the contractor's budget for parks repairs and maintenance, reduction in countryside services general material and third party costs and a realignment of existing budgets.

2. Implications Associated With Savings Proposal

2.1 Corporate Plan

No impact.

2.2 Customers

There will be minimal impact to the customer.

2.3 Employees/Staffing

The senior manager post is vacant and associated work has been incorporated within the remaining staffing resource.

2.4 Partners

The way repairs and maintenance are carried out is being changed so more work is carried out by our direct workforce with less work funded through third party contractors.

2.5 Economic Implications

No impact.

2.6 Environmental Implications

No impact.

2.7 Health and wellbeing implications

No impact.

2.8 Other Council Services

No impact.

3. Associated Risks and Legal implications

- 3.1 There are minimal risks attached to this proposal and no legal implications.

4. **Consultation and customer feedback**

- 4.1 Consultation on the original proposal identified that this was not supported by the majority of respondents with specific concerns about the loss of support to events, the lack of a visible presence (due to the proposed reduction in the workforce of 28%) and the potential for anti-social behaviour. The revised proposal has minimal impact on customers.

5. **Equality Implications**

- 5.1 An equality impact assessment has been undertaken for this revised proposal and there are no negative impacts arising from this and therefore no mitigating actions required.

Revised Proposal - Reference 82: Reduction in Street Cleansing Service

Original Net Saving	Revised Net Saving	
2015 / 2016	2015 / 2016	Implementation cost
£477,732	£226,747	-

1. **Description of the Savings Proposal**

- 1.1 Clean & Green Services undertake all street cleansing operations on council land across the borough. This includes a range of tasks such as footway sweeping, channel sweeping, litter picking, emptying of litter bins, street washing and graffiti removal. The service area deploys 58 FTE staff. Street Cleansing is a statutory service.
- 1.2 The proposal is to reduce street cleansing frequencies and activities across the borough, including the removal of both dedicated resources from Walsall Town centre and agency cover for holidays and sickness. This will be achieved by:
- **A reduction of 6 Environmental Operatives (the original proposal was to reduce by 15)**

There would be a reduction in front line posts undertaking street cleansing services across Walsall Town Centre and district areas. This would involve a loss six posts.

This will involve a cessation of Walsall town centre's 'Gold Standard' and a move to operating services on a mobile demand-led basis as opposed to having dedicated resources within the centre. Resources will be deployed across the wider street cleansing functions and areas to provide best value and focus/prioritise resources on areas of deterioration.

There will be limited impact on the service if '4 on 4 off' working patterns are fully implemented across street cleansing functions by April 2015. This will ensure seven day service cover across the borough and reduce peaks in the build up of fly tipping, bulky collections and littering over weekends as there will be a greater and more consistent presence of staff covering these areas.

Currently 41 permanent employees out of 59 utilised within the service are operating on the '4 on 4 off' trial by mutual agreement; this is not contractual arrangement. The 41 employees are supplemented by agency staff.

- **Delete Agency Budget – cover for holidays/absence**

There will be no cover through the use of agency labour for annual leave and attendance. It may take longer to reach 'grade A' standards following periods of deterioration in peak holiday periods and times of higher than normal sickness absence.

2. Implications Associated With Savings Proposal

2.1 Corporate Plan

There will be an impact on the council's priorities, in particular the "creating safe sustainable and inclusive communities" element.

2.2 Customers

The saving may affect the perceived cleanliness of Walsall town centre from the removal of the Gold Standard approach to the town centre. There is a potential for an increase in service complaints.

2.3 Employees/Staffing

The saving will affect the following posts and appropriate consultation will be undertaken:

- Environmental operatives x 6
- Agency staff – reduction in the utilisation of agency staff covering sickness and holidays.

2.4 Partners

The council will work with partners and local communities as appropriate to reduce demand for cleansing services and support community clean-up initiatives.

2.5 Economic Implications

There may be a negative impact in relation to the attractiveness of the town centre which could affect some businesses.

2.6 Environmental Implications

There could be a negative impact with more litter left on the street, taking longer to be removed. There will be slower response times in response to peak demands such as autumn leaf fall.

Whilst there will be some reduction in service levels every effort will be made to prioritise these types of events when they occur.

2.7 Health and wellbeing implications

None identified.

2.8 Other Council Services

None identified.

3. **Associated Risks and Legal Implications**

There is a potential for:

- An increase in complaints
- Less ability to respond in a timely manner to peak demands e.g. inclement weather/leaf fall
- A marginal increase in the number and extent of unsightly areas showing signs of neglect (In response, the council will prioritise the treatment of such areas to ensure acceptable standards of cleansing in key locations).
- Reduced ability to respond within 48 hours of reported fly tips at times when sickness absence and/or annual leave commitments are high.
- There are no identified legal implications.

4. **Consultation and customer feedback**

- 4.1 Overall feedback was inconclusive with opinions divided on the original proposal. 78 responses were received via the budget booklet with 69% not supporting this saving. 367 responses were received through specific quantitative research and 36% did not support the proposal, 28% supported it and 37% supported it with some concerns, primarily around the impact on business, lack of civic pride and the potential for increased anti-social behaviour. Following review of the feedback and impact, a revised proposal is to be implemented as detailed in this paper. This implements some of the original proposal - the removal of the separate Gold Standard for Walsall town centre and deletion of the agency budget.

5. **Equality Implications**

- 5.1 An equality impact assessment has been undertaken for this revised proposal and there are no negative impacts arising from this and therefore no mitigating actions required.

Background papers

- Various financial working papers.
- Financial Plan 2015/16 to 2018/19 - Draft Revenue Budget and Capital Programme for consultation – Cabinet 29 October 2014
- Financial Plan 2015/16 to 2018/19 – Update on Draft Revenue Budget and Capital Programme, and outcome of budget consultation to date – Cabinet 17 December 2014
- Equality Impact Assessments

Authors:

Vicky Buckley, Head of Finance, ☎ 01922.652326, buckleyv@walsall.gov.uk

Stuart Wootton, Financial Planning Manager, ☎ 01922.652348, woottons@walsall.gov.uk



James Walsh
Assistant Director - Finance (CFO)
27 January 2015



Councillor S. Coughlan
Leader of the Council
27 January 2015

For Cabinet consideration and Approval



Walsall Council

Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses

Report contents

Section	Page number
1. Executive summary	4
2. Background	5
Approach to consultation	5
Petitions	6
Overall size of response	7
3. Summary of headline findings	9
4. Detailed findings – We asked, You Said, We did (by proposal reference number)	15
12. Remove funding to providers of support & advice on domestic violence	16
13. Redesign short breaks for children with disabilities	16
17. Reduce use of taxis for children in care	17
22. Close some and redesign remaining children's centre services	18
25. Reduction in non statutory school attendance support service and introduction of fees and charges	20
27. Reduce expenditure on school bus passes and restrict eligibility for Special Educational Needs (SEN) pupils assisted transport	21
30. Changes to targeted careers Information, Advice and Guidance (IAG)	22
31. Changes to delivery of youth work	23
32. Changes to how we deliver individual targeted support	25

35. Changes to Parent Partnership Service	26
36. Changes to how we reduce teenage pregnancy	26
51. Reduced funding to Community Associations	27
57. Reduction in grants to Allotment Associations	28
58. Parks, nature reserves and public open spaces	29
59. Grass verges and floral displays	30
60. Reduction in Tree Maintenance and Urban Forestry services	31
62. Outdoor adventure service (Sneyd and Aldridge Airport)	32
65. Reduction of the Library network from 16 to 8 libraries over two years	33
66. Reduction in Local History Centre Service	35
67. Closure of Walsall Museum	36
69. New Art Gallery opening times in Winter	37
77. Household Waste Recycling Centres (tips)	38
78. Collection of non-recyclable household waste	39
79. Reducing how many months the garden waste (brown bin) service is in operation	40
80. Charging for the collection of garden waste	41
82. Cutting the number of street cleansing staff and cleaning less often	42
83. Closure of Pelsall toilets	43
88. Reducing reactive highways maintenance by 20%	44
90. Reduced replacement of road name plates	45
95. Increase in charges for staff parking and town centre business permits	46
96. Introduction of car parking charges for District Centres	47
100. Reduced maintenance of road drainage and streams	48
101. Reduced maintenance of road markings	49

102. Reduced maintenance of traffic signs	50
111. Cease participation in Recruitability	51
147. Review of extra care sheltered housing	52
150. Review of the partnership between the Council and Dudley & Walsall Mental Health Partnership Trust (DWMHPT)	52
151. Removal of recruitability payments to sheltered employment users	53
152. Review of respite service for people with learning disability	54
153. Review of day services for people with learning disability	55
154. Review of sheltered employment services for people with learning disability	56
155. Review of Community Alarm and related services	57
160. Cease the bus service that provides a mobile first stop shop	57
163. Review of Council Tax reduction scheme	58
164. Review council tax discounts for vacant properties	60
PH1. Remodelling of Sexual Health services	61
PH2. Remodelling Drugs and Alcohol Services	62
PH3. Targeting Infant feeding (0-5 years) to vulnerable groups	63
PH4. Remodelling the School Nursing led Healthy Child Programme (5-19 years) service	64
PH5. Remodelling of Adult Healthy Weight/Physical Activity services	65
PH6. Targeting Health Trainers service to the most needy	66
PH7. Services to support working age population healthy lifestyles	67
PH8. Hospital infection control	68
PH9. Community mental health advice and guidance	69

1. Executive summary

- 1.1. Budget consultation took place between 30 October 2014 and 5 January 2015 and over 6,800 responses were received.
 - 1.2. Consultation focussed on 54 draft policy proposals. Anyone who lives, works, studies, visits or does business in the borough was encouraged to have their say via questionnaires, online surveys and at face to face meetings, focus groups and drop in sessions.
 - 1.3. The level of response received is good, with comments gathered from a broad sample of the population. However the non random approach means the response is not statistically representative and thus provides a snapshot of opinion of those people who responded and cannot be generalised to the wider population.
 - 1.4. Information presented in this report should be considered alongside detailed consultation findings shared with Cabinet in December 2014, Equality Impact Assessments and other supporting information.
 - 1.5. 21 (plus part of one proposal) of the 54 draft proposals are generally supported.
 - 1.6. 15 proposals are generally not supported.
 - 1.7. 17 of the proposals received inconclusive feedback or feedback where opinion was divided as to whether the proposal was or was not supported.
 - 1.8. Of the 15 proposals directly not supported, Cabinet on 17 December 2014 advised of their intention to not proceed with two of these:
 - Ref: 152 Review of respite service for people with learning disability (Fallings Heath)
 - Ref 96: Car parking charges
 - 1.9. Of the remaining 13 proposals, and following extensive consultation, Cabinet have decided not to proceed with the following:
 - Ref 51 (Reduced funding to Community Associations)
 - Ref 58 (Parks, nature reserves and public open spaces). A reduced level of saving will be implemented which has been equality impact assessed, with no mitigating actions required.
 - Ref 80: (Charging for the collection of garden waste).
- This leaves a further 10 proposals which are not supported.
- 1.10. Following detailed equality analysis, two of these have been withdrawn and replaced with alternatives:
 - Ref 101 Reduced maintenance of road markings
 - Ref 111 Cease participation in Recruitability.

This leaves 8 unsupported proposals.

- 1.11. Cabinet have carefully considered all the feedback received and used this, alongside equality impact assessment outcomes, to inform their final recommendations on the budget. In total, £1,116,179 of savings proposals have been removed in 2015/16 and £458,500 in 2016/17 - this has been funded as follows:
- Use of alternative funding / collection fund income - £748,310 in 2015/16 and £410,000 in 2016/17.
 - Substitute proposals - £319,369 in 2015/16 and £48,500 in 2016/17
 - Use of one off reserves - £48,500 in 2015/16.
- 1.12. The total value of the remaining unsupported proposals is £3.3m which would require alternative savings or an equivalent further 3.6% increase in council tax. For the reasons set out in this report, Cabinet have decided to proceed with these remaining saving proposals.

2. Background

- 2.1. Each year Walsall Council undertakes public consultation in preparation for the budget setting process. Residents and other key stakeholders were invited to have their say on spending priorities and draft budget policy proposals for 2015/16 and 2016/17 where applicable.
- 2.2. Between 21 August and 29 September 2014 over 4,600 responses to the council's initial phase of budget learning and engagement were received. Phase one was conducted prior to draft budget proposals being available, the feedback sought was general in nature, though it was designed to help inform detailed budget proposals. Findings were reported to 29 October 2014 Cabinet.
- 2.3. On 29 October 2014 Cabinet published its draft budget proposals for consultation and between 30 October 2014 and 5 January 2015 over 6,800 responses were received.

Approach to consultation

- 2.4. Our approach to consultation has involved a wide range of methods involving the collection of both quantitative data via surveys (providing numbers and %s) and qualitative data via dialogue (providing rich detailed information).
- 2.5. A questionnaire, allowing people to comment on all 54 draft budget proposals, was provided in the centre pages of a budget booklet detailing all the draft policy proposals as well as being made available online. 1,028 of these questionnaires were completed.
- 2.6. The budget booklet questionnaire was supported by twelve other more detailed service specific questionnaires covering proposals 22, 27, 57, 58, 59, 60, 65, 66, 67, 77, 78, 79, 82, 83, PH1 to 9, 163 and 164 which were available in paper or online.
- 2.7. In addition to questionnaires, a range of ways were provided for people to give their views face to face at meetings, focus groups and drop in sessions. Face to face consultation included:

- 21 informal drop in sessions at the First Stop Shop, First Stop Express and libraries
- 8 drop in sessions at libraries (focussing on proposal ref 65 - libraries)
- Darlaston Area Panel public meeting
- Libraries Public Meeting
- Local History Centre and Allotment user focus groups
- Community Associations special meeting
- Attendance at a range of meetings including: District Centre Partnerships, Resilience Forum, Head Teacher Forum, Parent Partnership Forum, Youth of Walsall.
- Attendance at a range of Adult Social Care advocacy groups and forums including: Links 2 Work, Making Our Choice, Day Opportunities, Walsall Deaf Centre, Walsall Centre for the Blind, Black Sisters Collective, Walsall Disability Forum, Walsall HealthWatch, Apha Gar (Asian Women's Learning Disability Group), Learning Disability Partnership Board, Goscote Greenacres, Pinfold Physical Disability Group, Dementia Cafes, Carer Users Support Network, WISE (visual impairment group).

2.8. Information was made available in a range of formats including Makaton, PhotoSymbols, Flash cards, British Sign Language interpretation, audio format and large print.

Petitions

2.9. A number of petitions were received, specifically:

- **Ref 22: Birchills Children's Centre**
314 signatures. Received 2 January 2015. Referred to Executive Director and portfolio holder.
- **Ref 39: Toy Library Service**
165 signatures. Referred to Executive Director and portfolio holder.
- **Ref 51: Against cuts to funding for the voluntary sector** (also references ref 31 youth work) Over 500 signatures. Report presented at the Neighbourhoods Scrutiny and Performance panel on 6/1/15. Link to report: <http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15299>
- **Ref 65: Save Streetly Library from closure**
Over 3,000 signatures. Submitted to Council on 17/11/14. Report presented to Council on 12/1/15. Link to report: <http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15309>
- **Ref 65: Save Pheasey Park Farm Library from Walsall Labour cuts**
Over 1,500 signatures. Cabinet 17/12/14. Report presented to Council on 12/1/15. Link to report: <http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15309>
- **Ref 65: Save Walsall Wood Library**
Over 500 signatures. Submitted to Council 12/1/15. Report to be presented to Neighbourhoods Scrutiny and Performance Panel on 17/2/15.

- **Ref 65: Save Blakenall Library**
Over 500, Submitted to Council 12/1/15. Report to be presented to Neighbourhoods Scrutiny and Performance Panel on 17/2/15.
- **Ref 80: Axe Labour's Garden Tax**
Over 1,500. Submitted Council 12/1/15 report to be presented to Council at its meeting on 26/2/15.
- **Ref 96: Stop Labour's car parking charge in Bloxwich and Brownhills town centres**
Over 1,500 signatures. Cabinet 17/12/14. Link to report:
<http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15308>

Overall size of response

2.10. In total over 6,800 questionnaires (paper and online) were completed with many more individuals giving their views over the phone, face to face in discussions, at meetings and drop in sessions that took place all over the borough.

Table 1- Responses by Method

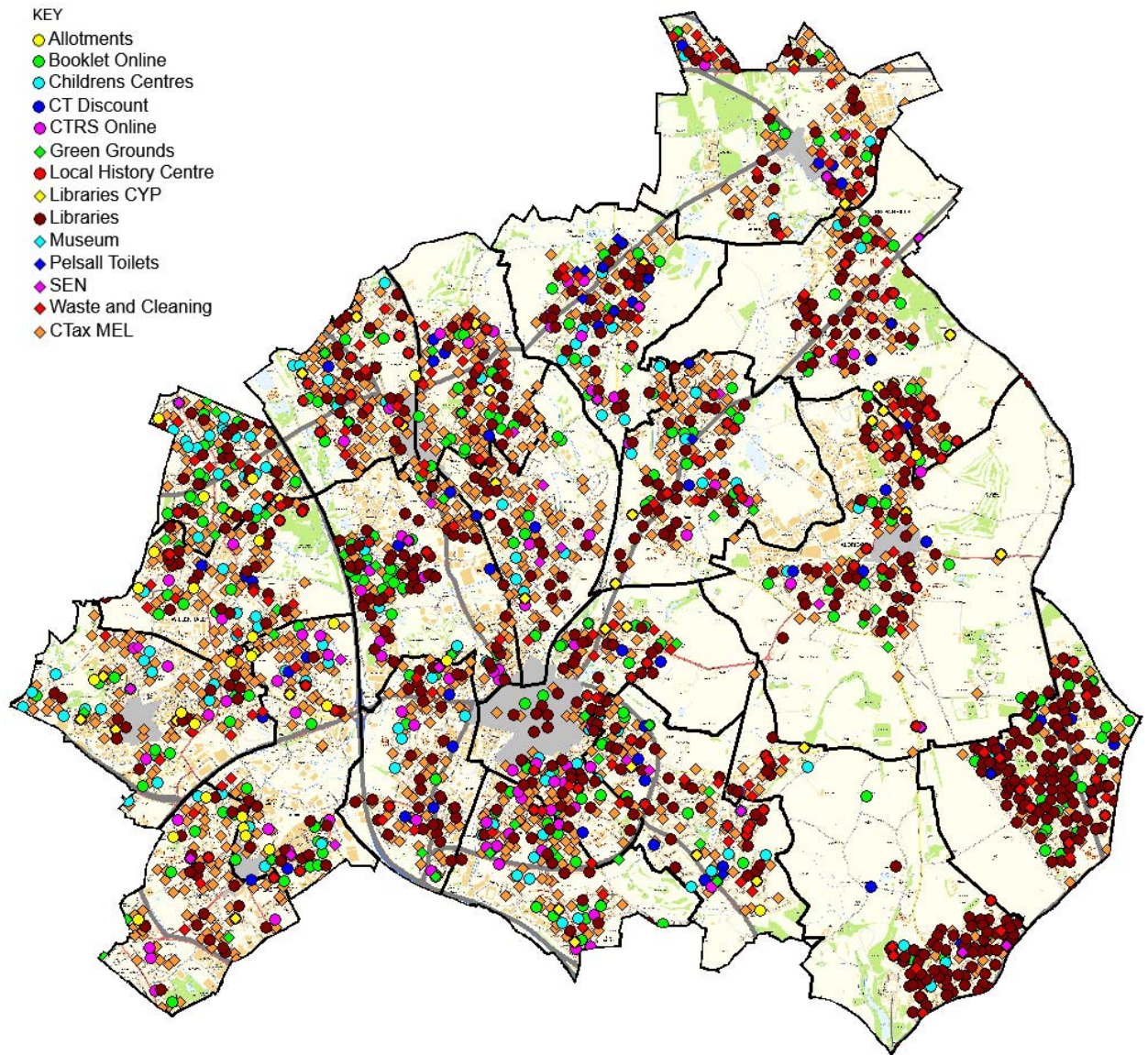
Method	Number of responses
Council Tax Reduction Scheme (postal survey) – ref 163	2,624
Budget booklet questionnaire - All proposals	1,028
Libraries questionnaire - ref 65	1,464
Waste and Cleansing questionnaire – refs 77, 78, 79, 80, 82	393
Children's Centres questionnaire – ref 22	337
Grounds maintenance questionnaire – refs 58, 59, 60	264
Council Tax Reduction Scheme (online) – ref 163	140
Council Tax Discounts – ref 164	127
Walsall Museum questionnaire – ref 67	122
Local History Centre questionnaire – ref 66	122
Closure of Pelsall Toilets – ref 83	103
Assisted Transport questionnaire – ref 27	79
Allotments questionnaire – ref 57	50
Public Health questionnaire – ref PH1 to PH9	25
Questionnaires total	6,878
Telephone call (to contact centre)	167
Face to face	500*
Total (excluding estimated face to face)	7,045

*Questionnaires include responses received online and postal. The number of respondents reported in results may differ due to the removal of 'don't knows' and due to some respondents not answering every question. * Estimate in excess of.*

2.11. This level of response is good, more than five times the response achieved in budget consultation 2013 (financial year 2014/15). Comments have been gathered from a broad sample of the population from all over the borough. The home postcodes of respondents (where provided) have been mapped to show the geographic spread of responses Fig 1.

Fig 1.

**Budget Consultation phase 2 respondent postcodes
(Across all consultation methods with valid postcode provided)**



Reproduced from the Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationery Office.
© Crown copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings.
© Crown copyright and database rights 2014 Ordnance Survey 100019528

2.12. Some specific groups or communities were directly targeted e.g. disabled groups, children and young people and service users, however research was largely conducted on the basis of 'self selection' where people could respond to surveys online, pick up paper copies of questionnaires, or choose to attend meetings / focus groups.

2.13. Whilst this inclusive approach gives everyone and anyone the opportunity to respond, the lack of control over who responds / participates has the potential to

introduce bias. We are able to reduce this bias by using a wide range of mechanisms, methods and channels to gather feedback and through achieving as large a response as possible.

- 2.14. The findings therefore provide a broad view of opinion *of those people who responded*. It is not intended to be statistically representative. Because random sampling was not used the results cannot be generalised to the wider population.
- 2.15. Only the council tax reduction scheme (ref 164 - MEL postal survey) was conducted using random sampling methods and therefore results can be generalised to the wider population and be subjected to statistical tests (Results reported to 17 December Cabinet 2014).
- 2.16. Looking at the overall response to questionnaires alone (6,878) this equates to a 3.4% response rate (based on the 16+ population). For this sort of consultation anything above 2% is generally deemed good, with the UK average being 0.89%¹. As a result we can be assured that we have a good understanding of opinions, however this does vary by proposal and for some, consultation will continue into 2015.
- 2.17. Findings summarised in this report should be considered alongside detailed consultation findings previously shared with Cabinet in December 2014 and available on www.walsall.gov.uk/budgethaveyoursay, Equality Impact Assessments and other supporting information.

3. Summary of headline findings

- 3.1. Table 2 details final headline results for all quantitative research (questionnaires) undertaken in phase two of budget consultation and qualitative feedback (dialogue), providing a 'headline' picture of findings. 3.2 to 3.4.4 outline key points to bear in mind when interpreting the data shown in this table.
- 3.2. It is intrinsically difficult to triangulate all the different data gathered to arrive at an overall single opinion for each proposal. Information has been carefully considered to provide a single statement of opinion and is not based on a scientific approach.
- 3.3. Single statements indicate the general overall opinion on each proposal whether: 'Support', 'Don't Support' or 'Inconclusive / opinion divided' in response to the question '*What is your overall opinion on this proposal?*'. Proposals have been ordered by overall opinion and then proposal number.
- 3.4. When interpreting the information in table 2 please note the following:
 - 3.4.1. The number of respondents may vary from the total number of surveys completed as not everyone answered the question.
 - 3.4.2. The number of respondents answering the question vary by proposal and some are based on small numbers of respondents. Care should be taken when interpreting and reporting results based on small numbers as this can

¹ Consultation Institute

be misleading.²

- 3.4.3. Additional context is provided where applicable i.e. Non users support and users do not support.
- 3.4.4. Some proposals involve savings that commence in 2016/17 (year 2) for which further consultation activity will take place in 2015.

² The Royal Statistical Society: Best practice guide for using statistics in communications

TABLE 2: Summary of headline findings from Budget Consultation Phase 2 (Policy Proposals)				
Proposal	Overall Feedback	Saving Yr1+Y2 saving	Commences as a Year 2 saving	Total Responses
Feedback from Quantative research indicates respondents show support for the following proposals:				
12: Remove funding to providers of support & advice on domestic violence	Support	£120,000	✓	27
25: Reduction in non statutory school attendance support service and introduction of fees and charges	Support	£89,000	✓	29
36: Changes to how we reduce teenage pregnancy	Support	£30,000	✓	35
57: Reduction in grants to Allotment Associations	Support	£13,790		86
59: Grass verges and floral displays	Support	£524,060		328
60: Reduction in Tree Maintenance and Urban Forestry services	Support	£135,696		292
69: New Art Gallery opening times in Winter	Support	£5,367		60
77: Household Waste Recycling Centres (tips)	Support	£98,000		449
83: Closure of Pelsall toilets	Support	£12,000		139
90: Reduced replacement of road name plates	Support	£10,000		29
147: Review of extra care sheltered housing	Support	£250,000	✓	17
150: Review of the partnership between the Council and Dudley & Walsall Mental Health Partnership Trust (DWMHPT)	Support	£200,000	✓	17
151: Removal of recruitability payments to sheltered employment users	Support (non users)	£104,000		12
155: Review of Community Alarm and related services	Support	£570,000	✓	25
Please note that there is support for two elements of this proposal (Faith School and out of borough SEND school travel provision but not for travel assistance to respite provision)				
27: Reduce expenditure on school bus passes and restrict eligibility for Special Educational Needs (SEN) pupils assisted transport	Support for faith and out of borough elements of proposal only (see below)	£95,000		43
Travel Assistance to Faith School	Support			76
Travel Assistance for Out Of Borough SEND schools	Support			70
Travel Assistance to respite Provision	Don't Support			71

Proposal	Overall Feedback	Saving Yr1+Y2 saving	Commences as a Year 2 saving	Total Responses
Please note that most Public Health proposals are supported except for PH3 (Infant feeding) and PH9 (Community Mental Health Advice) - ordered together as they are seen as a 'package of savings'				
PH1: Remodelling of Sexual Health services	Support	£123,000		46
PH2: Remodelling Drugs and Alcohol Services	Support	£460,141		27
PH3: Targeting Infant feeding (0-5 years) to vulnerable groups	Inconclusive / opinion divided	£45,000		43
PH4: Remodelling the School Nursing led Healthy Child Programme (5-19 years) service	Support	£100,000		20
PH5: Remodelling of Adult Healthy Weight/Physical Activity services	Support	£200,000		34
PH6: Targeting Health Trainers service to the most needy	Support	£82,000		23
PH7: Services to support working age population healthy lifestyles	Support	£40,000		21
PH8: Hospital infection control	Support	£134,000		33
PH9: Community mental health advice and guidance	Inconclusive / opinion divided	£133,000		33
Feedback from Quantative research indicates respondents Do Not Support the following proposals:				
30: Changes to targeted careers Information, Advice and Guidance (IAG)	Don't Support	£1,040,000		97
31: Changes to delivery of youth work	Don't Support	£1,070,000		236
32: Changes to how we deliver individual targeted support	Don't Support	£140,000		70
51: Reduced funding to Community Associations	Don't Support	£180,000		59
58: Parks, nature reserves and public open spaces	Do not Support	£362,708		330
65: Reduction of the Library network from 16 to 8 libraries over two years	Don't Support	£565,722		1735
80: Charging for the collection of garden waste	Don't Support	£310,000	✓	543
88: Reducing reactive highways maintenance by 20%	Don't Support	£180,000	✓	57
96: Introduction of car parking charges for District Centres	Don't Support	£100,000		93
100: Reduced maintenance of road drainage and Streams	Don't Support	£90,000		53
101: Reduced maintenance of road markings	Don't Support	£35,000		47
102: Reduced maintenance of traffic signs	Don't Support	£80,000		40
111: Cease participation in Recruitability	Do not Support	£47,502		17

Proposal	Overall Feedback	Saving Yr1+Y2 saving	Commences as a Year 2 saving	Total Responses
Feedback from Quantative research indicates respondents views are somewhat inconclusive and or divided on the following proposals:				
13: Redesign short breaks for children with disabilities	Inconclusive / opinion divided <i>(Non users support and users tend not to support)</i>	£200,000		29
17: Reduce use of taxis for children in care	Inconclusive / opinion divided	£67,000		40
22: Close some and redesign remaining children's centre services	Inconclusive / opinion divided <i>(there is support for proposals at some Children Centres)</i>	£1,850,000		387
35: Changes to Parent Partnership Service	Inconclusive / opinion divided	£30,000		23
62: Outdoor adventure service (Sneyd and Aldridge Airport)	Inconclusive / opinion divided	£97,000		42
66: Reduction in Local History Centre Service	Inconclusive / opinion divided	£69,158		174
67: Closure of Walsall Museum	Inconclusive / opinion divided	£70,000		194
78: Collection of non-recyclable household waste	Inconclusive / opinion divided	£532,000	✓	548
79: Reducing how many months the garden waste (brown bin) service is in operation	Inconclusive / opinion divided	£140,000		504
82: Cutting the number of street cleansing staff and cleaning less often	Inconclusive / opinion divided	£477,732		445
95: Increase in charges for staff parking and town centre business permits	Inconclusive / opinion divided	£30,000		45
153: Review of day services for people with learning disability	Inconclusive / opinion divided	£517,000	✓	36
154: Review of sheltered employment services for people with learning disability	Inconclusive / opinion divided	£300,000	✓	33
160: Cease the bus service that provides a mobile first stop shop	Inconclusive / Opinion Divided	£22,253		25
163: Review of Council Tax reduction scheme	Inconclusive / opinion divided <i>(recipients are not in support whilst non recipients are in support though 20% of recipients showed an appetite for paying more)</i>	£2,360,406		72
10,000 Postal Survey				2399
On-line survey				140
100 Telephone Survey				21

Proposal	Overall Feedback	Saving Yr1+Y2 saving	Commences as a Year 2 saving	Total Responses
164: Review council tax discounts for vacant properties	Inconclusive / opinion divided <i>(Depending on current or</i>	£1,000,000		72
Discount when a property is unoccupied and unfurnished				119
Decision from Cabinet 17 December 2014				
152: Review of respite service for people with learning disability - Fallings Heath	<i>Refer to December Cabinet report on Fallings Heath</i>	£280,000		25
Value of policy proposals (Yr1+Yr2)		£15,817,535		

4. Detailed findings – We asked, You said, We did

- 4.1. There is the need to deliver revenue savings / revenue funding changes of £29.28m in 2015/16. Draft revenue proposals of around £16m are considered to have minimal impact on front line service provision, and cover the following:
- Review of senior management
 - Review and reduction of back office and support functions
 - Use of a reduced number of agency staff
 - Reduction in general operational costs
 - Review of council buildings and rented accommodation
 - General efficiencies
 - Grant funding opportunities
 - Review of procurement of council expenditure and contracted services.
- 4.2. Draft policy savings proposals of £15.8m have a direct impact on services and were referred for specific public consultation.
- 4.3. Consultation conducted between 30 October 2014 and 5 January 2015 focussed on the draft policy proposals as these had a potential or actual impact on customers or service users. Whilst information was available in the December 2014 Cabinet report, information summarising each draft budget policy proposal was provided in booklets made available all over the borough and online.
- 4.4. See section 2 of this report for full details of our approach to consultation.
- 4.5. Whilst Table 2 captures headline results, the following short summaries outline findings from consultation for each draft policy proposal together with Cabinet's response and intended decision.

Ref: 12	Remove funding to providers of support & advice on domestic violence	Initial pre-Consultation closing date: 10.12.14
<p>The support for victims of domestic violence in Walsall has changed over time with the provision of services from a wider range of organisations. In the near future it is expected to change further as we move toward the establishment of a Multi Agency Safeguarding Hub (MASH). The MASH will streamline the way that information is received about a range of welfare issues concerning children and it is expected to lead to swifter more efficient responses to need. The consequence of these changes is that the need and activity from external providers will reduce and it may not be necessary in the longer term.</p>		
2015/16 (N/A)	2016/17 (£120,000)	Total (£120,000)
Overall Opinion: respondents generally support this proposal		
<ul style="list-style-type: none"> Budget Booklet respondents support fully and or with concerns and amendments 70% (base 20) 		
<p>Response from Walsall Council on Proposal Ref 12</p> <p>The saving for this proposal commences in 2016/17.</p> <p>Cabinet will continue to include this proposal in their year 2 plans and specific consultation will commence in Spring 2015 which will be used to further inform and shape the final proposal.</p>		

Ref: 13	Redesign short breaks for children with disabilities	Consultation closing date: 10.12.14
<p>Short breaks provision for children with disabilities currently consists of short break respite care with a local provider and various external residential providers as well as some evening and weekend clubs. Although all the support packages provided to children and their families are subject to assessment and review, the identification of needs has not always been robust and support packages have often 'drifted' without reassessment for long periods. Taking a needs led approach it is proposed to change / reduce support services in line with more robust reassessments.</p>		
2015/16 (£50,000)	2016/17 (£150,000)	Total (£200,000)
Overall Opinion: on this proposal is inconclusive / opinion divided (respondents marginally show support)		
<ul style="list-style-type: none"> Budget Booklet respondents are somewhat divided in their opinion on this proposal with respondents showing marginal support fully and or with concerns and amendments 52%. 48% do not support hence +3% net support (base 29). <p>Key issues for consideration including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> A small majority of Budget Booklet respondents supported the amendments but attendees at two consultation sessions did not support the proposal. The attendees 		

were parents of children with disabilities all of whom receive short break support hence they had a direct interest. 16 out of the 18 Budget Booklet respondents were not users of the service.

- Whilst only a small number of parents who benefit from short breaks provision attended the consultations they presented strong views and they believe that they are representative of the wider group.
- A view repeated by parents was that cuts to short breaks could lead to growing stress for families resulting in: children coming in to the care system; parents having to give up their jobs; a negative impact on siblings who benefit from short breaks through the extra attention they receive at home.
- Achieving some of the savings through more effective use of local resources, for example the Bluebells unit, was discussed with parents in agreement with this point.
- Feedback from parents and children/young people indicates that short breaks support is highly valued.

Common suggestions for alternatives to the saving are:

- Service users to pay for the service in full or for a nominal fee.
- Review seasonal service delivery ie less provision in winter months.
- Use of voluntary agencies.
- Save the money elsewhere e.g. sell the New Art Gallery.

Response from Walsall Council on Proposal Ref 13

The council is committed to improving outcomes for children and young people with disabilities. The high value placed on short break support by children, young people and their families is acknowledged and the mechanism for achieving the savings has therefore been reviewed. The savings will be delivered through more effective use of local resources including the Bluebells unit, and through an improved needs led assessment process.

Cabinet intend to include this proposal, with the mitigating action above, in it's final budget recommendations.

Ref: 17	Reduce use of taxis for children in care	Consultation closing date: 10.12.14
Taxis are sometimes used to transport children in care to school and other places. It is proposed to make savings by promoting independent travel where possible by young people and by requesting that carers transport children to and from school, contact with their birth family and to recreational activities. Where it is clear that the use of a taxi is required it is proposed to review these arrangements monthly.		
2015/16 (£67,000)	2016/17 (N/A)	Total (£67,000)
Overall Opinion: on this proposal is inconclusive / opinion divided.		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully and or with concerns and amendments 90% (base 40) <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> • Consultation has identified that respondents are concerned about the impact on foster carer recruitment and retention • Consultation with carers has identified the same issue and has identified that carers 		

may be reluctant to take on children through the placement duty team if they know taxis may not be available as a supportive measure. Carers have also raised the issue of there being no increase in their mileage allowance for over 10 years, so whilst costs have increased in the broadest sense, payments to carers to incorporate travel have not.

- Taxis will still be used to support flexible placement choice and to enable children to attend school, contact with birth family and medical and recreational activities. Also where it is clear the carers are unable to transport due to having other children in placement, individual arrangements or where there is no car or limited car space and travel by public transport is impractical.

Response from Walsall Council on Proposal Ref 17

The council is working to reduce taxi costs by reviewing both usage and cost of Individual journeys made. Wherever feasible, foster carers will be asked to provide transport, or to assist in the use of public transport, to help promote ordinary family life for children. However, we have listened to the views of foster carers and others who contributed to the consultation and to support foster carers we will be increasing their mileage rate. We will ensure that all cases are assessed on an individual basis and where it is clear taxis are needed to support a package of care for a child, they will be provided and their use reviewed regularly.

In view of these considerations Cabinet intend to include this proposal, with the above revisions, in it's final recommendations to Council.

Ref: 22	Close some and redesign remaining children's centre services	Consultation closing date: 05.01.15
Close 12 children's centres and redesign the remaining children's centre services in areas where the need is greatest. This proposal focuses on the delivery of basic advice, information and support across the Borough to all families with children under 5's through health visiting and Family Information Services and more help to families with children under 5 who need extra support. To change any childcare provided in centre buildings to sessional term time places with a focus on the creation of places for 2 year olds eligible for 15 hours free entitlement and a change in management of this to schools or private / voluntary sector providers.		
2015/16 (£1,350,000)	2016/17 (£500,000)	Total (£1,850,000)
Overall Opinion: on this proposal is inconclusive/ opinion divided and varies by Childrens Centre proposal		
<ul style="list-style-type: none"> • Budget Booklet respondents do not support this proposal 67% (base 106) • However, additional survey respondents show mixed opinions about this proposal. Overall results show respondents are broadly divided; 47% do not support versus 46% showing support; 26% fully, 20% with concerns/amendments (base 249). • This is further complicated by results split by individual Children Centre. • Petition: Birchills Children's Centre. Received 2 January 2014. 314 signatures. 		
Overall Summary of Consultation Findings		
From the 17 th November 2014 to the 5th January 2015 Walsall Childrens Services have consulted with service users and partners about redesigning children centres services to		

meet budget saving requirements. The consultation has resulted in the return of 269 questionnaires, 122 comment slips and attendance at focus groups and meetings by 150 service users. Analysis of findings from each consultation is provided below.

From questionnaire responses, focus groups and drop in sessions the following themes have been identified from consultation about proposals to reduce the number of buildings and to deliver a remodelled borough wide service targeting services to the most vulnerable.

Local Access: Families' value local Children Centre services and new parents with 1 or more small children identified that they find it difficult to travel across Walsall so access to a local centre is very important.

Universal services: Families identified that during the first year after having a baby **all** new parents described themselves as being vulnerable and universal services (such as play and stay groups) were valued as giving an opportunity to meet other parents, to get advice and support and for children to play and interact. Post natal depression was identified as a vulnerability risk factor that was helped by this provision.

Many parents reported that staff leading Children Centre groups and activities often identified speech and language and physical development concerns and supported families to access health services. 53% of respondents to the survey identified that universal play and stay groups are the main reason that families access Children Centre services.

Targeting: During consultation it has emerged that there is support from parents to target resource on services for 0-3's as this period of time is identified as being when families and children are at greatest need.

Staff: Families value Children Centre staff and see them as knowledgeable, approachable and non judgemental.

Childcare: The proposal sought views about the Local Authority having less of a role in childcare, instead focusing on supporting others to deliver sessional childcare for 2 year olds from centre buildings. There has been support for a shift in childcare delivery from parents who are not directly affected by the change proposal but parents who access current daycare do not support the proposal.

Children with SEN/Disability: Children Centres are valued by parents of children with additional needs and during consultation a number of examples were given about how centre staff have supported parents to navigate system and to access health and education services.

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

- Families do not want to lose their local access to groups and support
- Families are concerned about the capacity of health visitors to address support needs of young families.
- Pheasey, Willenhall and Streetly are particularly concerned about losing their children centre and library.
- Post natal depression has been raised at all meetings - support in the first year is particularly valued
- Where staffing has been stable families identified more with staff and the centre - continuity valued.
- New parents have particular restrictions in travel as difficult to access public transport with a pushchair
- Families who access daycare at Birchills and Fibbersley Park have expressed concern about a move to sessional child care

- For centres that are school based, parents were hopeful that schools would be able to carry on some services and the authority has committed to scope this.
- Support for people fleeing domestic violence is valued and withdrawal from a local place to get support was identified as a concern.

Response from Walsall Council on Proposal Ref 22

In view of these considerations Cabinet intend to implement the proposal as outlined, retaining 5 buildings in areas of greatest need (Palfrey, Alumwell, Birchills, Blakenall and Darlaston) with the following changes to reflect learning from the consultation:

- Extend the definition of “vulnerable” to include all new parents of 0-3’s and retain borough-wide provision of Play and Stay and PEEP (Parents Early Education Programme) groups to all families with 0-3s.
- Ensure that there are adequate access points for services by retaining some rooms and venues in Willenhall South, Brownhills and Pheasey to reduce the negative impact on parents (women in particular) that have barriers to travel.
- Retain support to families with children with disabilities and speech and language concerns.
- Continued integration with Health and Educations, particularly Health Visiting Services to provide the best start in life for children and families in Walsall by working jointly to deliver early years services from ante-natal stage to 5 years.

Ref: 25	Reduction in non statutory school attendance support service and introduction of fees and charges.	Initial pre consultation closing date:
Reduce service support for services currently provided by the Access Service in respect of managing school behaviour and attendance where services are currently provided outside of Local Authority statutory functions and received at no cost. This will be achieved by reorganising non-statutory service provision, ensuring that the issue of non-school attendance penalty notices covers the administration costs. Reprovision of behaviour and attendance services through a private enterprise to be paid through traded income and fees for local authority statutory work.		
2015/16 (N/A)	2016/17 (£89,000)	Total (£89,000)
Overall Opinion: respondents generally support this proposal.		
<p>Budget Booklet respondents support fully and or with concerns and amendments - 83% (base 29).</p> <p>This is a year two proposal and supplementary consultation is ongoing.</p> <p>Feedback from dialogue, letters and emails demonstrates the service is valued by schools and there is an appetite and desire to retain the post.</p> <p>Common suggestions for alternatives to the saving (based on budget booklet) are:</p> <ul style="list-style-type: none"> • Withdraw the service altogether. • Replace the service with truant officers. • Cost recovery from parents of truants. • Introduce the saving earlier in 2015/16. 		

Response from Walsall Council on Proposal Ref 25

The saving for this proposal commences in 2016/17. Feedback gathered so far has shown that the function of the service is popular with schools and the non-statutory work undertaken has a direct impact on preventing school exclusions. Withdrawal would reduce the offer of early help assessments, and other supportive measures which aim to prevent exclusions.

Work will be undertaken with schools to determine the Traded Service offer and how the service will be changed to manage this cost saving.

Cabinet will continue to include this proposal in their year 2 plans and consultation will continue into 2015 to further inform and shape the final proposal.

Ref: 27	Reduce expenditure on school bus passes and restrict eligibility for Special Educational Needs (SEN) pupils assisted transport.	Consultation closing date: 05.01.15
It is proposed to stop providing bus passes for pupils who choose to attend faith schools, reduce the financial support for children with special educational needs to attend schools outside of the borough. Remove travel to respite care and take into account Motability cars in making decision to provide transport. To increase concessionary fare mileage limit for 8 to 11 years of age from 2 miles to 3 miles.		
2015/16 (£20,000)	2016/17 (£75,000)	Total (£95,000)
Overall Opinion: Opinion divided depending on different elements of the proposal. Respondents generally support the faith school and out of borough proposals but do not support proposed changes to travel assistance to respite provision.		
Budget Booklet respondents views are divided with marginal support fully and or with concerns and amendments 51%, 49 not in support (base 27). However, when asked through an additional more detailed questionnaire, opinion is clearer depending on the proposal element;		
<ul style="list-style-type: none">• Travel assistance to a faith school: Additional Survey respondents support fully and or with concerns and amendments 56% (base 76)• Travel assistance for out of borough SEND schools: Additional Survey respondents support fully and or with concerns and amendments 57% (base 70)• School travel assistance to respite provision: Additional Survey respondents do not support this proposal 59% (base 71)		
Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.		
<ul style="list-style-type: none">• Parents who do not drive would struggle to get their children to respite so may lose out on accessing this and felt this would be unfair• Some parents affected felt it would be unfair to remove bus passes for faith schools but the majority of respondents agreed with this proposal• Generally parents agreed with proposals concerning faith schools and out of borough provision but did not support removal of transport provision to respite		
Suggestions for alternatives to the saving are:		
<ul style="list-style-type: none">• Most commonly to retain assistance for SEN pupils but remove the subsidy purely to		

attend faiths schools.

- Remove subsidy for families who have a mobility vehicle provided.
- School contributions.
- Do not subsidise out of borough transport.

Response from Walsall Council on Proposal Ref 27

Transport to respite provision is discretionary and is not a statutory requirement and the travel support is not provided during holidays when parents, like many families all of the time, make their own transport arrangements for their children to access respite provision.

Following consultation feedback, the council will ensure full mitigation is effective by working with the council's respite provider to provide transport and will also put in place new arrangements that will ensure no current user experiences any adverse impact. Future need will be met through an assessed care package.

The council is also phasing in the changes to bus passes for attending faith schools and out of borough SEN transport so that current students will not be affected and changes will only apply to new applicants. There was general support for this within the consultation feedback.

Cabinet intend to include this proposal, with the changes outlined above, in their final recommendations to Council.

Ref: 30	Changes to targeted careers Information, Advice and Guidance (IAG)	Consultation closing date: 10.12.14
Reduce the number of staff (careers personal advisers) who offer support to get young people into work, education or training and to keep them in work education or training. The support is already targeted at those young people most in need and we will target further which will mean working with fewer young people.		
2015/16 (£1,000,000)	2016/17 (£40,000)	Total (£1,040,000)
Overall Opinion: respondents generally do not support this proposal.		
Budget Booklet respondents do not support this proposal; 77% (base 97) Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed. <ul style="list-style-type: none"> • Young people feel that the reductions in information advice and guidance on employment and training would result in an increase in youth unemployment and poorer training opportunities. Fearing that fewer young people may be able to get back into education, training or employment. • Vulnerable young people felt that they would be further disadvantaged because support and advice that they currently get from their Personal Advisors would be significantly reduced or disappear all together. In addition they feel that telephone contact should not replace face to face support. • Young people stated that they valued the support they received through their Personal Advisors. 		

Common suggestions for alternatives to the saving are:

- Service should be provided by schools and costs absorbed that way.
- Cut down outreach centres.
- Reduce absence in council staff.
- Raise money through fundraising.

Response from Walsall Council on Proposal Ref 30

Mitigating actions have been developed which include:

- The Information, Advice and Guidance service to targeted young people will be further focused to meet the needs of young people who are most vulnerable and at risk of not being in education, employment or training (NEET).
- A review to identify the best model of delivery is being undertaken to be implemented in September 2015.
- The role of stakeholders will be strengthened, through the establishment of a 14-19 Partnership, with representatives from all key stakeholders, which will be accountable for ensuring that the statutory responsibilities held by the council and learning providers form a coherent and integrated service for young people.

Following consideration of consultation feedback and amending the proposal to include further mitigating actions, Cabinet intend to include this proposal in their final budget recommendations.

Ref: 31	Changes to delivery of youth work	Consultation closing date: 10.12.14
Reduce the numbers of youth workers; youth clubs and youth work. We will increase the targeting of resources on the areas of greatest need and deprivation. We will prioritise detached youth work (working where young people meet for example in parks, or on the street) and the use of our mobile youth vehicles. This approach will allow us the flexibility to continue to respond to reports of youth related ASB.		
2015/16 (£490,000)	2016/17 (£580,000)	Total (£1,070,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet respondents do not support this proposal; 91% (base 236) • Petition: Petition: Against cuts to funding for the voluntary sector (also references ref 31 youth work) Over 500 signatures. Report presented at the Neighbourhoods Scrutiny and Performance panel on 6/1/15. Link to report: http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15299 <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> • Our feedback consistently showed that people want YSS protected. • Children and young people valued engaging with their peers, taking part in positive activities and gaining individual support and guidance. • There are consistent messages from stakeholder's within the Community Sector including: 		

- The feeling that the closing of Youth Provision would result in an increase in youth crime and anti-social behaviour
- Some of deprived communities would suffer further disadvantage i.e. Young people have little to no access for things to do and places to go
- Children and Young people would have poor outcomes including emotional and physical health and well being.
- Relationships with the third sector may be weakened as the council may not value their contribution as highly as before.
- Members of the United Kingdom Youth Parliament (UKYP) said:
 - Young people are “shocked” as to how much money has to be saved
 - They think it is risky to get rid of services because problems will increase for young people and will end up paying for it later on.

Common suggestions for alternatives to the saving are:

- Keep the youth centres that are cheaper to run and get the external providers to take over others
- Charge more for the service to support current levels
- Open for fewer days a week
- Close more libraries and community centres and funnel savings for youth services.

Response from Walsall Council on Proposal Ref 31

Whilst overall opinion from the public and consultation with children and young people is to not support this proposal, some suggestions were made for alternative ways of delivering this service which include closer links with schools and local third sector organisations, and sharing premises with other services. These suggestions will be taken into account in a wide scale review which will be carried out during January 2015, with the intention to implement wholesale changes to the delivery of targeted youth work from September 2015. This review will take account of the views expressed during the budget consultation process, a comparison of cost and impact, i.e. performance, across the provision and will confirm the following:

- What levels of building base/other provision should be offered.
- What age range could the service focus on.
- Ensuring the resource allocation model uses the most up-to-date and relevant factors.
- How to meet the needs of agreed priority and protected groups, e.g. young people with Learning Difficulties and Disabilities, Travellers, Teenage Pregnancy etc.
- The balance between direct and commissioned services.
- How the scope and intent of the commissioning model, particularly with established community based providers, will be developed.

Cabinet propose to include this saving, informed by and amended for where appropriate, the outcomes of the review, in their final budget recommendations.

Ref: 32	Changes to how we deliver individual targeted support	Consultation closing date: 10.12.14
Some reduction in the level of targeted 1-1 support for vulnerable young people including in counselling opportunities and a different approach to working with young carers and children and young people at risk of sexual exploitation. Some of the reduction in service will be integrated into the role of youth workers and or targeted youth support staff.		
2015/16 (£86,000)	2016/17 (£54,000)	Total (£140,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal; 86% (base 70) <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <p>Children and young people attending the Youth Conference gave some clear messages:</p> <ul style="list-style-type: none"> Young people feel that reductions could lead to an increase in youth unemployment. Young people will become more vulnerable as they will not have instant access or bespoke access to services to meet needs and this could lead to increase in numbers of users requiring online counselling service Poorer outcomes on Health & Well-Being for Children and Young people in the Borough A view that the future generation of Walsall will be disadvantaged socially, economically and emotionally in the long term <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Take money from more savings across other areas of the council Tap into Police funding Use 3rd sector providers more effectively and look to fundraise 		
<p>Response from Walsall Council on Proposal Ref 32</p> <p>Whilst overall opinion from the public and consultation with children and young people is to not support this proposal the suggestions made in the consultation will be considered alongside the mitigating actions already developed which will lead to some of the work currently undertaken under contract being absorbed and delivered through greater targeting of the reduced resources available for targeted youth work and targeted youth support over the two years. Young people will be signposted to services which are already available. A review of the current structure of YSS is underway based on a hub and spoke model.</p> <p>In light of these considerations Cabinet intend to support the proposal and include it in their budget recommendations.</p>		

Ref: 35	Changes to Parent Partnership Service	Consultation closing date: 10.12.14
We will review and reshape the Parent Partnership service to ensure alignment to other Special Educational Needs (SEN) and disabilities (SEND) activity. We will improve our partnership arrangements including with voluntary sector organisations to support parents and carers. There will be some reduction in opportunities for face to face support. The use of new technology will be used as a way to provide parents and carers with effective virtual support.		
2015/16 (£20,000)	2016/17 (£10,000)	Total (£30,000)
Overall Opinion: on this proposal is inconclusive / opinion divided .		
<ul style="list-style-type: none"> Budget Booklet respondents marginally do not support this proposal 57%; 43% show support (base 23). <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> National and regional service providers are concerned that reductions could lead to poorer outcomes for young people's social and emotional development; fearing that their needs will no longer be heard. Concerns raised around meeting statutory duties under the Children & Families Act. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Means tested with higher earning users paying towards the service Take money from other areas of the council such as the Art Gallery or reduction in agency staff 		
<p>Response from Walsall Council on Proposal Ref 35</p> <p>After taking into consideration public opinion and consultation with providers and children and young people, the proposed reduction in 2015/16 has been mitigated by using resources differently within the SEN team. This along with a service re-design and making greater use of new technology will enable the service to meet its requirements.</p> <p>With the mitigating actions identified and additional funding provided, Cabinet intend to support this proposal.</p>		

Ref: 36	Changes to how we reduce teenage pregnancy	Initial pre consultation closing date:
The service provides support and training for young people (mainly young women at risk of pregnancy or who are pregnant). We will work with partners and health professionals to support young people through the designated school nurses and strengthen the Teenage Pregnancy Strategy to reflect these new working arrangements. We will ensure better use of technology to reach young people and to support other agencies to deliver this area of work.		
2015/16 (N/A)	2016/17 (£30,000)	Total (£30,000)
Overall Opinion: respondents generally support this proposal.		

- Budget Booklet respondents support fully or support with concerns and amendments 68% (base 35)
- This is a year 2 proposal and consultation is ongoing

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

- Young people at risk of teenage pregnancy valued and acknowledged the support and encouragement received from the service and shared that the Youth Development Programme supported them to make informed choices, with the opportunity to gain a qualification, which they may not otherwise have access to.
- Young People believe that reductions across Youth Support Services will have a knock on effect to young people who have diverse and varying needs.
- There was a perception that closure of provision will result in young people hanging out in the street and causing a nuisance and engaging in risky behaviour.

Common suggestions for alternatives to the saving are:

- Work with schools to deliver more appropriate sex education and signposting
- Involve other agencies to take the lead such as youth workers
- Targeted information on contraceptive service for ages 14-16

Response from Walsall Council on Proposal Ref 36

The saving for this proposal commences in 2016/17. The Teenage Pregnancy (TP) Strategy is the subject of on-going consultation, which will take account of the suggestions made during the consultation process and will be revised to respond to changes to the resources available. The close working relationship with Public Health and NHS will be maintained. There is a proposal in the Public Health budget consultations to invest £120,000 in the service, which, if approved, will strengthen the services offered in the borough and mitigate this saving.

Cabinet will continue to include this proposal in their year 2 plans and consultation will continue into 2015 to further inform and shape the final proposal.

Ref: 51	Reduced funding to Community Associations	Consultation closing date: 10.12.14
Reduction in the amount of money given to Community Associations. This would mean the reduction of budgets in Community Associations based in council owned buildings.		
2015/16 (£80,000)	2016/17 (£100,000)	Total (£180,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet respondents do not support this proposal 69% (base 59) • Petition: Against cuts to funding for the voluntary sector (also references ref 31 youth work) Over 500 signatures. Report presented at the Neighbourhoods Scrutiny and Performance panel on 6/1/15. Link to report: http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15299 		

Key issues for consideration including any concerns / amendments / alternatives expressed.

- Although there will be some impact with the proposed saving of the building management, it is the overall impact of multiple budget savings that will have a detrimental effect on the ability for the centres to continue to operate. These include separate proposals elsewhere in the budget on; reduction in youth services, removal of libraries from within buildings and reduction in social care budgets. This could result in some organisations losing considerable income and buildings being closed.

Suggestions for alternatives to the saving are:

- More use of volunteers and greater involvement from charities.
- Being more self-sufficient; income generation e.g. service users contribute towards service costs, membership fees, funding through sponsorship.
- Phasing in the reductions to allow for CAs to adapt.

Response from Walsall Council on Proposal Ref 51

All Community Associations potentially affected by this budget proposal have been consulted and the consensus was that whilst the removal of the £10,000 grant to community cohesion for building management costs would present a significant challenge it could be managed; although this would mean drawing more heavily on the goodwill of centre staff and volunteers.

However feedback from the budget booklet suggested Cabinet consider the vital contribution of Community Centres in responding to the needs of local communities by providing services whose value outweighs the Council contribution. This matter was considered by the Neighbourhoods Scrutiny Panel and its recommendation was to retain the £10,000 building management grant.

Cabinet has made it clear that Community Associations will have a pivotal role in shaping and delivering services in the future to provide the foundation for meeting many of the priorities within its Corporate Plan.

In view of these considerations Cabinet intends to continue providing the £10,000 building management grant to Community Associations in 2015/16 and to review the proposal for 2016/17 during 2015/16.

Ref: 57	Reduction in grants to Allotment Associations	Consultation closing date: 21.12.14
Total grant to be reduced by 50% to £13,790. Grants to be allocated on an 'as needed' basis.		
2015/16 (£13,790)	2016/17 (N/A)	Total (£13,790)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully or support with concerns and amendments 77% (base 36); fully support (69%), concerns/amendments (8%) 		

- The additional survey respondents support fully or support with concerns and amendments 84% (base 50); fully support (24%), concerns/amendments (60%)
- Attendees at focus groups were upset by the overall state of the sites they were tenants of and thought that things would only continue to deteriorate with the reduction in funding.

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

- Reasons for not supporting this proposal fully revolve around less income for the Local Management Association and its future sustainability.

Suggestions for alternatives to the saving are:

- Running allotments as a business and encourage fundraising including charging full market value for rents.
- Making linkages with other proposals i.e. proposal numbers 58 and 59 by growing seasonal bedding for planting schemes, floral displays with income helping subsidise allotments.
- Loaning of equipment that associations would otherwise have to hire from elsewhere, advertising available plots. Allotment owners helping WHG to maintain some grassed areas in return for assistance.
- Through greater council efficiencies, savings from reduction in brown bin service.

Response from Walsall Council on Proposal Ref 57

The overall opinion from the public consultation is to support this proposal. Internal management arrangements will ensure funding to the Associations most in need will be prioritised. The equality impact assessment identifies that those with disabilities are potentially more affected. In acknowledging this the criteria for allocating funding will include that sites be maintained so they remain accessible for less mobile plot holders, in context with the environment and the resources already available to the allotment association to undertake this work.

Taking into account all of the issues set out above, Cabinet intend to support the proposed reduction in grants to Allotment Associations.

Ref: 58	Parks, nature reserves and public open spaces	Consultation closing date: 21.12.14
A reduction in how much is spent on looking after parks, local nature reserves and other public open spaces. This will mean that there is less maintenance and repairs and we will not be able to run as many events such as bonfire night etc. There would also be a reduction in the number of staff members		
2015/16 (£362,708)	2016/17 (N/A)	Total (£362,708)
Overall Opinion: Respondents are inconclusive / opinion divided .		
<ul style="list-style-type: none"> • Budget Booklet respondents do not support this proposal 62% (base 78) • Of the additional survey respondents, only 27% fully support the proposals, with a further 52% supporting only with concerns and amendments (base 252); • At focus groups, this proposal was not supported. Concerns were raised about the lack of a visible presence, anti-social behaviour and a spiral of decline. The 		

attendees also considered that events should be better promoted.

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

- Concerns revolve around the maintenance of local green spaces, an increase in Anti-Social Behaviour, reduced quality of life for residents and greater costs in the future through litter, dog fouling, etc.

Common suggestions for alternatives to the saving are:

- Prioritising what is essential i.e. maintenance, not organising events like bonfires, having selective grass cutting (wild meadow).
- Charging for events, including much mention of bonfires being self funding and having more events and commercial opportunities available to raise income.
- Increase council tax
- Use of community payback
- Look for efficiencies elsewhere i.e. reduction in councillors, housekeeping issues i.e. heating and lighting.

Response from Walsall Council on Proposal Ref 58

The overall opinion from the public consultation is not to support the proposal in its current form. On this basis, the proposed savings have been reduced to maintain resources to allow us to continue the strategic development, maintenance, public engagement and environmental enforcement on greenspaces and countryside sites, and promotion and delivery of events valued by the public in alternative ways. We would also be able to continue with health education programmes and the promotion of outdoor classroom facilities. The opportunity for the public to participate in voluntary conservation work and the offer of work experience placements to students would continue.

In view of these considerations it is intended that the proposed reduction in parks, nature reserves and public open spaces be approved at a significantly reduced level. The saving proposal of £362,708 has been reduced to £135,383.

Ref: 59	Grass verges and floral displays	Consultation closing date: 21.12.14
This proposal includes reduction in the frequency of grass cutting operations on large grass areas with the exception of where there is sport and play provision and on popular pedestrian access routes. Summer season reduction in grass cutting in district estates and parks. The ceasing of all seasonal bedding including tower and barrier floral display baskets in parks, town and district centres.		
2015/16 (£524,060)	2016/17 (N/A)	Total (£524,060)
Overall Opinion: people generally support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully and or with concerns and amendments 58% (base 70); fully support (31%), concerns/amendments (27%) • Additional Survey respondents support fully and or with concerns and 		

amendments 82% (base 258); fully support (39%), concerns/amendments (43%).

- Attendees at focus groups were not too concerned around grass cutting per se, but felt that a lack of floral displays in parks and town centres would make them less attractive and less welcoming. They also expressed a desire for the council to explore new ways of working such as wildflower planting, business sponsorship and use of perennial planting for colour.

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

- Respondents that say they use these services are more likely to not support the proposal than those who say they don't use these services. This is likely to be influenced by where people live and travel through and hence the value they give on having these services.
- Of those that support the proposal respondents tend to say that whilst they value having the floral displays they don't see them as a necessity, though they tend to value the maintenance of grassed areas much more recognising that areas will look less cared for.
- Reasons for not supporting the proposal include: the impact on their local community, its image, potential to deteriorate attracting litter and graffiti impacting on local quality of life and the impact on visitor levels and investment.

Suggestions for alternatives to the saving include:

- Receive plant donations from local businesses and garden centres, including having local planting days, creating a sense of pride.
- Greater community involvement, volunteers and local communities looking after their local areas and the verges in front of their homes.
- Less frequent verge cutting including creation of wildflower areas

Response from Walsall Council on Proposal Ref 59

There is general support, with amendments/concerns, for this proposal. These savings have a minimal impact on the customer and the services involved are deemed as desirable rather than essential. **In view of these considerations it is intended that the proposed reduction in grass verges and floral displays be approved.**

Ref: 60	Reduction in Tree Maintenance and Urban Forestry services	Consultation closing date: 21.12.14
We will reduce our non-statutory requirements for tree maintenance and urban forestry operations (e.g. tree planting and non essential maintenance programmes) by 23% whilst ensuring our statutory duty of care is managed effectively.		
2015/16 (£135,696)	2016/17 (N/A)	Total (£135,696)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet feedback shows that respondents support this proposal 59% (base 34); fully support (38%), with concerns/amendments (21%). • Additional Survey respondents support fully and or with concerns and amendments 77% (base 258); fully support (40%), concerns/amendments (37%) • Focus group participants generally supported this proposal. 		

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

- The main issues for respondents to not fully support the proposal are around safety and longer periods between routine maintenance and greater risk of non detection of issues.

Suggestions for alternatives to the saving:

- Use of students (arboricultural) to gain work experience.
- Local residents help with tree planting and maintenance including use of volunteers.
- Increase council tax.
- More efficient council services e.g. better housekeeping.

Response from Walsall Council on Proposal Ref 60

This proposal is generally supported. These savings will have an impact on the condition of the council's tree stock, but it is considered there will be minimal impact to the customer based on current policy.

Taking into account all of the issues set out above, Cabinet intend to support the proposed reduction in tree maintenance and urban forestry services.

Ref: 62	Outdoor adventure service (Sneyd and Aldridge Airport)	Consultation closing date: 10.12.14
Stop providing the outdoor adventure service – the water sports at Sneyd Reservoir and at Aldridge Airport.		
2015/16 (£97,000)	2016/17 (N/A)	Total (£97,000)
Overall Opinion: respondents' opinion on this proposal is divided .		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully and or with concerns and amendments 61% (base 42), although 87% of the 23 respondents have never used the facility. • Face to Face meetings with service users such as Old Hall Special School and Mary Elliott Special School show that users value the service highly and they do not support this proposal. They are keen to work with the service to increase usage and income to retain the facility and make it more sustainable. Staff consultation shows that the team are keen to work differently to increase capacity, if users are able to commission the service sufficiently. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> • Adaptability of the service to accommodate clients with profound challenges • Affords some children with a sense of freedom and achievement they may never otherwise experience 		

Common suggestions for alternatives:

- Income generation i.e. introduce charging, annual contributions from schools, out-sourcing and hold events and activities.

Response from Walsall Council on Proposal Ref 62

Consultation with both staff and users identified the potential for a revised service model. By restricting the number of instructors per group there is the ability to either significantly reduce the cost or double the capacity of the service. Consultation with users has highlighted the value of the service to vulnerable young people, a willingness to support revised ways of working and an appetite for additional use.

In view of these considerations Cabinet intend to continue to keep both Aldridge Airport Activities Centre and Sneyd Watersports Centre open on a revised operating model, thereby securing a continued service to existing users. This revised proposal will require the saving to be staggered equally over 2015/16 – 2016/17 to allow time for the service to secure the additional usage taking advantage of the doubled capacity. The performance of this revised model will be reviewed in September 2015 to see whether the doubled capacity is being effectively utilised. The shortfall for 2015/16 will be funded from general reserves.

Ref: 65	Reduction of the library network from 16 to 8 libraries over two years.	Consultation closing date: 04.01.15
Closure of 5 libraries in 2015/16 (Beechdale, Pheasey, South Walsall, Streetly and Walsall Wood) and a further 3 in 2016/17 (Blakenall, New Invention and Rushall). Extension of the mobile library service to areas without libraries and encouragement of more involvement from community organisations.		
2015/16 (£385,092)	2016/17 (£180,630)	Total (£565,722)
Overall Opinion: respondents generally do not support this proposal, though levels of non support differ by library.		
<ul style="list-style-type: none"> • Budget Booklet respondents do not support this proposal 89% (base 382) • Additional Survey respondents do not support this proposal (overall) 77% (base 1353). The level of non support for this proposal differs by library; with levels for those not in support of this proposal ranging from 61% for Blakenall and rising to 91% for Streetly and 94% for Pheasey libraries. • Petition: Save Streetly Library from closure Over 3,000 signatures. Submitted to Council on 17/11/14. Report presented to Council on 12/1/15. Link to report: http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15309 • Petition: Save Pheasey Park Farm Library from Walsall Labour cuts Over 1,500 signatures. Cabinet 17/12/14. Report presented to Council on 12/1/15. Link to report: http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15309 • Petition: Save Walsall Wood Library Over 500 signatures. Submitted to Council 12/1/15. Report to be presented to Neighbourhoods Scrutiny and Performance Panel on 17/2/15. 		

- **Petition: Save Blakenall Library**

Over 500, Submitted to Council 12/1/15. Report to be presented to Neighbourhoods Scrutiny and Performance Panel on 17/2/15.

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

- Those consulted have been predominantly against the proposal. The greatest negative impact will be on the elderly, disabled, parents and carers and children all of whom may have difficulty travelling to another service point.
- Many have pointed out that the schools in affected areas will no longer be able to visit the library and children will be unable to use the resources for homework and other informal learning activities. Job seekers also feel that they will no longer have access to information and facilities to help in their job searches.
- Many have cited the library and the hub of the local community offering a place to meet other people and to socialise young children.

Common suggestions for alternatives to the saving are:

- Close a library but not the one I use, including closing the ones that aren't well visited.
- Reduce services but don't close libraries e.g. opening hours.
- More use of volunteers to help run libraries.
- Replacement with well stocked and regular mobile library service.
- Save money elsewhere, don't spend money on other 'unnecessary' projects like leisure proposals, the Heritage Centre, close the New Art Gallery and save on management salaries.
- Ideas on income generation notably seeking 'nominal' contributions from users; for which there appears an appetite for example, annual membership fee, card replacement fee, DVD rental, internet access and book sales.
- Make libraries multi-service community hubs including partnerships with commercial sector.
- An appetite for an increase in council tax to save libraries.

Response from Walsall Council on Proposal Ref 65

It is acknowledged that those consulted have been predominantly against this proposal, particularly in Streetly where there has been significant activity by local residents to identify an alternative solution.

To contemplate the closure of any part of the Library Service is regrettable and should only be contemplated under the most serious circumstances. The council is aware that the major impact of any reduction in the service will fall on those people who cannot travel easily or are at work or school for the greater part of the day. Every effort will be made to mitigate for this impact by developing mobile and online services and by partnership working with community organisations, where feasible.

The unique opportunity provided by the development of a new Active Living Centre at Oak Park provides the option develop an in-house solution at Walsall Wood by providing "book exchange" facilities at Oak Park Leisure Centre.

Several alternative options have been brought forward by the community, including two local organisations in Streetly which have expressed an interest in providing “book exchange” facilities from their buildings. In view of this, to enable a thorough investigation of the feasibility of these and any other options which may come to light, it has been decided to defer the closure of all the libraries named in Year 1 for 3 months to 1st July.

Those libraries identified for closure in 2016/17 will close in April 2016, but again the feasibility of alternative options will be fully investigated before that date.

In view of these considerations, Cabinet intend to take the following action:

To defer the closure of Beechdale, Pheasey, South Walsall, Streetly and Walsall Wood libraries to 1st July 2015, whilst investigation of alternative solutions takes place. To close Blakenall, New Invention and Rushall libraries in April 2016, but to investigate the feasibility of a suggestion to establish “book exchange” facilities with other organisations.

Ref: 66	Reduction in Local History Centre Service	Consultation closing date: 10.12.14
The proposal is to reduce the service at the Local History Centre to the council's legal minimum, including a reduction in opening hours.		
2015/16 (£69,158)	2016/17 (N/A)	Total (£69,158)
Overall Opinion: on this proposal is inconclusive / divided though there is agreement on revision of opening times.		
<ul style="list-style-type: none"> Budget Booklet respondents are divided in their support for the proposal; 52% do not support the proposal, 48% show support; fully (23%) and or with concerns and amendments (25%) (base 52) Similarly, the additional survey respondents show similar results; 52% do not support the proposal, 48% show support; fully (16%) and or with concerns and amendments (33%) (base 122) Feedback from focus groups tells us that those people who use it, want the service to remain and consider it is important to preserve the heritage of Walsall <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> Budget booklet respondents are less likely to be users of the service than those that commented through the additional survey and dialogue undertaken. There is a split opinion on this proposal reflecting those either using or not using the service. Users of the facility clearly value the service highly and are against what they see as a degradation of it. Even for those showing support of the proposal there remain concerns about the diminishing of a service that they feel is important for understanding the boroughs heritage especially for younger generations. However, there is agreement on the revision of opening times. 		

Common suggestions for alternatives to the saving are:

- Service users think that the local history centre could be amalgamated with other cultural services and delivered in a more accessible location, for example a town centre location, perhaps space vacated by Walsall Museum or within New Art Gallery. Also having more online resources.
- Make more use of volunteers and students on work experience to help run services.

Response from Walsall Council on Proposal Ref 66

Cabinet recognises the expressed opinion of the people consulted that the continued collection and preservation of the material evidence of the Borough's development and heritage is of significant importance, as is making that material accessible to local people both now and in the future. It appreciates that local history and family research is a popular and valuable activity.

Although access to the service will be reduced, the continued collection of documentary, photographic and archival materials will take place and the evidence of Walsall's heritage will still be available and preserved. Information gathered from the consultation will inform the new opening hours.

It is acknowledged that parts of the Local History Centre and Archives service are statutory and the proposed changes have been formulated to ensure the continued maintenance of these statutory elements i.e. the archive, conservation and local studies services.

In view of these considerations Cabinet intend to continue with the proposed changes to the service and opening hours of the Local History Centre.

Ref: 67	Closure of Walsall Museum	Consultation closing date: 21.12.14
Walsall Museum would be closed and the Museum's collection would be put into secure storage until such time as it can be displayed elsewhere.		
2015/16 (£70,000)	2016/17 (N/A)	Total (£70,000)
Overall Opinion: on this proposal is inconclusive / opinion divided .		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully and or with concerns and amendments 54% (base 73); fully support (33%), with concerns/amendments (21%). • Additional Survey respondents do not support this proposal 81% (base 121) 		
Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.		
<ul style="list-style-type: none"> • Opinions on this proposal are divided between those who do not use the service and those who do. • Those not using the service perceive that the museum is not well attended and whilst nice to have could be closed. • For those who use the museum, they speak quite strongly about its value in understanding Walsall's heritage, and worry about its loss. • Users worry about the loss of the collections, non users also recognise this impact but are more pragmatic in coming forward with suggestions about how those can be made available in other ways. 		

Common suggestions for alternatives to the saving are:

- Consolidation of the service into New Art Gallery and or other cultural services i.e. Leather Museum, Central Library, and Local History Centre including queries about what is happening with the Heritage Centre and how does that impact on this loss of Walsall Museum going forward?
- Transfer collection to alternative provider i.e. Black Country Living Museum.
- Introduce small admission charge and or reduced opening hours.
- Use of volunteers

Response from Walsall Council on Proposal Ref 67

Walsall Council recognises the appreciation expressed by many people of the services currently provided by Walsall Museum and the role the museum plays in providing access to the history and development of Walsall as a place to local people of all ages. In context, Libraries, Heritage and Arts Services have had to face significant reductions in their budgets for 2015/16 and 2016/17 and some very difficult options have had to be considered, including the closure of Walsall Museum. Unfortunately, although the saving is relatively small, the Museum is less well used than other comparable facilities.

The council recognises that the major impact of the closure will fall on children and people who are interested in the heritage of Walsall. The museum collection will be put into safe storage until it can be opened to the public at some time in the future. **In view of these considerations Cabinet intend to proceed with the proposed closure of Walsall Museum.**

Ref: 69	New Art Gallery opening times in Winter	Consultation closing date: 10.12.14
The proposal is to close the New Art Gallery an hour earlier for 20 weeks, Tuesday to Friday, during the colder period of the year.		
2015/16 (£5,367)	2016/17 (N/A)	Total (£5,367)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully and or with concerns and amendments 80% (base 60) <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> • Further calls for reduction in NAG service are often cited against many other proposals i.e. don't cut this service find the savings elsewhere e.g. NAG. • People have also often mentioned across other culture related proposals that services could be amalgamated into the NAG i.e. and in particular Walsall Museum collections, local history centre. • Given the scale of the saving involved and the limited impact the change to winter opening has there has been no service specific consultation undertaken. <p>Other common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> • Generate income for example through room and event hire, leasing the space to other Local Authorities, charging an entrance fee. • Various suggestions for even more reductions in opening hours based on existing visitor figures. 		

Response from Walsall Council on Proposal Ref 69

This proposal has been withdrawn as an alternative way of making the saving has been identified which does not affect the public service or opening hours.

Cabinet has resolved to withdraw this proposal.

Ref: 77	Household Waste Recycling Centres (tips)	Consultation closing date: 21.12.14
Reduce opening hours to 9am to 5pm and close one additional day at each site per week. This means that each site will be open for 5 days per week.		
2015/16 (£98,000)	2016/17 (N/A)	Total (£98,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none">Budget Booklet respondents support fully and or with concerns and amendments 65% (base 76); fully support (33%), with concerns/amendments (32%)Additional Survey respondents support fully and or with concerns and amendments 80% (base 373); fully support (51%), with concerns/amendments (29%)Conversations with users at the tips highlighted that users were more concerned with a change in opening hours than in the sites being closed one additional day per week, as long as this did not include a Saturday or Sunday.		
Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.		
<ul style="list-style-type: none">The consensus of those who support with concerns/amendments are happy to support as long as the opening hours aren't 9-5 to coincide with the working day, some opening is at weekends and that the 2 sites aren't shut on the same days.		
Common suggestions for alternatives to savings:		
<ul style="list-style-type: none">Review opening times based on visitor figures so that customer demands are met including addressing the need for later opening hours.In addition to publicise and encourage more use of freecycle and or have a tip/salvage shop to generate income.		
Response from Walsall Council on Proposal Ref 77		
<p>This proposal is generally supported. These savings have a minimal impact on the customer. The public consultation highlighted that service users would like to see a change in opening hours to better suit people who work 9 to 5. However, traffic counters at the sites show minimal usage close to existing opening and closing times. We will more closely review opening hours as a result of this consultation. Site users were concerned that the sites may be closed on a Saturday or Sunday and were reassured when advised that this was not in the proposal.</p>		
In view of these considerations, Cabinet intends to approve closing the Household Waste Recycling Centres for one additional day at each site per week and to reduce daily opening hours to 9am to 5pm.		

Ref: 78	Collection of non- recyclable household waste	Initial pre consultation closing date: 21 12 14
Change how often we collect rubbish (the waste we can't compost or recycle) collections from weekly to fortnightly.		
2015/16 (N/A)	2016/17 (£532,000)	Total (£532,000)
<p>Overall Opinion: on this proposal is inconclusive / divided based on concerns about the size of the bin in order to manage fortnightly collections.</p> <ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 64% (base 171) Additional Survey respondents marginally support fully and or with concerns and amendments 53% (base 377); fully support (21%), concerns/amendments (32%); with 46% not supporting the proposal. Qualitative consultation highlights that residents are concerned about capacity and whether they could manage a fortnightly collection with their current 140L grey bin. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> Results are divided at present, with concerns for not fully supporting the proposal mainly centred on the capacity of the bin to manage fortnightly collections and also, to a lesser extent, the smell and vermin issues that may arise as a result of the proposal. <p>The most common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Having larger grey bins or provide extra bags for waste overflow. Create a "trade waste" style service where residents wanting to remain on a weekly collection schedule can purchase additional collections at their own cost. Separate collection for food waste to alleviate pressure on grey bin capacity. 		
<p>Response from Walsall Council on Proposal Ref 78</p> <p>This is a proposal for 2016/17. Face to face dialogue with residents has highlighted that whilst residents do have concerns about a fortnightly residual waste collection, their main concern is around whether the residual waste bin is of sufficient capacity. An options appraisal on changes to the collection service (along with other waste related services), including additional public consultation, will be undertaken and this is scheduled for the Summer of 2015. The outcome of this public consultation will further inform the future direction of this service.</p> <p>In view of these considerations Cabinet will further consider this proposal following the additional consultation feedback proposed later in the year. The feedback then received will be taken into account in deciding the 2016/17 budget.</p>		

Ref: 79	Reducing how many months the garden waste (brown bin) service is in operation.	Consultation closing date: 21.12.14
Operate the garden waste (brown bin) collection service for 6 months between April and September (currently 8 months)		
2015/16 (£140,000)	2016/17 (N/A)	Total (£140,000)
Overall Opinion: inconclusive / opinion divided based on concerns relating to when the 6 month service would be available.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 54% (base 144) Additional Survey respondents support fully and or with concerns and amendments 65% (base 360); fully support (35%), concerns/amendments (30%). Face to face dialogue tells us that residents are concerned that the growing season is not covered <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> Opinion is divided. The main concern relates to when the 6 month season would fall and not being long enough to cover the whole growing season. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Being able to influence the period of brown bin collection accommodating concerns about late autumn falling leaves. Including various other permutations on when to run the service, i.e. retain 8 months service but with 3 weekly collection in April and November, monthly collection. Make the selling of compost more profitable i.e. more money from composting receipts and selling compost to local people and companies Make compost bins available. Receptacles for garden waste to aid transport to the tip. Redirect money from other proposals i.e. Walsall Heritage Centre, run council more efficiently. 		
<p>Response from Walsall Council on Proposal Ref 79</p> <p>Public consultation shows a lack of overall support for this proposal mainly due to the fact that the six month collection period does not cover the growing season. An options appraisal on changes to the collection of non-recyclable household waste and other waste related services, part of which will include additional public consultation, will be undertaken during Summer 2015. The outcome of this public consultation may further inform the future direction of the garden waste collection service.</p> <p>In the meantime Cabinet intends to approve a collection of garden waste for 6 months between April and September.</p>		

Ref: 80	Charging for the collection of garden waste	Consultation closing date: 21.12.14
Introduce charges for the garden waste collection service. Residents would decide whether or not they want to opt in. Our current estimate of the annual charge for this service is £28 though this depends on the number of months in the year the service is delivered for.		
2015/16 (N/A)	2016/17 (£310,000)	Total (£310,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 69% (base 150) Additional Survey respondents do not support this proposal 72% (base 360) (i.e. they said they would not be willing to pay for the service). Face to face conversations tell us that residents are concerned about fly tipping and feel that they already pay for this service via council tax. Petition: Axe Labour's Garden Tax Over 1,500. Submitted Council 12/1/15 report to be presented to Council at its meeting on 26/2/15. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> Issues preventing people fully supporting the proposal revolve around the belief that they are already paying for the service through their council tax and feel that this will lead to increased fly tipping. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Reduce the service through less frequent collections but do not charge for it and hence do not introduce both saving proposals (Cross Ref Proposal No 79). Charge according to garden size or council tax band. Make money from the service e.g. by selling back compost to residents and recovering heat. Not spending money on projects that are used by limited numbers of people i.e. Leisure centres, New Art Gallery, new transport infrastructure. Housekeeping issues; reduce number of councillors; turn the lights off and thermostat down. 		
<p>Response from Walsall Council on Proposal Ref 80</p> <p>Public consultation has shown an overwhelming lack of support for this proposal, with over 70% of respondents saying that they would not pay for the service.</p> <p>In view of these considerations and the impact that such a low take-up would have on the viability of the service Cabinet intend to withdraw this proposal from the list of savings proposals.</p>		

Ref: 82	Cutting the number of street cleansing staff and cleaning less often	Consultation closing date: 21.12.14
This proposal would see the loss of 15 front line employees who currently look after street cleaning in Walsall town centre and the district centres. We would be cleaning less often and be less reactive to demand.		
2015/16 (£477,732)	2016/17 (N/A)	Total (£477,732)
<p>Overall Opinion: inconclusive / opinion divided depending on which survey respondents took part in, with far greater numbers taking part in the additional survey and therefore showing support for the proposal.</p>		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 69% (base 78) Additional survey respondents support fully and or with concerns and amendments 65% fully support (28%), concerns/amendments (37%) (base 367) Face to face dialogue tells us that there is concern that dirty streets will affect businesses, there will be a lack of civic pride and more anti-social behaviour. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> Concerns include; future impact on cleanliness and the environment, negative influence on the local economy and regeneration in the borough, increased levels of litter leading to the 'broken window' effect i.e. where rubbish is dropped because it is already dirty. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> More enforcement and better education to discourage littering and address businesses like fast food outlets that generate litter. Use of community pay back and involvement of local residents in clean up campaigns and maintenance of local neighbourhoods. Increase the number of bins available. Prioritise cleaning in areas that need it most i.e. reduce frequency of cleaning in residential areas. Introduce business improvement districts seeking local business support to help maintain cleanliness. That in preference to spending money on cleaning up market areas; enforce market trader licence agreements for removal of their own refuse and use savings to subsidise this proposal 		
<p>Response from Walsall Council on Proposal Ref 82</p> <p>The overall opinion from the public consultation is not to support the proposal in its current form. On this basis, and following review by Cabinet, the proposed savings have been reduced to maintain resources to allow us to continue with the fundamental elements of the street cleansing service.</p> <p>The revised proposal will reduce street cleansing frequencies and activities across the borough, including the removal of both dedicated resources from Walsall town centre and agency cover for holidays and sickness This will involve a cessation of Walsall town centre's 'Gold Standard' and a move to operating services on a mobile demand-led basis</p>		

as opposed to having dedicated resources within the centre. Resources will be deployed across the wider street cleansing functions and areas to provide best value and focus/prioritise resources on areas of deterioration.

There will be a limited impact on the service if the revised shift pattern ('four on, four off') is maintained. However, there will be no cover for annual leave or sickness absence and it may take longer to return areas to the required standard following periods of deterioration in peak holiday periods and at times of higher than normal sickness absence.

In view of these considerations it is intended that the proposed reduction in street cleansing be approved at a significantly reduced level. The saving proposal of £477,732 will be reduced to £226,747.

Ref: 83	Closure of Pelsall Toilets	Consultation closing date: 21.12.14
Closure of the public toilets at Pelsall. The site would then be marketed along with the adjacent former Neighbourhood Office. Alternative facilities are available at the new Pelsall Village Centre.		
2015/16 (£12,000)	2016/17 (N/A)	Total (£12,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents support fully 89% (base 38) Additional Survey respondents support fully and or with concerns and amendments 87% (base 101); fully support (66%), concerns/amendments (21%) In general, people visiting said they would only be in the village for a short time, and as they lived locally would be able to go home rather than use the public toilets. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> The small number of respondents who don't support the proposal identify there could be an impact on local businesses, with more people trying to use their toilets. Any impact is likely to be on disabled users who can currently use the toilets out of hours, however of the seven disabled respondents four fully supported the proposal and one with concerns/amendments. <p>Alternative proposals to the savings:</p> <ul style="list-style-type: none"> The new Village Centre should have access from outside the building to the toilets when the centre is closed so could be redesigned. 		
Response from Walsall Council on Proposal Ref 83		
The overall view from public consultation was in support of this proposal. The facility at Pelsall Village Centre is of a higher standard, is open to the general public for longer than the public conveniences and is situated in a modern building with a range of well used public services.		

An alternative possibility put forward was to redesign Pelsall Village Centre so that Radar key holders could access the Centre's toilets 24 hours per day. This suggestion was discounted through the equality impact assessment process.

In view of these considerations Cabinet intends to approve the proposed closure of Pelsall toilets.

Ref: 88	Reducing reactive highways maintenance by 20%	Consultation closing date: 10.12.14
We will reduce the reactive highway maintenance budget by 20% of the total budget, meaning there will be less money for reactive and emergency repairs to the highway including damage to guardrails, potholes and trip hazards on footways.		
2015/16 (N/A)	2016/17 (£180,000)	Total (£180,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 81% (base 57) <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> As this is a universal service, there hasn't been a service specific survey undertaken for this proposal. Hence we are relying on relatively low number of responses through the budget booklet to gauge the strength of feeling for this proposal. There has been dialogue with the emergency services and utilities via the resilience forum who raised concerns about the risk to health and safety. Other respondents (Walsall Deaf Centre, Blind / Partially sighted hub) raised concerns that this proposal is a false economy which could lead to increased costs associated with risk and insurance claims. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Prioritise highways maintenance over other less important highway projects Reduce the compensation bill by maintaining roads and footpaths Reduce the burden on the LA to repair effects caused by utility providers i.e. introduce penalties for providers doing work within a pre-determined time following resurfacing for non-emergency repairs Make them pay for any follow up remedial actions after emergency repair works. Phased payments on resurfacing works Reduce street lighting Don't spend money on other projects i.e. Leisure proposals 		
Response from Walsall Council on Proposal Ref 88		
The saving for this proposal commences in 2016/17. Although the response rate was low the majority that did respond raised concerns that this proposal is a false economy which		

could lead to increased costs associated with risk and insurance claims. Emergency Services also raised concerns about increased potential for road traffic collisions. The council will however, continue to look carefully at how it can safely and sustainably reduce costs whilst meeting its statutory duty as a Highway Authority.

In view of these considerations Cabinet will consider this consultation feedback together with subsequent feedback to be carried out for the 2016/17 budget.

Ref: 90	Reduced replacement of road name plates	Consultation closing date: 10.12.14
The proposal reduces the budget by 50% therefore damaged street name plates will not be repaired or replaced providing one other street name plate exists at the location. Response times will be slower.		
2015/16 (£10,000)	2016/17 (N/A)	Total (£10,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents support fully and/or with concerns and amendments 80% (base 29) <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> As this is a universal service, there hasn't been a service specific survey undertaken for this proposal. Hence we are relying on relatively low number of response through the budget booklet to gauge the strength of feeling for this proposal. <p>There are two key suggestions for alternatives to the saving:</p> <ul style="list-style-type: none"> Source funding elsewhere i.e. through business sponsorship, from local residents. Procure more cheaply and seek to extend their longevity, i.e. use alternative and more durable materials such as plastic and place them higher on buildings so they don't get damaged or stolen and ensure procure cheaper services. 		
<p>Response from Walsall Council on Proposal Ref 90 Reduced replacement of road name plates</p> <p>Although response rates were low in respect of this proposal, those responding were either fully supportive or supportive with reservations relating to health and safety. Emergency services and utilities have confirmed that satellite navigation systems are their primary tool used. Suggestions for cheaper alternatives placed higher on buildings to avoid damage have been taken into consideration and we will seek to procure sustainable materials and where possible look at alternative places for mounting signs. The council will endeavour to ensure that there is at least one name plate at every junction to the road rather than a minimum of two.</p> <p>In view of these considerations Cabinet intend to include the savings proposal in their final recommendations to Council for approval.</p>		

Ref: 95	Increase in charges for staff parking and town centre business permits	Consultation closing date: 10.12.14
£5 increase per month in staff, elected members, partner agencies and town centre business car parking permit charges within the Town Centre.		
2015/16 (£30,000)	2016/17 (N/A)	Total (£30,000)
Overall Opinion: on this proposal is inconclusive / opinion divided .		
<ul style="list-style-type: none"> Budget Booklet respondents show opinion is divided on this proposal; just over half (54%) support fully and or with concerns and amendments; 38% fully support, 16% support but with amendments/concerns though just under half (47%) do not support the proposal hence opinion is divided (base 45). <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> There hasn't been a service specific survey undertaken for this proposal. Hence we are relying on a relatively low number of responses through the budget booklet to gauge the strength of feeling for this proposal. Council staff raise common concerns about the excessiveness and unaffordability of the proposal on already hard pressed workers for example, lower paid staff, part time workers, etc and hence a further impact on staff morale. They are disgruntled about the perceived inequitable impact on those based in the town centre versus those based in out of town centre locations. Those supporting the proposal, typically non users, comment about it looking good that staff are contributing to savings, and that people in the private sector are not benefiting from subsidised car parking costs. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Applying a smaller charge and include charging all staff regardless of where they work. Increase it more than £5. Tiered charging based on salary. Encourage more sustainable travel including home working. Increase penalty charges for driving in bus lanes and irresponsible parking. Through other efficiencies, i.e. management salaries, housekeeping efficiencies for example turning the lights off etc. 		
<p>Response from Walsall Council on Proposal Ref 95</p> <p>On balance, the overall response to this proposal is supportive. Suggestions for tiered charging would result in costly means testing. However, permits for town centre based businesses and council staff offer a subsidy for parking charges (compared with the alternative of daily payments) and the proposed increase remains competitive.</p> <p>In view of these considerations Cabinet intend to include the savings proposal in their final recommendations to Council for approval.</p>		

Ref: 96	Introduction of car parking charges for District Centres	Consultation closing date: 10.12.14
Introduce pay and display charges of £1 for 4 hours parking in District Centres (Aldridge, Bloxwich, Brownhills, Darlaston and Willenhall).		
2015/16 (£100,000)	2016/17 (N/A)	Total (£100,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 73% (base 93) Petition: Stop Labour's car parking charge in Bloxwich and Brownhills town centres Over 1,500 signatures. Cabinet 17/12/14. Link to report: http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15308 <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> Most of the feedback received against this proposal has been voiced rather than submitted through surveys. A petition has been submitted containing over 2,000 signatures against this proposal in relation to Willenhall town centre and a second petition with more than 1,500 signatures lodged against the proposition relating to Bloxwich and Brownhills town centres. As the petitions have more than 1,500 signatories, they were debated at Council on 12 January 2015. Businesses have shown no support for this proposal based on concerns for the economic impact on district centres <p>Alternatives to the saving are limited with comments reiterating their reasons against the proposal, but where alternative suggestions are offered they include:</p> <ul style="list-style-type: none"> More parking enforcement to help alleviate on-street parking and deliver this saving. Various suggestions for charging levels including lower amounts for shorter periods or more but for longer periods e.g. £1.50 for 6 hours. Business permits Charging between 9am and 3pm so as not to affect the school run. Introduce overnight fees for lorry parking. 		
Response from Walsall Council on Proposal Ref 96		
Cabinet, at its meeting on 17 December 2014, considered this matter and resolved to withdraw this proposal.		

Ref: 100	Reduced maintenance of road drainage and streams	Consultation closing date: 10.12.14
Reduce maintenance of road drainage and streams by 10% in year 1 as a pilot scheme to assess the implications on localised flooding prior to considering major reductions in funding in year 2.		
2015/16 (£18,000)	2016/17 (£72,000)	Total (£90,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 81% (base 53) <p>Key issues for consideration including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> As this is a universal service, there hasn't been a service specific survey undertaken for this proposal. Hence we are relying on relatively low number of response through the budget booklet to gauge the strength of feeling for this proposal. Objections centre around the safety of roads with more surface water, increased risk of flooding, increased insurance premiums and the feeling that the service already needs to be carried out more frequently. A number of partner organisations and service providers have raised concerns regarding increased impact and cost to them this proposal will cause. Concern regarding impact on traffic movement and possible increase in road traffic incidents. At Walsall's Resilience Forum, South Staffs Water raised concerns of the potential impact to their services. West Midlands Fire Service believed the greatest impact would be on their service during the winter months, as Walsall has several flooding black spots. The Chief Inspector Local Policing raised concerns of the potential effect on traffic movements and an increase in road traffic collision demand on the police service. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Cut elsewhere to continue current level of support e.g. councillor allowances, art gallery, town hall restaurant etc Section 106 agreement for new developments Spend money on the drainage now so it is cheaper in the future Increase council tax and sell empty buildings. Ban non-porous driveways 		
<p>Response from Walsall Council on Proposal Ref 100</p> <p>Although the response rate was low, the majority that did respond raised concerns around road safety with more surface water, increased risk of flooding to homes and businesses and potential impact on emergency and partner services.</p> <p>Any reduction in this budget does increase the risk as outlined, however contingency funding will be set aside to deal with any flood event that occurs. The council will continue to look carefully at how it can safely and sustainably reduce costs whilst meeting its statutory duties as a Highway and Lead Local Flood Authority to ensure business</p>		

continuity. This is a one year pilot scheme to assess implications as a result of an initial reduction in budget of 10% in 2015/16.

In view of these considerations and recognising the potential risks and the contingency measure to be implemented, Cabinet intends to approve a 10% reduction in the budget for the maintenance of road drainage and streams in 2015/16 as a trial to inform consideration of the budget for 2016/17 which will be subject to further consultation.

Ref: 101	Reduced maintenance of road markings	Consultation closing date: 10.12.14
Reduced maintenance of road markings by 10% in year 1 as a pilot scheme to assess the implications on road safety prior to a further reduction in year 2.		
2015/16 (£6,500)	2016/17 (£28,500)	Total (£35,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 72% (base 47) <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> As this is a universal service, there hasn't been a service specific survey undertaken for this proposal. Hence we are relying on a relatively low number of responses through the budget booklet to gauge the strength of feeling for this proposal. Respondents from groups that make up the Disability Forum raised concerns of false economy and the potential increase in road traffic collisions. At Walsall's Resilience Forum, South Staffs Water raised concerns of the potential increased risk of accidents notably with larger vehicles if lanes are not appropriately marked and lane changes have to be made at the last minute. The Chief Inspector of Local Policing felt that road users would be placed at greater risk of injury and vehicle damage and a potential increase in road traffic collisions resulting in an increased demand on the police service. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Increase parking costs to support this Carry out works during the day and use more durable materials to save money Increase council tax and pull money from the Gala Baths refurbishment. 		
<p>Response from Walsall Council on Proposal Ref 101</p> <p>Although the response rate was low, the majority that did respond raised concerns of increased road traffic collisions. The emergency services felt that road users would be placed at greater risk of injury and vehicle damage and a potential increase in road traffic collisions resulting in an increased demand on emergency and partner services.</p> <p>In view of these considerations Cabinet intend not to proceed with this proposal.</p>		

Ref: 102	Reduced maintenance of traffic signs	Consultation closing date: 10.12.14
Reduced maintenance of traffic signs by 10% in year 1 as a pilot scheme to assess the implications on road safety.		
2015/16 (£16,000)	2016/17 (£64,000)	Total (£80,000)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> Budget Booklet respondents do not support this proposal 78% (base 40) <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> As this is a universal service, there hasn't been a service specific survey undertaken for this proposal. Hence we are relying on a relatively low number of responses through the budget booklet to gauge the strength of feeling for this proposal. Groups that make up the Disability Forum have raised concerns that roads are dangerous already and this will make it worse. Emergency services, via the Resilience Forum, have raised concerns about a potential increase in road traffic collisions and increased demands on the police service. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Reintroduce speed camera fines Prioritise where to maintain signs 		
<p>Response from Walsall Council on Proposal Ref 102</p> <p>Although the response rate was low the majority that did respond raised concerns of increased road traffic collisions and the potential impact on emergency and partner services. These comments would have been based on the total saving proposed over two years.</p> <p>Any reduction in this budget does increase the risk, as outlined, however Neighbourhood Services is currently planning a one-off investment programme to remove surplus and unnecessary signage from the town and district centres and elsewhere across the borough which, over time, will reduce the pressure on the maintenance budget. The council will also continue to look carefully at how it can safely and sustainably reduce costs whilst meeting its statutory duties as a Highway Authority. This is a one year pilot scheme to allow the implications of the 10% budget reduction in 2015/16 to be assessed.</p> <p>In view of these considerations Cabinet intend to approve a 10% reduction in the traffic signs maintenance budget in 2015/16 as a trial. This trial will inform preparation of budget proposals for 2016/17 which will be subject to further consultation.</p>		

Ref: 111	Cease participation in Recruitability	Consultation closing date: 10.12.14
The removal of the available annual budget and the closure of the Recruit-Ability programme. This removal will mean that 6 part time, 12 months placements will not be available from April 2015. 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.		
2015/16 (£47,502)	2016/17 (N/A)	Total (£47,502)
Overall Opinion: respondents generally do not support this proposal.		
<ul style="list-style-type: none"> • Feedback received from those currently and those formerly employed on the RecruitAbility scheme does not support the proposal • Budget Booklet respondents support fully and or with concerns and amendments 71% (base 17) • The feedback received from those who currently or who have previously taken part in the scheme was similar. Respondents felt that the support the scheme offered disabled people into employment improved their future employment chances: 		
Response from Walsall Council on Proposal Ref 111		
<p>Cabinet have fully considered the feedback from the consultation process and equality impact assessment. This highlighted the important role the RecruitAbility scheme plays in supporting disabled people into work.</p> <p>It typically remains the experience of individuals who are disabled that access to the job market is very difficult. There are often a very high number of applicants for jobs and even a guaranteed interview leaves them in a highly competitive environment where other candidates are often able to demonstrate more experience and relevant achievements as a result of previous employment history. Getting into a first job at an appropriate level can remain extremely challenging for disabled people, including those who have good qualifications.</p> <p>The conclusion is that the proposed mitigating actions would be unlikely to be close to sufficient to assist disabled people into jobs, however well intended and thoroughly implemented. The practical impact of the original proposal would in effect be highly likely to take away practical employment opportunities from six disabled Walsall residents, with the consequential impact on their quality of life and life chances. This would be inconsistent with the emerging Corporate Plan and the Cabinet has consequently decided not to proceed with this proposal whilst it remains affordable not to do so.</p> <p>In view of these considerations Cabinet intend to withdraw Proposal 111 and continue to provide funding for the scheme at its current level.</p>		

Ref: 147	Review of extra care sheltered housing	Initial pre consultation closing date: 10.12.14
Housing 21 contract - Further review of the extra-care sheltered housing contract to find ways to switch to personal budgets and reduce overall cost.		
2015/16 (N/A)	2016/17 (£250,000)	Total (£250,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> This is a year two proposal and consultation will be ongoing. General feedback through the budget booklet respondents suggests respondents support fully and or with concerns and amendments 77%, although the base number of respondents is relatively low at base 17. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Employ carers directly rather than using an agency. Cut bus passes, winter fuel allowance to the wealthy and no childcare allowance overseas 		
Response from Walsall Council on Proposal Ref 147 <p>The saving for this proposal commences in 2016/17. General feedback gathered so far based on face to face consultation on the budget booklet is that older people need to be cared for in a safe environment and that the better option is not always for them to be cared for in their own homes.</p> <p>Consultation will continue into 2015 to further inform and shape the proposal for 2016/17.</p>		

Ref: 150	Review of the partnership between the Council and Dudley & Walsall Mental Health Partnership Trust (DWMHPT)	Initial pre consultation closing date:
Section 75 review of partnership jointly with CCG with a view to more cost effective outcomes and targeted commissioning.		
2015/16 (N/A)	2016/17 (£200,000)	Total (£200,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> This is a year two proposal and consultation will be ongoing. General feedback through the budget booklet respondents suggests respondents support fully and or with concerns and amendments 75%, although the base number of respondents is low at 12. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Reduce the number of CCG's. 		

Response from Walsall Council on Proposal Ref: 150

The saving for this proposal commences in 2016/17. General feedback gathered so far based on face to face consultation on the budget booklet is that is that Health should fund Mental health services.

The current s75 agreement with Dudley Walsall Mental Health Trust partnership is within its final year. A formal review is being undertaken. It is planned that the review and any subsequent changes to practice and management will deliver further savings of £200k in 2016/17.

Formal consultation as part of the review will be used to inform and shape the proposal for 2016/17.

Ref: 151	Removal of recruitability payments to sheltered employment users	Consultation closing date:
Removal of recruitability payments to sheltered employment users - continue withdrawal of the subsidy for apprenticeships whilst expanding support to volunteering, vocational and training opportunities in partnership with colleges.		
2015/16 (£104,000)	2016/17 (N/A)	Total (£104,000)
Overall Opinion: respondents generally support this proposal though these appear to wholly be non users of the service.		
<ul style="list-style-type: none">Budget Booklet respondents support fully and or with concerns and amendments 75% (base 12)A full process of consultation will be undertaken within 2015 <p>Respondents offered no suggestions for alternatives to the saving other than one that reiterates the feeling that disabled people are considered a potentially disadvantaged group with an expectation that due consideration will be given to how their employment needs are met.</p>		
Response from Walsall Council on Proposal Ref 151		
Recruitability Plus secure 6 month fixed term supported employment placements for adults with disabilities. These are part funded for 3 months by the Recruitability Plus and the remaining 3 months by the host employer.		
There are currently 15 service users on placements, these placements will naturally end on 31 st March 2015. All Supported Employees would have completed their full 6 month placement. Direct consultation with users was not required as no placements are at risk. General budget book consultation solicited no feedback.		
The withdrawal of Recruitability Plus payments would enable Provider Services to make essential savings targets they have been asked to attain. This is part of a wider savings		

agenda.

A reshaping of the services will give service users and carers the opportunity to reflect up their packages of care, through a personal budget and direct payments system in order to get their life balances right. Day opportunities and employment are complimentary services and therefore many of the service users use both types of service.

Services will continue to offer supported employment opportunities on a vocational basis, only the subsidy has been removed. Future services will concentrate on developing a work experience, vocational activities with existing stakeholders and local colleges.

Ref: 152	Review of respite service for people with learning disability	Consultation closing date: 10.12.14
Fallings Heath respite care - review and replace residential provision with a wider range of alternatives, subject to consultation. No carers will receive a reduction.		
2015/16 (£260,000)	2016/17 (£20,000)	Total (£280,000)
Overall Opinion: Refer to 17 December 2014 Cabinet report.		
<ul style="list-style-type: none">Budget Booklet respondents support fully and or with concerns and amendments 64% (base 25), fully (32%), with concerns or amendments (32%).The outcome of detailed consultation on the future of Fallings Heath is being reported to Cabinet on 17 December - Agenda item 17 http://www2.walsall.gov.uk/CMISWebPublic/Binary.ashx?Document=15253		
Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.		
<ul style="list-style-type: none">Detailed consultation with services users and their carers was conducted earlier in 2014 which showed that residential respite care services at Fallings Heath are very highly valued.Having access to quality care delivered by skilled staff and in a friendly, welcoming, safe and personal environment, that is flexible and affordable makes for excellent respite care.Alternatives to respite care were rarely used or considered, some respondents would not favour using anything but residential respiteService users and their families feel Fallings Heath should remain open as it is, with closure or change likely to have a negative impact on those who access the service		
Common suggestions for alternatives to the saving are:		
<ul style="list-style-type: none">No alternative suggestions however the feedback from the consultation event at St Pauls "The Crossings" on 18th September 2014 is as follows;All carers were happy with the quality of the service and staff, and felt that with support from social workers and a little marketing the service could increase its occupancy. Carers also felt whilst other options, such as "spinning out" or		

development of Shared Lives, were interesting, they would not get close to the specialist nature of the respite at Fallings Heath. There were concerns too from parents that the 14-25 age group, often referred to as “transitions” would not have adequate supply of respite in Walsall for their children.

Response from Walsall Council on Proposal Ref 152

Cabinet approval was given in July 2014 to review Fallings Heath House Residential Respite Service and to consult with service users and carers upon a range of options in order to facilitate the development of improved outcomes for those using the service.

Consultations commenced in July and on conclusion a report was presented to Cabinet on December 17th 2014.

The review examined options in the consultation, through a variety of ways in which the occupancy levels for respite care at Fallings Heath can be increased, thereby reducing the overall unit cost. This could be achieved by marketing the availability of the service more systematically to all eligible and appropriate adults with complex needs who have personal budgets, and carers; by making information about the service available to those young people and their carers with social care personal budgets under the new 14-25 years provisions of legislation; and by offering crisis respite support within the unit as well as planned respite care.

Cabinet in December concluded that:

- Fallings Heath residential respite service is developed with increased occupancy rates, and effective measures that reduce costs
- A strategic review of all in-house social care services is carried out in 2015 to examine their role and resources in meeting the needs of Walsall people with new entitlements, especially carers, people meeting their own needs.

As a result of this, Cabinet propose to proceed with the saving of £260k in 2015/16 to be delivered partly by increased occupancy rates at Fallings Heath, the remainder from the strategic review of in-house social care services.

Ref: 153	Review of day services for people with learning disability	Initial pre consultation closing date:
Review and redesign day opportunities that produce cost effective non buildings based options using Goscote as a "hub" for these users and staff.		
2015/16 (N/A)	2016/17 (£517,000)	Total (£517,000)
Overall Opinion: on this proposal is inconclusive / opinion divided		
<ul style="list-style-type: none"> • This is a year two proposal and consultation will be ongoing. General feedback through the budget booklet respondents is inconclusive with opinions divided, with 50% showing some support; fully (28%) and or with concerns and amendments (22%) and 50% not supporting the proposal (base 36). 		

Common suggestions for alternatives to the saving are:

- Generate more income so that services don't have to be cut as well as finding cheaper accommodation
- Users pay towards the costs, could be a means based exercise.
- Sell empty school buildings and increase council tax

Response from Walsall Council on Proposal Ref 153

The saving for this proposal commences in 2016/17. General feedback gathered so far based on face to face consultation on the budget booklet is that reducing this service would have an impact on families and cares in not getting respite. That services help people feel part of a community and reducing them would lead to people being isolated.

Formal consultation as part of the review will be used to inform and shape the proposal for 2016/17.

Ref: 154	Review of sheltered employment services for people with learning disability	Initial pre consultation closing date:
Links to Work - replace current service with a redesigned service that supports users to access volunteering, vocational and training opportunities in partnership with colleges and employers.		
2015/16 (N/A)	2016/17 (£300,000)	Total (£300,000)
Overall Opinion: on this proposal is inconclusive / opinion divided		
<ul style="list-style-type: none"> • This is a year two proposal and consultation will be ongoing. General feedback through the budget booklet respondents is inconclusive with opinions divided, with 11% showing support fully (33), 21% with concerns and amendments (7) and 45% (15) not supporting the proposal (base 33). <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <p>Common suggestions for alternatives to the saving are to target an increase in income.</p>		
Response from Walsall Council on Proposal Ref 154		
<p>The saving for this proposal commences in 2016/17. General feedback gathered so far based on face to face consultation on the budget booklet is that that the service gives people a purpose and helps them into valid jobs. Reducing would lead to people feeling isolated and vulnerable.</p> <p>Formal consultation as part of the review will be used to inform and shape the proposal for 2016/17.</p>		

Ref: 155	Review of Community Alarm and related services	Initial Consultation closing date: 10.12.14
Strategic Development: Review and revise all community alarm and related services in line with the new charging policy, and the implementation of the Care Act. Proposals would required consultation and procurement follow on.		
2015/16 (N/A)	2016/17 (£570,000)	Total (£570,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> This is a year two proposal and consultation will be ongoing. General feedback through the budget booklet respondents suggests respondents support fully and or with concerns and amendments 60%, although the base number of respondents is relatively low at 25. <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Savings should be made in 2015 or a fee introduced. Create a joint service with neighbouring authorities. 		
Response from Walsall Council on Proposal Ref 155 <p>The saving for this proposal commences in 2016/17. General feedback gathered so far based on face to face consultation on the budget booklet is that this is a valued service and it wouldn't be fair to impose addition charges onto something they already pay for.</p> <p>Formal consultation with those who use the community alarm and related services will be undertaken from mid 2015 and this will be used to inform and shape the proposal for 2016/17.</p>		

Ref: 160	Cease the bus service that provides a mobile first stop shop.	Consultation closing date: 10.12.14
The First Stop Express Bus visits district centres to provide access to a range of council services. This will stop operating but access to the services offered will still be available at the Civic Centre.		
2015/16 (£22,253)	2016/17 (N/A)	Total (£22,253)
Overall Opinion: is that opinion is inconclusive / opinion divided		
<ul style="list-style-type: none"> Budget Booklet respondents support fully with concerns and amendments 92% (base 25) Dialogue with users show they aren't in support of the proposal. For a small number of service users this is a detrimental change but mitigation is being put in place to safeguard that small number of users. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <p>The majority of respondents to the budget booklet survey support this proposal fully or</p>		

support with concerns/amendments. Most respondents do not state they have used this service although a few say this proposal has an impact on them. For those that are directly impacted alternative arrangements are being made by providing services out of the local library.

A number of face to face interviews were carried out with customers who accessed the bus. Feedback was also given by a voluntary sector partner and an internal department who utilise the bus periodically. Most people stated they were not in support of the proposal as they found it convenient to use.

There are limited suggestions for alternatives to the saving other than to reduce the service available at the Civic Centre by a day a week instead or that it could be better if other agencies or partners also offered services from it.

Response from Walsall Council on Proposal Ref 160

We have considered the feedback from the consultation and have made alternative arrangements for the same services to be accessible in the local libraries.

In view of these considerations Cabinet intend to continue with the savings proposal as the mitigation will provide at least the same level of service but possibly better and will create more footfall for the library.

Ref: 163	Review of Council Tax reduction scheme.	Consultation closing date: 28.11.14
Council tax reduction is a benefit people on a low income can claim from the council to get help with paying their council tax. Walsall council now needs to decide whether to reduce or maintain the level of support it offers low income working age households through the council tax reduction scheme. Pensioners who receive the reduction will remain unaffected by the proposal.		
2015/16 (£2,360,406)	2016/17 (N/A)	Total (£2,360,406)
Overall Opinion: on this proposal is inconclusive / opinion divided depending on whether or not respondents receive the benefit, though the majority of respondents want to see the scheme remain fully funded. Whilst over one third of respondents who are claimants prefer option 2 of all the options available i.e. 20% reduction).		
<ul style="list-style-type: none"> Budget Booklet respondents support a review of the scheme 68% (base 72) show support for the proposal; 44% fully and 24% with concerns or amendments. Whilst the views from four separate additional surveys show a more mixed picture, based on a far larger piece of research (base 2,399) 20% of claimants indicated a willingness to make a contribution towards paying council tax (of which 11% of claimants favoured a 10% reduction). <p>Based on all respondents:</p> <ul style="list-style-type: none"> Option 1 reduce the support by 25% - (20%) Option 2 reduce the support by 20% - (10%) Option 3 reduce the support by 10% - (14%) Option 4 fully fund the CTRS – (56%) 		

- Across all research methods; non claimants are more likely to say that there should be a reduction in the benefit (10%, 20%, or 25% reduction).

Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.

The majority of respondents to the budget booklet survey that supported the review were not impacted by it (there is some personal impact for those supporting but with amendments).

There was 48 respondents to the budget book and common suggestions for alternatives to the saving were:

- Everyone should pay the standard rate
- Reduce other services to sustain this service
- Means tested approach to those who currently receive the reduction
- Increases in council tax for people who currently pay it and increases on larger properties

In relation to the additional survey 60% of the respondents were not personally impacted by the proposal.

Common suggestions for alternatives to the savings are

- Chase up unpaid council tax
- Reduce other services to sustain this service

Common concerns and comments about the options are:

- Income is low, cannot afford any rise in the cost of council tax
- Already struggling to live on income
- Struggling to pay the existing council tax
- Low income needs the help badly.

Response from Walsall Council on Proposal Ref 163

Although it is acknowledged that there will be a negative impact on a large group of people, in light of the overall budget pressures there is little option but to recommend increased contribution from claimants of council tax reduction.

The risk has been mitigated by the creation of a hardship fund to help the most vulnerable people in exceptional circumstances. In addition the recommended option of 75% maximum benefit will mean that vulnerable groups within the working age council tax base continue to receive some support. According to a recent Local Government Association report only 45 out of 326 Local Authorities retained full support for all claimants in 2014/15. In addition 73% stated that they were considering changing their scheme in 2015/16 many of whom stated this was due to financial pressures.

In view of these considerations Cabinet recommend Option 1 (a maximum discount of 75%) to Council which was approved on 12th January 2015.

Ref: 164	Review council tax discounts for vacant properties.	Consultation closing date: 24/12/2014
Privately owned empty properties can currently receive up to 100% council tax discount for the initial three months that they are unoccupied. Under the proposal, all homeowners would be liable for 100% of their council tax bill and full council tax charge would apply to empty and unfurnished properties or properties under or requiring structural repair once they have been unoccupied for seven days.		
2015/16 (£1,000,000)	2016/17 (N/A)	Total (£1,000,000)
Overall Opinion: on this proposal is inconclusive / opinion divided depending on whether or not respondents currently are receiving or have received the discount.		
<ul style="list-style-type: none"> Budget Booklet respondents support fully and or with concerns and amendments 89% (base 72) <p>Additional survey research dealt with two specific discounts;</p> <p><u>Unoccupied and unfurnished properties</u> (base 119) Option 1 completely remove the discount – 27% Option 2 100% discount for the initial 7 days – 12% Option 3 retain the 100% discount and 3 month time period – 61%</p> <p>Based on the responses the majority wish to see the discounts retained. However, most respondents currently receive or have received the benefit in the past. Of those whom currently receive the benefit not surprisingly every one wished to see it retained. In addition, 48% of non claimants felt that the reduction should also be retained. In contrast only 35% of non claimants felt the discount should be completely removed.</p> <p><u>Properties requiring major repair or undergoing structural alteration</u> (base 121) Option 1 completely remove the discount – 29% Option 2 retain the 50% discount and 12 month time period – 71%</p> <p>Currently claimants are more likely to say that they want the discount retained (77%) compared to non claimants (64%).</p> <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed. The majority of respondents to the budget booklet survey support fully support or support with concerns/amendments and are not impacted by this proposal. Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none"> Re-banding of properties to increase revenue Higher rates on properties vacant for more than six months No reduction at all <p>In relation to the additional survey 53% of the respondents were not personally impacted by the proposal. Common suggestions for alternatives to the savings are</p> <ul style="list-style-type: none"> Chase up unpaid council tax Reduce other services to sustain this service Small increase in council tax 		

Common concerns and comments about the options are:

- Increase the costs of landlords
- Landlords not able to re-let in a short period of time
- Empty properties do not receive council services
- Does not give time to repair property after damage caused by tenants

Response from Walsall Council on Proposal Ref 164

The vast majority of respondents were landlords and not surprisingly they were opposed to this proposal as it may increase their administration costs. In contrast most respondents to the budget book consultation overwhelmingly supported the scheme in light of the budget pressures. It is expected that acceptance of this proposal will lead to reduced periods where properties are empty and unavailable for rent. It appears from the response to the consultation that this is less likely to impact on vulnerable people than other potential budget savings options.

Cabinet recommended the following to Council which was approved on 12 January 2015:

For properties that are unoccupied and unfurnished:

- **Option 2 – retain the 100% discount for empty and unfurnished properties but reduce the period of the discount to the first 7 days**

For properties requiring major repair or undergoing structural alteration:

- **Option 1 – completely remove the discount for these properties**

Ref: PH1	Remodelling of Sexual Health services	Consultation closing date: 21.12.14
These services provide contraception for Walsall residents and prevention, testing and treatment of sexually transmitted infections (STIs). These will be re modelled to provide a more joined up service. There will be a reduction in prevention services that do not provide quality and value for money. There will be more targeted Chlamydia screening and outreach activity.		
2015/16 (£53,000)	2016/17 (£70,000)	Total (£123,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully and or with concerns and amendments 81% (base 21) • Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. The remodelling of the service should include a greater focus on prevention and outreach services for young people. • The focus group produced consistent comments to the survey responses. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed:</p> <ul style="list-style-type: none"> • The proposal was supported if the service redesign attends to prevention work as well as targeting those groups who are most at risk. 		

Common suggestions for alternatives to the saving are:

- Use Doctors surgeries and medical centres.
- Provision of contraception on prescription with charges.
- Use the 3rd sector and community groups to raise awareness and prevention services

Response from Walsall Council on Proposal Ref PH 1

We have consulted on an approach to shift investment from some public health services to invest in and shape council services to deliver public health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

We have listened to the responses and there is an acceptance that some savings will be achieved through service remodelling and redesign. Efficiencies will be addressed through the re-procurement of the services. The sexual health service will continue to focus on the most at risk with a balance in the service provision between prevention and care/treatment.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH2	Remodelling Drugs and Alcohol Services	Consultation closing date: 21.12.14
The drug and alcohol services are in the process of being remodelled. This new model of working, through a single lead agency, should reduce some of the impact of the cuts to the service budget. However, it is possible that the waiting times to enter the service may increase, impacting upon individuals, families and communities.		
2015/16 (£390,141)	2016/17 (£70,000)	Total (£460,141)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none">Budget Booklet respondents support fully and or with concerns and amendments 78% (base 27)Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. The remodelling of the service will address the concerns regarding the balance in service provision between prevention and care/treatment to deliver more recovery.Focus group responses were consistent with the survey responses.		
Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.		
<ul style="list-style-type: none">The proposed budget cut is supported if the service redesign attends to safeguarding, prevention work and services remain easily accessible.		

Common suggestions for alternatives to the saving are:

- More targeted services to the most vulnerable.
- Let the voluntary sector run this in conjunction with the Police and NHS.
- Continue to fund the service but make the service more efficient.

Response from Walsall Council on Proposal Ref PH 2

We have consulted on an approach to shift investment from some public health services to invest in and shape council services to deliver public health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

We have listened to the responses and there is an acceptance that some savings will be achieved through service remodelling and redesign. Efficiencies will be addressed through the re-procurement of the services. The service will continue to focus on the most vulnerable with a balance in the service provision between prevention and care/treatment to deliver more recovery.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH3	Targeting Infant feeding (0-5 years) to vulnerable groups	Consultation closing date: 21.12.14
These services promote breastfeeding and lifestyle support to reduce maternal obesity and increase uptake of vitamins in pregnancy and in the early years. Reductions in the funding may potentially impact on infant illness, childhood obesity and deaths in infancy. It is proposed that the face to face service will be prioritised in those areas of greatest need where breastfeeding is lowest and in groups who are less likely to breastfeed as opposed to being offered widely to women across the whole of Walsall.		
2015/16 (£45,000)	2016/17 (N/A)	Total (£45,000)
Overall Opinion: on this proposal is inconclusive / opinion divided .		
<ul style="list-style-type: none"> • Budget Booklet respondents are divided in their support for this proposal; with 51% showing support; 44% fully, 7% with concerns and 49% not supporting the proposal (base 43). • Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. The concerns raised will be addressed through the Public Health transformation fund investment in related service areas. • Focus group feedback highlighted the value of the Health Visitor tongue tie service and the support that infant feeding groups offered to new mothers. 		
Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.		

There was no consensus in the feedback, with support for support groups but with queries whether the services needed to be professionally led or whether there are opportunities for them to be peer or volunteer led.

Common suggestions for alternatives to the saving are:

- Make savings elsewhere to fund this service to the current level such as management savings and from other underutilised children's services.
- Refer to Dr's surgeries, hospitals, charities, faith groups and children's centres.

Response from Walsall Council on Proposal Ref PH 3

We have consulted on an approach to shift investment from some public health services to invest in and shape council services to deliver public health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

The Public Health transformation fund investment in early intervention, children's centres and teenage pregnancy will mitigate against the concerns raised in addition to the more holistic service offered by Health Visiting.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH4	Remodelling the School Nursing led Healthy Child Programme (5-19 years) service	Consultation closing date: 21.12.14
This is a public health commissioned nursing service offering a universal and targeted service to children of school age and their parents. The reduction in funding will potentially impact upon prevention work including support for children, parents, school staff and governors. This could lead to increased longer term costs e.g. teenage pregnancy increasing and emotional health and wellbeing decreasing and less support for care leavers and for children at key transition times. It is anticipated that the procurement activity to secure a new contract will mitigate against these concerns.		
2015/16 (£100,000)	2016/17 (N/A)	Total (£100,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> • Budget Booklet respondents support fully and or with concerns and amendments 60% (base 20) • Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals with no additional concerns raised. • Focus groups responses were consistent with the survey responses. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <ul style="list-style-type: none"> • The proposal attracted opposing views with a split between those in favour and those against. It was considered important to capture the services that young 		

people value in the services offered relating to; relationships, anxiety, substance misuse and sexual health.

Common suggestions for alternatives to the saving are:

- Potential to use Children's Centres to deliver this service.
- Withdraw completely and allow schools to source elsewhere.

Response from Walsall Council on Proposal Ref PH 4

We have consulted on an approach to shift investment from some Public Health services to invest in and shape council services to deliver Public Health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

The Public Health transformation fund investment in early intervention, children's centres, parenting and teenage pregnancy will mitigate against the concerns raised. In addition, by incentivising the support offered around those services that young people value within the procurement process and monitoring this through quarterly contract monitoring, it is also anticipated that these concerns will be mitigated.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH5	Remodelling of Adult Healthy Weight/Physical Activity services	Consultation closing date: 21.12.14
These services help Walsall residents develop healthier lifestyles. There are almost 272,200 people living in Walsall of which 70% are estimated to be overweight or obese. Remodelling the service will result in a lower level of specialist support being available.		
2015/16 (£155,000)	2016/17 (£45,000)	Total (£200,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none"> • Budget booklet respondents to the Budget booklet fully support and or with concerns and amendments 80% (base 34) • Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. Streamlining and combining health and wellbeing services across related Public Health programmes was suggested. • Focus group responses were consistent with the survey responses. 		
Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.		
The summary of the feedback is that, whilst concerns have been expressed, the impact of the proposed cuts will be mitigated by the remodelling of the service.		
Common suggestions for alternatives to the savings are:		
<ul style="list-style-type: none"> • Suggestions to stop this service or for money to come from GP's. • People should take responsibility for their own health or incentives to be healthy. • Engage with external services to deliver in a different way. 		

Response from Walsall Council on Proposal Ref PH 5

We have consulted on an approach to shift investment from some Public Health services to invest in and shape council services to deliver Public Health outcomes through the transformation fund, which has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

There is an acceptance that some savings will be achieved through service remodelling and redesign. Efficiencies will be addressed through procurement of the services. The service will continue to focus on the most vulnerable with a rebalance of the service provision between prevention and care/treatment.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH6	Targeting Health Trainers service to the most needy	Consultation closing date: 21.12.14
Health Trainer services help people to develop healthier behaviour and lifestyles in their own communities. The reduction in funding will limit this help so that only those with the highest risk of developing long term illnesses are included. This means that fewer people and communities will be able to improve their health. We will also aim to pay less for these services, where possible.		
2015/16 (£62,000)	2016/17 (£20,000)	Total (£82,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none">• Respondents of the Budget booklet fully support this proposal with some concerns and amendments 87% (base 23)• Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. Streamlining and combining health and wellbeing services across related Public Health programmes was suggested.• Focus group responses were consistent with the survey responses. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <p>The proposal was mostly supported with the group activity held up as the critical element of the present service. There was some support for more preventative elements in the service design.</p> <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none">• Remove the service completely.• Performance based contracts for provision so commissioners pay for success only.		

Response from Walsall Council on Proposal Ref PH 6

We have consulted on an approach to shift investment from some Public Health services to invest in and shape council services to deliver Public Health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

There is an acceptance that some savings will be achieved through service remodelling and redesign. Efficiencies will be addressed through the re-specification or procurement of the services. The service will continue to focus on the most vulnerable with a rebalance of the service provision between prevention and care/treatment.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH7	Services to support working age population healthy lifestyles	Consultation closing date: 21.12.14
These services aim to improve the health of the working age population. The funding for these services will be reduced. This will have an impact upon the level of health related support that is provided to residents to sustain them in employment. This may impact on their overall health and ability to maintain/ find employment increasing the reliance on benefit payments.		
2015/16 (£30,000)	2016/17 (£10,000)	Total (£40,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none">Budget Booklet respondents support fully and/or with concerns and amendments 81% (base 21)Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. Streamlining and combining health and wellbeing services across related Public Health programmes was suggested.Focus group responses were consistent with the survey responses. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <p>The proposal has attracted few general residents' comments. The comments from the focus groups support the proposal.</p> <p>Suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none">Make better use of GP's.People to self source this information.		

Response from Walsall Council on Proposal Ref PH 7

We have consulted on an approach to shift investment from some Public Health services to invest in and shape council services to deliver Public Health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

Cost savings and efficiencies will be achieved through service remodelling, redesign, re-specification or re-procurement of the services. The service will continue to focus on the most vulnerable with a balance in the service provision between prevention and care/treatment.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH8	Hospital infection control	Consultation closing date: 21.12.14
Public Health has provided extra money for a number of years to support the infection prevention service within Walsall Healthcare NHS Trust. However, the Trust already receives monies for this as part of the Trust's core funding. Withdrawing the Public Health funding may impact upon the hospital's ability to respond to infections caught in hospital. This would be monitored closely and reviewed as necessary.		
2015/16 (£134,000)	2016/17 (N/A)	Total (£134,000)
Overall Opinion: respondents generally support this proposal.		
<ul style="list-style-type: none">•• Budget Booklet respondents support fully and or with concerns and amendments 69% (base 33)• Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. The additional comments supported the proposal although it was pointed out that there are no alternative Public Health Transformation Fund projects to mitigate against the impact of this cut. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <p>The proposal received mixed responses with some respondents expressing a lack of clarity around the present funding. The service scope would be reduced as a result of the proposed cut. The funding withdrawal was sudden and the risks were not mitigated against. There were more respondents in support of the proposal than not in support.</p> <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none">• Save in other areas as using fewer agency nurses and preventative work through education in schools.• Reduce waste in hospitals across all areas including procurement, staffing and absenteeism.		

Response from Walsall Council on Proposal Ref PH 8

We have consulted on an approach to shift investment from some Public Health services to invest in and shape council services to deliver Public Health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

On balance the proposal has received support and we intend to proceed by continuing the active discussions with the service provider to clarify roles, responsibilities and to ensure that appropriate mitigation is in place.

In view of these considerations Cabinet intend to support the proposal as presented.

Ref: PH9	Community mental health advice and guidance	Consultation closing date: 21.12.14
These services aim to improve the emotional wellbeing of the population. There will be less capacity to offer training to the general public that explains how individuals can take steps to improve their own emotional wellbeing, less community development work around general mental health and a reduction in face to face support for individuals needing low level support or counselling. The focus on supporting vulnerable groups will continue.		
2015/16 (£133,000)	2016/17 (N/A)	Total (£133,000)
Overall Opinion: on this proposal is inconclusive / opinion divided		
<ul style="list-style-type: none">Budget Booklet respondents are divided on this proposal with 52% showing support fully (33%) and or with concerns and amendments (18%) and 48% not supporting (base 33). The base for these results are low and hence on their own inconclusive.Feedback from additional survey research showed that, overall, 72% (base 25) of respondents expressed a wish to make some savings as detailed in the Public Health proposals. There were mixed responses to the proposal with a suggestion to incorporate the service into a wider health and wellbeing service. The transformation fund investment in mental health was supported but questioned why it was related to older people.Focus group responses were consistent with the survey responses. <p>Key issues for consideration across all consultation activity including any concerns / amendments / alternatives expressed.</p> <p>The proposal was met with equal numbers of respondents in support and against. There was a suggestion that the proposed cuts could be mitigated by better integration of the support services across related service areas.</p> <p>Common suggestions for alternatives to the saving are:</p> <ul style="list-style-type: none">Less highly paid managers, more frontline staff.Less investment in other programmesSend fewer leaflets and do more directed publicity.		

Response from Walsall Council on Proposal Ref PH 9

We have consulted on an approach to shift investment from some Public Health services to invest in and shape council services to deliver Public Health outcomes through the transformation fund. This has been broadly supported. Many respondents have not understood that Public Health responsibilities now sit with the Council and assume that these services will continue to be funded by the NHS if council funding was to be withdrawn.

Having considered the feedback the concerns will be partially mitigated through the transformation fund investment in alternative mental health services. Work to promote the Five Ways to Wellbeing and Making Every Contact Count (MECC) initiatives will address some of the concerns raised regarding population level mental health services.

In view of these considerations Cabinet intend to support the proposal as presented.

Contact:

Anna King, Corporate Consultation Officer
Business Change, Resources Directorate

✉ kinganna@walsall.gov.uk

☎ 01922 652508

20 January 2015

**For Approval by Cabinet
and Recommendation to
Council:**

**Corporate Budget Plan
and Treasury
Management and
Investment Strategy**

2015/16

February 2015

Contents

	<u>Page</u>
<u>Part 1: Revenue and Capital Budget Plan</u>	
1. Matching resources to vision	3
Our challenges	3
The medium term financial strategy	4
2. Summary of 2015/16 Revenue Budget	8
Revenue budget headlines	8
Net council tax requirement	8
Government central funding and business rate retention	12
Inflationary pressures /financing options / service cost pressures	15
Savings requirement	15
Collection Fund	16
Referendum	16
Levies and precepts	16
Reserves	17
Financial risk and the medium term	17
3. Summary of 2015/16 Capital Programme	19
4. Medium term financial outlook – 2016/17 plus	23
5. Portfolio Plans - 2015/16 onwards	26
5.1 Finance and Communications (Leader of the Council)	26
5.2 Children's Services	29
5.3 Community, Leisure and Culture	35
5.4 Environment and Transport	41
5.5 Health	45
5.6 Personnel and Business Support	52
5.7 Regeneration	57
5.8 Social Care	61
<u>Annexes</u>	
1. Summary of revenue budget 2015/16	66
2. Council tax data 2015/16	67
3. Chief Finance Officer report	69
<u>Part 2: Treasury Management and Investment Strategy</u>	
1 Introduction	75
2 Capital Prudential Indicators	77
3 Minimum Revenue Provision (MRP) Policy Statement	80
4 Borrowing	83
5 Annual Investment Strategy	89
<u>Annexes</u>	
1 Treasury management indicators	92
2 Minimum revenue provision 2014/15 onwards	93
3 Economic background	94
4 Glossary of terms	97

Part 1 – Revenue and Capital Budget Plan

1. Financial planning and management: matching resources to the vision

The council's budget is a financial representation of the organisation's plans for the forthcoming financial year and beyond. Therefore, the budget is constructed as an integral part of the council's planning processes and aligned to its priorities and objectives and specifically the council's corporate plan.

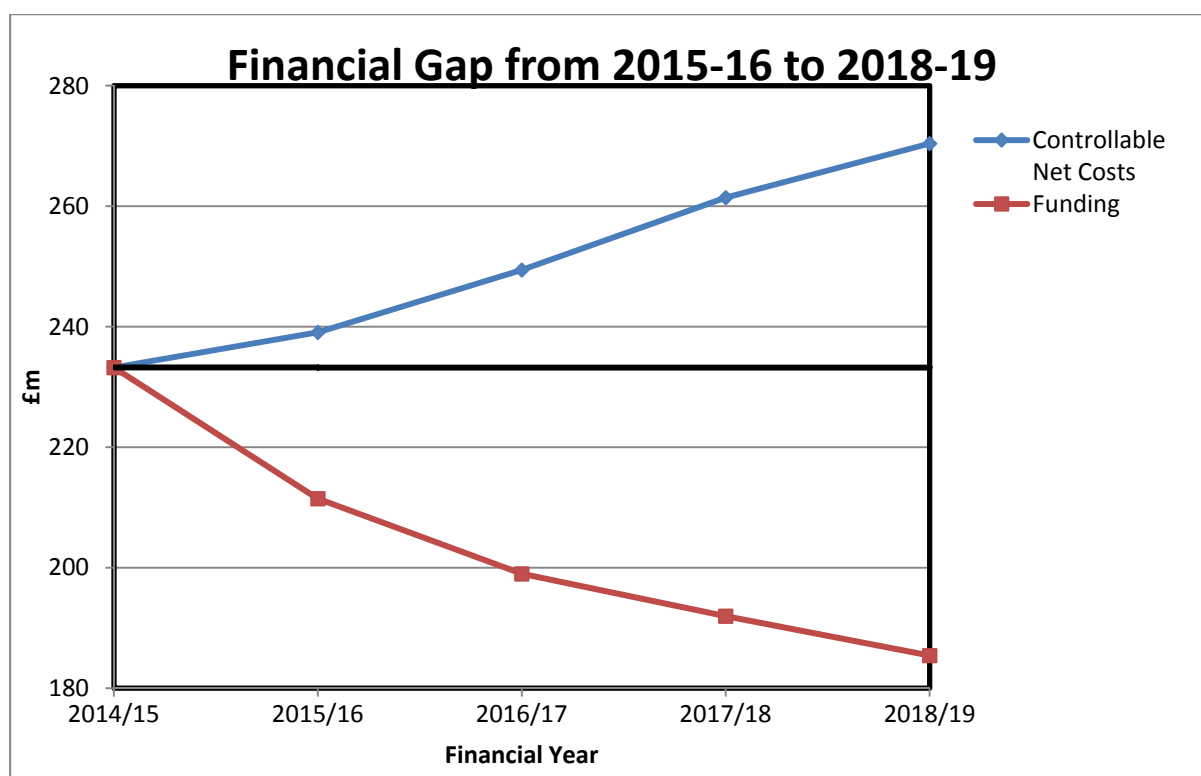
Walsall Council exists to serve the people and communities of Walsall, by representing and working with them to protect and improve the quality of life for all, particularly the most vulnerable. Walsall Council will provide strong, fair, open and honest leadership for the borough and its people and work with any organisation willing to work in the best interests of Walsall. We do this with limited resources and so must always work to ensure that public money is targeted to where it is most needed and used in the most efficient way possible. We are led by the communities we serve who help shape the services we provide and we help those communities to make a positive difference to their own lives through active civic engagement and cooperation.

In 2019 the council will be a key enabler of improvements to Walsall and its' Districts as a place to live, learn and work; working innovatively and collaboratively with strong and resilient communities, public sector partners, schools and businesses to shape services that deliver real and sustainable improvements to people's lives. The council will by necessity be smaller, doing fewer things, and those services that we continue to provide will be delivered in a very different way to how they are now. Our efforts will be focussed on protecting the most vulnerable: ensuring people are safe, and narrowing the gap in life chances by helping them to lead healthy and fulfilling lives, increasing aspirations and remaining independent for as long as possible. In doing this we will help to shape a fairer Walsall.

Our Challenges

Over the last four years the council has reduced its spending by £80m but will need to save a further £86m over the next four years to be able to set a balanced budget.

The graph below illustrates the projected widening gap in finances, as a combination of reducing funding and increasing costs. It is clear that funding for key priorities will be significantly diminished and the council will not be able to sustain services at the current level.



Walsall Council, like all other public sector bodies, has seen government grant funding reduce since the Emergency Budget of 2010 when the Government set out its initial plans to reduce the overall Government deficit, quoting a 28% reduction in funding to local authorities. This has continued following government spending reviews in 2010 and 2013, with a one year spending round in June 2013 setting out spending plans for 2015/16.

The Medium Term Financial Strategy (MTFS)

The MTFS is a strategic framework and policy document within which the council's finances are constructed and managed. It is part of a suite of policy documents that together comprise the council's approach to effecting sound governance and good practice. It is the translation of our vision, aims and objectives into a financial plan, which thereby facilitates delivery of these through the portfolio planning process.

The MTFS is a key document in bringing together the level of available resources with the demands for service delivery and investment, facilitating sound financial and service risk and opportunity management. It also links to the impact on the council's capital resources and external funding opportunities.

Figure 1 shows the relationship between the various components of the financial framework. The MTFS is the overarching corporate financial policy sitting below the Corporate Plan and above the other elements of the financial cycle. It is the driver for all other financial activity. Below the MTFS sit the other financial strategies; the capital strategy and the treasury management strategy.

The main objectives for the council relate to maintaining good underlying financial

health, adoption of a longer-term perspective, a desire to deliver good quality, value for money services which are modern, efficient, effective, and fit for purpose and to ensure this approach facilitates delivery of the council's vision, aims and objectives.

For a number of years the council has adopted a policy-led, medium term approach to financial planning. We seek to ensure our budgets are clearly linked to our vision, aims and objectives. We are committed to maintaining financial stability and delivering value for money through effective and efficient services.

The main objective for the council is to maintain good long-term financial health. Achieving this allows us to deliver good quality, value for money services, shaped by our customer demand. Services that are modern, efficient, effective, and fit for purpose. This requires a framework that delivers both continuous, adaptive improvement and core strength.

How we will achieve this is through:

1. Financial Governance and Leadership
2. Financial Planning
3. Finance for Decision making
4. Financial Forecasting and Monitoring
5. Financial Reporting

Figure 1: Financial Framework

THE FINANCIAL FRAMEWORK					
CATEGORY	OVERALL	REVENUE	CAPITAL	TREASURY MANAGEMENT	RISK MANAGEMENT
Strategies	Medium Term Financial Strategy				
Guidance	CIPFA and technical guidance	Budget Guidelines	Capital Guidelines	CIPFA Code of Practice for TM	Risk Management Toolkit
Plans	MTFP	Annual Budget	Capital Programme and Asset Management Plans	Treasury Policy Statements	Risk Management Action Plans (where appropriate)
Governance	Constitution	Budget Management and Control Manual And the Annual Governance Statement		Prudential Indicators & Annual Report	Risk reporting and review
	Contract and Finance Rules				Audit Committee Reports and Annual Report
	Internal and External Audit Plans and our response to inspection and audit				

Financial Governance and Leadership

1. Our top management will be financially literate and able to understand fully the financial environment in which the council operates.

Financial Planning

1. Our financial planning will be inextricably linked to the council's strategic and corporate planning process. Our financial plans will reflect the councils key strategic priorities.
2. An annual medium term financial plan, covering a five year time horizon, will integrate current expenditure plans and investment programmes, with cash-flow and balance sheet projections, developed in the context of a longer-term strategy, which supports the council's strategic plan.

Finance for decision making

1. In developing our strategic and Corporate Plan we will consider the value for money achieved by allocating resources to different activities.
2. We will understand the financial implications of current and potential alternative policies, programmes, and activities.
3. We will analyse our cost profiles and cost drivers and how they will behave under different circumstances.
4. We will understand the whole-life costs associated with capital investment.

Financial Monitoring and Forecasting

1. Top management will assure itself that financial performance to date and forecast financial outturns are in line with the plan, including cash-flow and balance sheet projections.
2. Variances will be identified as soon as possible, so that management can either take corrective action to manage unfavourable variances or apply any favourable variances to corporate priorities.
3. The underlying costs of the organisation's key activities and how these are profiled over time will be monitored and reviewed.
4. Financial information will be integrated with non-financial performance and activity information. Together, such information forms the basis for financial forecasts and enables value for money to be monitored.
5. The financial information used both for setting the budget and internal accountability, monitoring and forecasting throughout the year is derived from the same systems that are used to generate the results reported externally in the organisation's statutory financial statements.

Financial Reporting

1. To run the organisation effectively, top management will have up-to-date financial and non-financial performance information on a timely basis.
2. Reports will be presented in a form that is tailored to user needs, is easy to understand and highlights the key financial issues that they need to be aware of.

3. For its part, top management needs to provide timely, accurate and balanced information about its stewardship and use of resources and its non-financial performance to the organisation's different stakeholders. Such information will be presented in a form tailored to meet their needs.

2. Summary of the 2015/16 Revenue Budget

2015/16 Revenue Budget Headlines

The revenue budget has been constructed in accordance with the MTFS and all relevant corporate financial protocols and presents a balanced budget, resulting in:

- A focus on a policy-led, medium term, risk assessed budget setting approach using corporate portfolio priorities established by Cabinet
- A total net council tax requirement of **£93.703m**
- No council tax increase, equivalent to a Band D Council Tax of **£1,438.32** (excluding precepts) and **£1,599.81** (including precepts) subject to confirmation of final precepts
- Provision for inflationary pressures of **£1.17m**
- Provision for other known budget pressures, including demographic and cost pressures, and reduced levels of income or grant, of **£5.3m**
- New service savings of **£15.49m**
- New corporate savings of **£1.5m**
- Use of grant funding of **£2.20m**
- Review of base budgets and funding changes **£3.26m**
- Council tax base changes of **£6.94m**
- Full year impact of savings approved in previous years of **£0.74m**
- Appropriate use of prudential borrowing to support capital investment where affordable and sustainable with revenue costs being reflected in this report
- Opening general reserves of **c£10.15m**, in line with the Council's MTFS requirement

The financial implications arising from the draft capital programme 2015/16 are contained within the draft revenue budget.

Net Council Tax Requirement

The gross revenue expenditure budget for 2015/16 will be **£621.737m**, and gross income will be **£528.034m**, resulting in a net council tax requirement of **£93.703m**.

It has been possible to commit to £6.47m (**Table 1**) to address key priorities and funding of essential cost pressures. 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 and pay and pension costs. Income targets have also been corrected in some areas.

The change in council tax requirement from 2014/15 to 2015/16 is shown in **Table 1**.

Table 1 : Net council tax requirement 2015/16		
	£m	Reference
2014/15 Approved by Council on 27 February 2014:	86.76	
<i>Cash Limit Changes :</i>		
Inflationary pressures	1.17	
Corporate cost pressures	3.72	
Service cost pressures	1.58	
Removal of one off investment	(0.51)	
New savings 2015/16 included in portfolio plans	(15.49)	Table 6
New savings - corporate	(1.50)	Table 6
Full year effect of previous years approved savings	(0.74)	Table 6
Use of grant funding (Public Health / Better Care fund)	(2.20)	Table 6
Funding changes	(1.79)	
Base budget adjustment / change in accounting treatment	(0.39)	
Reduction in central Government funding	23.09	
2015/16 Net Council Tax Requirement	93.70	Annex 1
Council Tax Increase	1.99%	

Figure 2 below provides a breakdown of the net spending by portfolio and **figure 3** by directorate.

Figure 2 – Net council tax requirement by portfolio

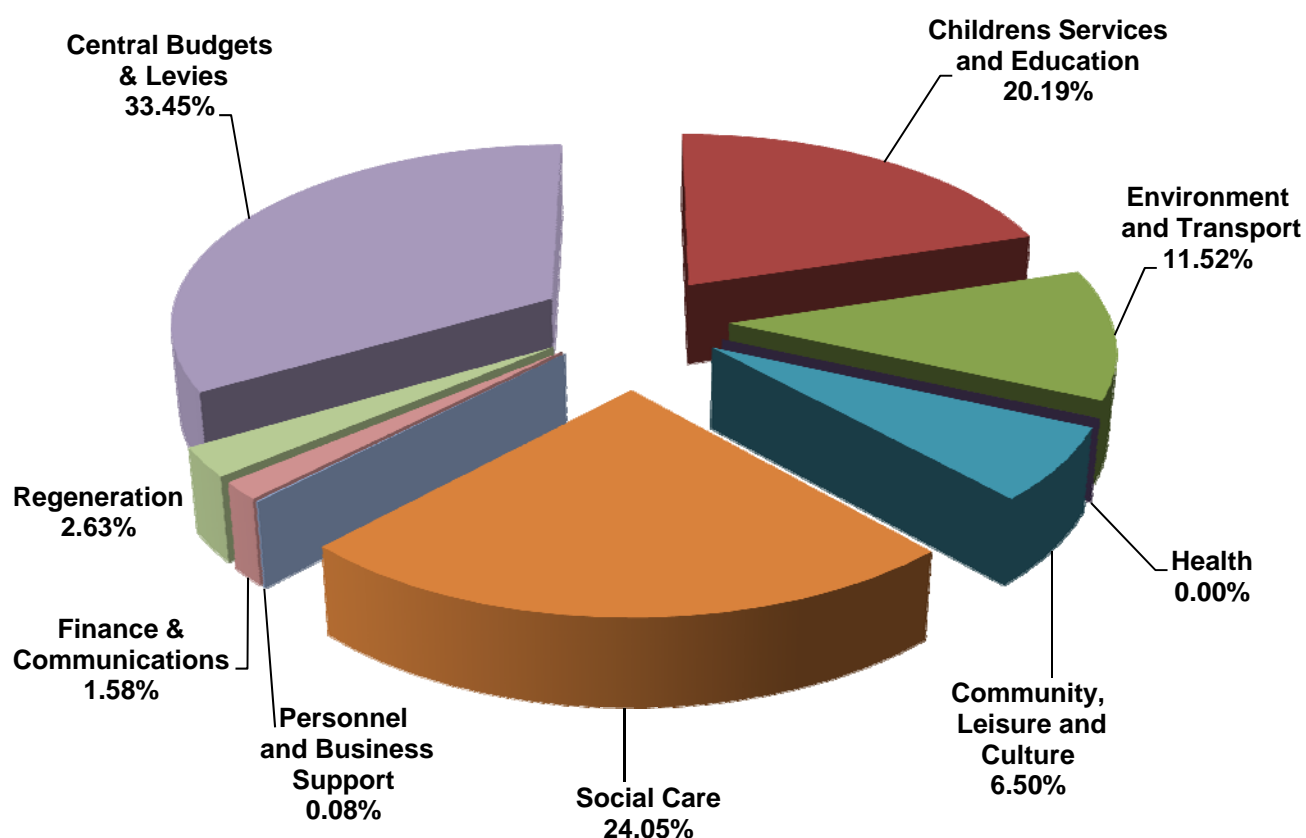
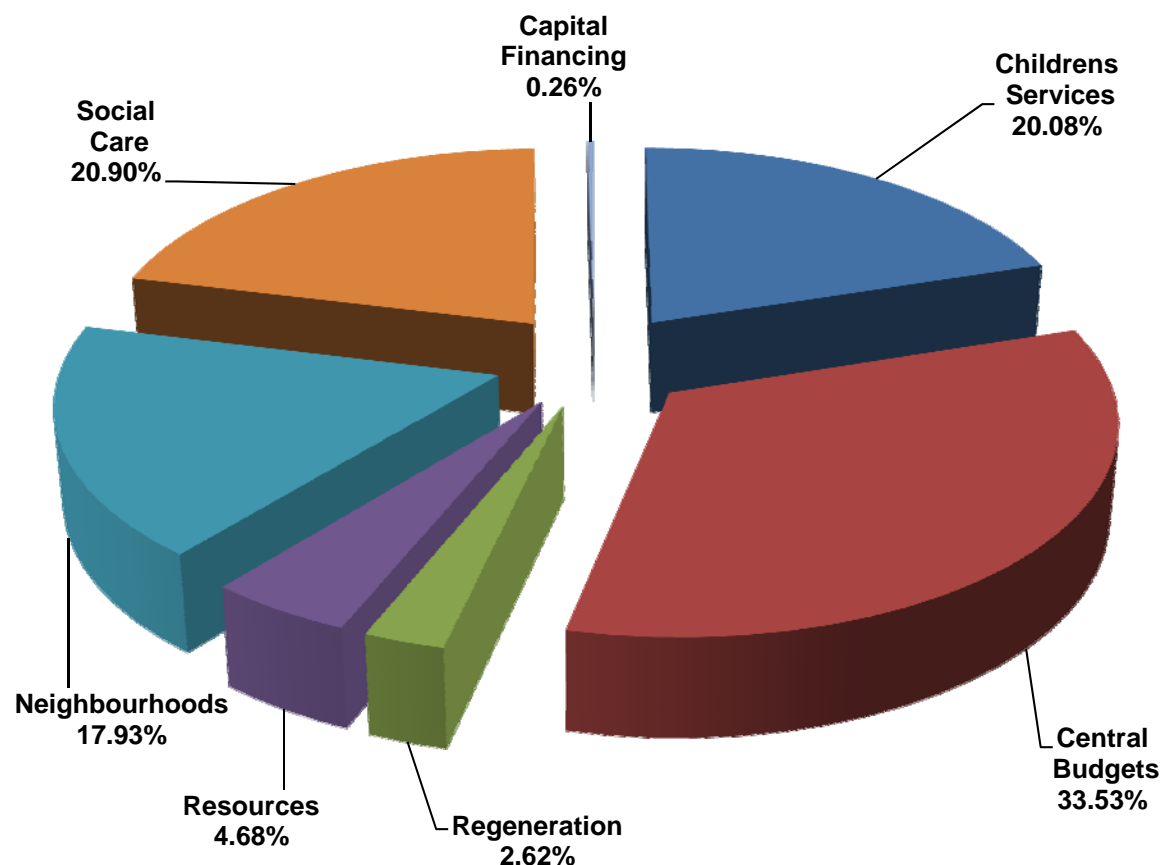


Figure 3 – Net council tax requirement by directorate



This would result in a band D council tax for the Walsall Council element only of £1,438.32, representing an increase of 1.99% from 2014/15 levels. Most properties in Walsall (67.64%) are in bands A or B. (**Annex 2**). **Table 2** shows the calculation at Band D.

Table 2: Net Council Tax Requirement and Council Tax Levels 2015/16		
Element of budget	2014/15 budget and grants £	Council Tax Band D £
WMBC element - required from council tax	93,702,967	1,438.32
Police & Crime Commissioner precept	6,941.467	106.55
Fire & Rescue precept	3,579,000	54.94
Total from council tax	104,223,434	1,599.81

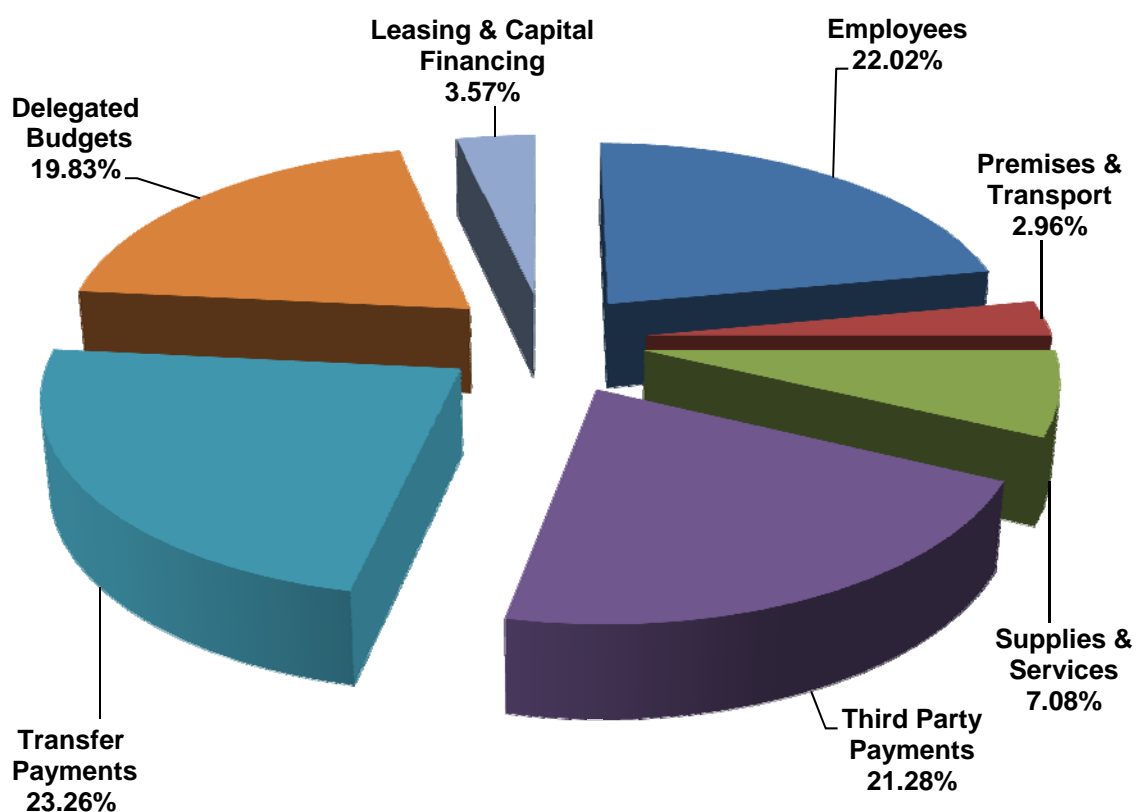
NB: based on an approved council tax base of 65,147.51 band D equivalents.

Expenditure analysis

Table 3 details gross expenditure by category of spend and **figure 4** by type of expenditure.

Table 3: Expenditure by Category of Spend	
Type of Expenditure	£ million
Employees	136.916
Premises and Transport	18.406
Supplies and services	43.560
Third Party Payments	132.290
Delegated Budgets	123.277
Leasing and Capital Financing	22.218
Transfer Payments	144.618
Total Expenditure (excluding Internal Recharges)	621.737

Figure 4 – Spend by Type of Expenditure



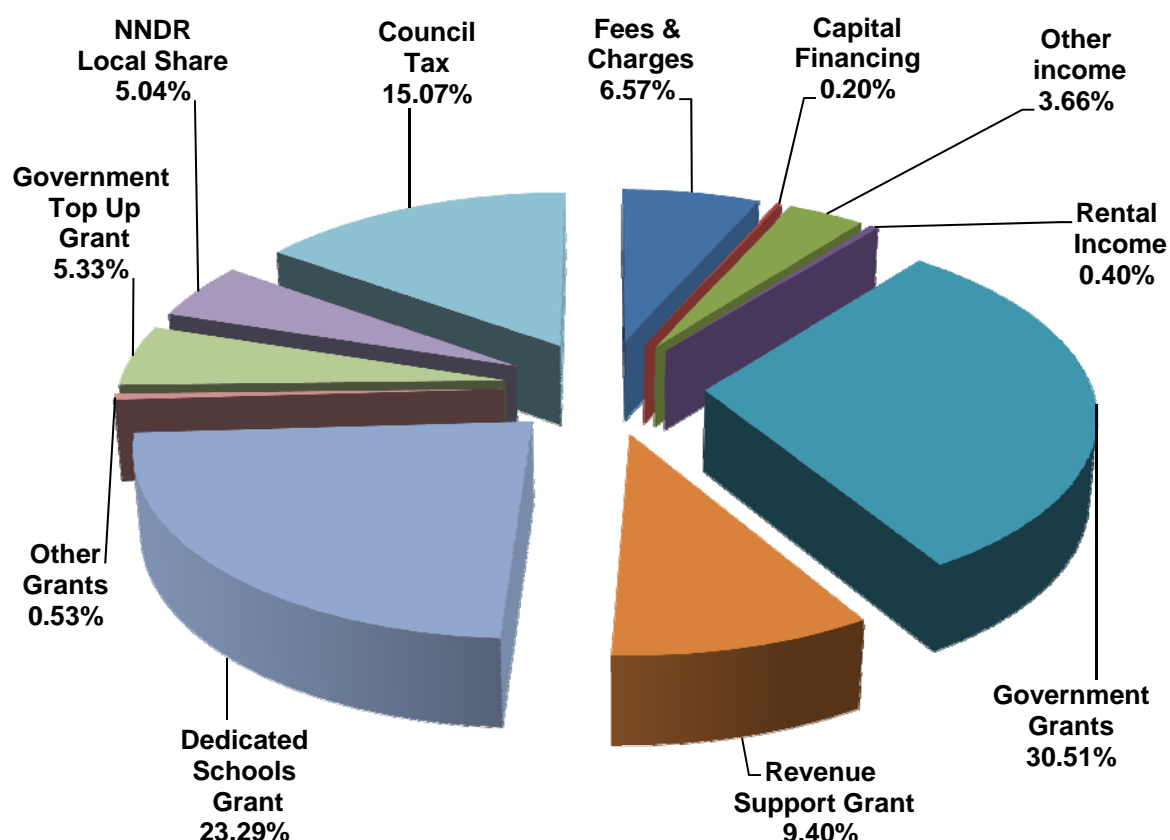
Notes

- *Transfer payments include expenditure such as special education needs, rent allowances and social services direct payments – for example payments for which no goods or services are received in return by the local authority.*
- *Delegated budgets include budgets for schools, community associations and allotments.*

Income analysis

The council receives income from a number of sources including council tax, central Government grant and specific grants to help pay for certain services including schools and social care. The council also charges for parking, use of leisure facilities and other services. In 2015/16 the council tax will account for 15.07% of total income. **Figure 5** shows all the main sources of income.

Figure 5 – Sources of funding



Government central funding and business rate retention

The Government provides funding to councils through a grant redistribution system (previously referred to as formula grant), which includes the redistribution of business rates collected and revenue support grant.

The Government replaced the way it funds councils with a new scheme known as Business Rate Retention (BRR) from April 2013. The 2015/16 finance settlement represents the third year in which the BRR scheme is the principal form of local government funding, summarised as follows:-

- Business rates local share - **£34.710m** - the local share is not guaranteed and is based on the council retaining 50% of what we actually collect in rates in 2015/16. The £34.710m is determined by the NNDR1 Business Rates return which shows Walsall's own estimate of what it will collect in rates in 2015/16. This is predicted as £33.871, £839k below the baseline figure provided in the draft settlement figures announced on 17 December 2014 (what the

Government estimates that Walsall will collect and retain in local business rates). Should the council collect anything up to £2.49m less than the £34.710m, then this will have to be borne by the council in full. Volatility in business rates will therefore need careful monitoring throughout the year.

- Top up grant – fixed by the government and to increased by RPI for future years - **£33.145m** in 2015/16. Some authorities collect more business rates than they previously received back in the Formula grant redistribution system, and are therefore required to pay a tariff to Government in excess of their allocated share. Council's like Walsall who collected less locally under the old system are allocated a top up grant.
- Revenue Support Grant - **£58.417m** in 2015/16. This includes £20.056m of specific grants that have rolled into this single funding mechanism - £1.131m from 2015/16 for 2014/15 council tax freeze grant, and previous grants rolled in for council tax support (replacing council tax benefit), early intervention grant, homelessness prevention, lead local flood authority grant, and learning disability and health reform grant.

The Government is expected to published the final grant settlement early February 2015 for 2015/16.

Central Government grant is a complex calculation within various blocks based on relative needs, population, demographic data, the tax base and “floor damping”. This has been retained under the revised funding mechanism, and now shown as upper / lower tier funding.

Government announced that local authorities will face an average 1.8% reduction in “*spending power*”. Spending power is based on each local authority’s power to influence and not control local spending levels. This will include the council tax requirement, business rates retention, specific grants and NHS funding for social care (the latter being spend which the council may have an influence over but does not control). Walsall’s reduction based on DCLG published ‘*spending power*’ data is 4.00%.

Walsall’s government grant reduction of -15.5% in 2015/16 is slightly above the national average for metropolitan districts of -15.4%. The use of floor damping in our government grant allocation has previously seen Walsall lose significantly more funding, but this ‘damping’ method is not separately identifiable in the settlements announced since 2014/15. The Government grant allocation for Walsall is set out in **Table 4** and Walsall’s movement compared to the metropolitan average in **Table 5**.

Table 4 : Government Grant Allocation			
	2013/14 £m	2014/15 £m	2015/16 £m
Upper Tier Funding	119.0	108.0	89.5
Lower Tier Funding	0.0	18.9	15.8
Council Tax Freeze Grant 2011/12	2.7	2.7	2.7
Council Tax Support Funding	23.9	0.0	0.0
Early Intervention Funding	10.9	10.0	9.1
Homelessness Prevention	0.1	0.1	0.1
Lead Local Flood Authority	0.1	0.1	0.1
Learning Disability and Health	6.8	6.9	6.9
Council Tax Freeze Grant 2014/15	0.0	0.0	1.1
Local Welfare Provision	0.0	0.0	1.0
Returned Funding	0.0	0.2	0.0
Total Government Grant	163.5	146.9	126.3
Adjusted Settlement Funding Assessment	169.1	163.5	149.4*
Grant increase/-decrease (adjusted) - £m	(5.6)	(16.6)	(23.1)
Grant increase/-decrease (adjusted) - %	-3.3%	-10.1%	-15.5%

*Adjusted to include rolled in grants

Table 5 : Increase/(- Decrease) in Adjusted Government Grant Allocation					
	2011/12	2012/13	2013/14	2014/15	2015/16
Walsall	-10.4%	-7.6%	-0.9%*	-10.1%	-15.5%
Metropolitan District Average	-11.3%	-7.6%	-1.9%	-10.1%	-15.4%

*Comparisons nationally have been made on the change in grant funding excluding rolled in grants.

The table above, derived from Government data, shows that our final 2015/16 settlement of £126.272m represents a £23.1m or 15.5% reduction in funding over the adjusted 2014/15 settlement of £149.366m.

Council tax support grant replaced council tax benefit from April 2013. For 2013/14 Government announced a 10% reduction in the grant, equivalent to a £3.3m reduction for Walsall, and required authorities to adopt local schemes for implementation. Council approved that the reduction be managed by finding alternative savings in 2013/14 and 2014/15 and not to passport the cut to benefit claimants. Council on 12 January 2015 recommended for this scheme to continue with funding reduced to 75% for eligible working age customers.

Walsall has also received notification of its New Homes Bonus allocation for 2015/16 of £5,019,544. This is more than expected, and will be used to fund changes in savings following public consultation.

The council as part of its budget setting process, has had to identify options to meet this overall and significant reduced funding envelope.

Inflationary Pressures / Financing Options / Service Cost Pressures

The 2015/16 revenue budget includes £1.17m of inflationary (contractual) pressures.

In addition further growth totalling £5.3m (**Table 1**) have been identified to address key priorities and funding of essential cost pressures, for example, the revenue implications of the capital programme and pay and pension costs. Income targets have also been corrected in some areas.

Savings requirement

In order to set a balanced budget, and after a review of available resources from central Government grant and council tax, and taking into account additional known and likely pressures, a total revenue reduction of £29.2m is required in 2015/16.

This includes £19.93m as shown in table 6 below, £0.91m contractual inflation (netted off inflation shown in table 1) and £1.42m for other funding / base budget review. The movement in council tax requirement includes the proposed changes in council tax, council tax discount, and council tax reduction scheme, increasing funding by £6.94m.

Those savings requiring Executive approval to proceed were approved for consultation purposes by Cabinet on 29 October 2014. Further full year effect savings of £0.74m are included relating to decisions taken in relation to previous years savings. Details can be found in each portfolio cash limit in Section 5, and are summarised in **Table 6** below. The savings have enabled Cabinet to use available resources to target and protect priority services.

Table 6: Savings / efficiencies by Portfolio				
Portfolio	New Savings £m	Use of grant funding £m	FYE of Previous years £m	Total Savings £m
Finance & Communications	0.96	0.00	0.00	0.96
Children's Services	4.39	0.47	0.00	4.86
Community, Leisure & Culture	2.17	0.38	0.00	2.55
Environment & Transport	1.20	0.10	0.26	1.56
Health	0.00	0.00	0.00	0.00
Personnel & Business Support	1.38	0.00	0.00	1.38
Regeneration	1.49	0.02	0.48	1.99
Social Care	3.69	1.23	0.00	4.92
Capital Financing / Central	1.71	0.00	0.00	1.71
Total Savings / efficiencies	16.99	2.20	0.74	19.93

The £1.71m central savings relate to a senior management review, review of employee terms and condition, and reduction in capital financing costs which will not appear in the attached portfolio plans at Section 5.

Collection Fund

The collection fund is separate to the revenue general fund which accounts for income collected from council tax. In January of each financial year, an in-depth appraisal is undertaken to assess the estimated level of collection (as aggregated to include that relating to the current and previous years), the likely balance of the fund and to advise the precepting authorities (Fire and Police) of their share of the surplus/deficit to enable them to take this into account in their own budget calculations. The assessment undertaken in January 2015 revealed an estimated surplus of £0.505m.

Referendum

In recent years central Government has capped the level of council tax rises. Capping principles are determined on a year by year basis.

Since 2012/13, each authority is required to determine whether their council tax increase requires a referendum seeking the support of the local electorate. Schedule 5 of the Localism Act introduced a new chapter into the Local Government Finance Act 1992, making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons.

This would mean if a local authority seeks to raise its relevant basic amount of council tax by 2% or more for 2015/16, local people would have the right to keep council tax bills down through a binding referendum veto.

Levies and Precepts

Table 7 shows the levy to be made on Walsall Council by the West Midlands Passenger Transport Authority and the levy by the Environment Agency.

Final levies will not have any implications on final council tax levels following the change in the referendum criteria from 2014/15.

Table 7: Levies 2015/16				
Levy	2014/15 £	2015/16 £	Increase / (Decrease) £	Increase / (Decrease) %
WM PTA	13,601,528	12,849,678	(751,850)	(5.53)
Environment Agency	71,853	71,853	0	0
Total	13,673,381	12,921,531	(751,850)	(5.50)

Walsall's precepting authorities are the West Midlands Police and Crime Commissioner, and West Midlands Fire and Rescue Authorities, as shown in **Table 8** below.

]

Table 8: Precepts 2015/16				
Precepting Authority	2015/16 Amount £	Band D 2015/16 £	Band D 2014/15 £	Band D Increase %
WM Police and Crime Commissioner	6,941,467	106.55	104.47	1.99
WM Fire and Rescue	3,579,000	54.94	53.87	1.99
Total	10,520,467	161.49	158.34	1.99

Reserves

The council's strategy is to continue to demonstrate financial stability and ensure council and service wide financial pressures are well managed. The Chief Finance Officer (CFO) advises on this in accordance with best practice, professional opinion and the council's MTFS. The Government is reviewing the funding of local government, including central funding, and specific funding for services transferred for Public Health, which increases the financial risk to the council. Reserves as at 1 April 2015 are expected to be within the threshold of the MTFS requirement at a recommended level of £10.15m to cover this increased risk – prudent action to ensure we provide for risks in accordance with our financial strategy, including those relating to the new central Funding methodology and business rate volatility, as outlined in **Annex 3**.

In accordance with sections 25 – 27 of the Local Government Act 2003 and to comply with CIPFA guidance on local authority reserves and balances, the CFO is required to formally consider and report to members upon the robustness of the estimates used for the purpose of calculating the budget and the adequacy of reserves and balances in respect of the 2015/16 budget. This section of the report has been written by the council's CFO (Assistant Director of Finance), and deals with the requirements of the Act and professional guidance. Consideration of all these issues has been comprehensive and complex. **Annex 3** provides further information and signposts to the various activities, documents and other evidence that have contributed to the decision and declaration, and does not seek to reproduce them here.

Financial Risk and the Medium Term

The budget setting process includes a comprehensive financial risk assessment to determine key risks and their impact on the budget. Services also undertake risk assessments of their budgets by identifying risk factors, potential changes to service delivery and funding streams. This ensures that adequate budgetary provision is available to cover unforeseen future events. This successful approach has been in place for several years and is used to inform the level of earmarked and general reserves.

Managers are also required to deliver services within the available budget. Any known changes in service demand or costs arising from legislative or Government demands are identified and considered within the overall draft revenue budget as investment bids. The budgeted opening level of reserves is sufficient to cover the assessed financial exposure to the council. Any use of reserves in-year may require replenishment to ensure an opening general reserve required by the MTFS.

Included in the risk assessment is an analysis of the economy and pressures going forward. The economy has been subject to significant and rapid change. Funding remains uncertain beyond 2016/17. Inflation has been low, however we are already seeing an increase and some sectors are predicting a sharp increase. Bank rates are expected to remain low at 0.5%, until September 2016 when they are expected to be 1.0%.

3. Summary of the 2015/16 Capital Programme

The council has an asset portfolio of around £500m. Therefore managing and maintaining these assets is a key issue for the council to ensure they continue to be fit for purpose and their value is maintained. The capital programme is key to delivering the council's vision and priorities.

Due to the diverse nature of capital expenditure, each capital scheme impacts on residents in different ways according to their use of council facilities and services. The capital programme has been constructed within the principles outlined in our Capital Strategy, which was assessed as good by the former Government Office West Midlands (the highest category available). This document drives the construction and management of the capital programme. The strategy reflects and enables delivery of the council's vision and priorities and approved schemes must deliver that aim. It also requires the council to optimise successful partnership working for example through the Walsall Partnership, NHS Walsall, registered social landlords and regionally with other councils.

The 2015/16 capital programme totals £47.96m and is presented in two parts:

- Mainstream council funded programme (£25.45m) - funded through unsupported capital borrowing and capital receipts (**Table 10**). Of this £1.41m is identified for council wide schemes, including £0.35m match funding towards external schemes.
- Non-mainstream programme (£22.51m) - funded from capital grants (**Table 11**).

In addition, the Council's leasing programme for 2015/16 is £2.7m – revenue costs of which are funded from service revenue budgets (**Table 12**).

Capital resources will continue to be limited in the future inevitably placing more pressure on existing programmes. Future funding will be more reliant on the council's ability to secure capital receipts from sale of land and buildings or afford additional borrowing. A strategic review of assets is currently being undertaken as part of the 'Asset Management' project, which will inform the revision of the Capital Strategy and formulation of future years capital programmes.

Mainstream Programme: Funded from Walsall's own resources

Funding

The council's mainstream capital programme is normally funded from borrowing, capital receipts and the carry forward of unspent allocations from previous years.

Supported borrowing allocations allowed the council to borrow up to the amount of the allocation and Government provided an amount within Walsall's grant allocation to fund the cost of borrowing (debt charges). The settlement announced by the Government on 13 December 2010 stated that there would be no supported borrowing from 2011/12. Funding for schemes previously supported by borrowing are now provided by Government grant, however this is no longer separately identified.

As such borrowing going forward is required to be funded from council's own resources – generated through savings, and/or paid for via council tax. This is known as unsupported or Prudential borrowing. Councils are allowed to borrow in accordance with the Treasury Management Code of Practice. The current capital financing cash limit is forecast to be able to support £5.93m of additional unsupported borrowing to fund high priority items in 2015/16.

Capital receipt projections of £1.5m for 2015/16 are based on professional estimates of property colleagues. **Table 9** shows currently estimated resources to fund the mainstream capital programme for the three years from 2014/15.

Table 9 : Mainstream Capital Programme (Council funded)				
Category	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
General borrowing	5.20	4.67	4.67	4.67
Specific borrowing	0.73	0.73	0.73	0.73
Prudential borrowing – Active Living	14.97	1.24	0.00	0.00
Capital receipts projected	1.50	1.50	1.50	1.50
Anticipated Surplus Capital Receipts	1.28	0.00	0.00	0.00
Uncommitted 2014/15 underspends	0.34	0.00	0.00	0.00
Earmarked capital receipts	0.47	0.00	0.00	0.00
Use of reserves	0.96	0.30	0.29	0.29
Total Mainstream resources	25.45	8.44	7.19	7.19

Capital Schemes

For 2015/16, services were asked to review approved schemes in 2014/15 and the expected re-phasing or underspends to help fund future capital programmes. In addition, new bids were considered in line with the Capital Strategy and portfolio plans. Details can be found in each portfolio plan at Section 8, and are summarised in **Table 10** below.

Table 10: Mainstream Capital Programme 2015/16 by Portfolio (Council funded)				
Portfolio	Prior Year Approvals £m	Rolling Programme £m	New Allocations £m	Total Mainstream £m
Finance & Communications	0.00	0.00	0.00	0.00
Children's Services	0.90	0.00	0.00	0.90
Community, Leisure & Culture	15.14	0.06	1.22	16.42
Environment & Transport	0.00	2.30	0.99	3.29
Health	0.00	0.00	0.00	0.00
Personnel & Business Support	0.00	0.00	0.13	0.13
Regeneration	1.75	0.00	0.40	2.15
Social Care	0.00	1.15	0.00	1.15
Council Wide	0.00	1.41	0.00	1.41
Total Mainstream Capital	17.79	4.92	2.74	25.45

Schemes are recommended to go ahead as they represent council priorities, for a number of reasons:

- Address policy including;
 - ✓ Supporting businesses to thrive and supporting local people into work
 - ✓ Improving health including wellbeing and independence for older people
 - ✓ Creating safe, sustainable and inclusive communities
 - ✓ Improving safeguarding, learning and the life chances for children and young people
- Return on investment / Asset management - schemes that unlock external investment in the Borough; drive out long term revenue savings; support the strengthening of the borough's economy; deliver an efficient and effective operational estate linked to the asset management plan; and invests in assets to grow future income streams for the council.
- Capital insurance reserves: to protect the council's position, for which funding is available should the need arise to draw it down.
- Priority schemes for which external funding can be drawn down and which may or may not require a contribution from the council's own resources.

All capital schemes were reviewed by the Asset Strategy Group and corporate management team prior to formal approval by Cabinet for recommendation to Council. Whilst the overall demand for resources usually exceeds those available, schemes deemed to be a high priority in terms of reflecting the council's priorities can be funded, representing a balanced programme for the next three years.

Capital receipts projections are based on professional estimates of property colleagues. Any additional receipts received in year (excluding those earmarked for Smarter Workplaces, Bentley Employability and Learning Hub and Rushall School) will be considered to fund projects identified on the reserve list of schemes as shown in each portfolio plan at Section 5.

Externally Funded (Non-Mainstream) Programme

Full details of externally funded schemes can be found in each portfolio plan in Section 8, and are summarised in **Table 11** below. Many of these are indicative allocations pending formal notification from the respective funding bodies, and the capital programme will be adjusted in year to reflect known allocations. Certain schemes can go ahead as these are either fully funded by grant or have the necessary mainstream match funding already approved. If grant or mainstream funding is unavailable the schemes cannot go ahead.

Table 11: Externally Funded Capital Programme 2015/16 by Portfolio			
Portfolio	Government Funding £m	Third Party / External £m	Total Funding £m
Finance & Communications	0.00	0.00	0.00
Children's Services	7.75	0.00	7.75
Community, Leisure & Culture	0.00	3.73	3.73
Environment & Transport	2.41	0.00	2.41
Health	0.00	0.00	0.00
Personnel & Business Support	0.00	0.00	0.00
Regeneration	6.19	0.00	6.19
Social Care	2.43	0.00	2.43
Total Externally Funded Capital	18.78	3.73	22.51

Leasing Programme

The 2015/16 leasing programme totals £2.7m, summarised in **Table 12** below. Leasing minimises the call on capital resources by spreading the acquisition cost over some years. Revenue funds are needed to finance operating leases, which are included in the revenue budget.

Table 12 : Leasing Programme 2015/16 by Portfolio				
Portfolio	Asset Cost £m	New Leases £m	Current Leases £m	Total Leasing £m
Finance & Communications	0.00	0.00	0.00	0.00
Children's Services	0.00	0.00	0.00	0.00
Community, Leisure & Culture	0.59	0.16	0.00	0.16
Environment & Transport	2.11	0.30	1.02	1.32
Health	0.00	0.00	0.00	0.00
Personnel & Business Support	0.00	0.00	0.00	0.00
Regeneration	0.00	0.00	0.00	0.00
Social Care	0.00	0.00	0.00	0.00
Capital Financing / Central	0.00	0.00	0.00	0.00
Total Leasing Programme	2.70	0.46	1.02	1.48

In addition to the above, there is £2.56m uncommitted from 2014/15 for the purchase of refuse vehicles, which will now be purchased in 2015/16. The revenue cost of these is included in the current leases figure above.

4. Medium term financial outlook – 2016/17 plus

The council has a longstanding commitment to medium term financial planning. In conjunction with work ongoing to revise and enhance the Vision, we are ensuring that resources are available to deliver our aims and objectives and the priorities that flow from that.

Revenue

Key sources of funding, in particular fees and charges, Government grant and specific grant are assessed on a regular basis, along with emerging cost pressures. The focus is on forward planning to ensure financial risk is managed and mitigated and all known liabilities are funded, including the cost of capital investment decisions.

The future financial environment continues to be challenging for councils. We are uncertain on the direct funding implications for the years beyond 2016/17, although assumptions have been made in our medium term financial plan around overall reductions to Government spending for this period. One of the major thrusts has been that local authorities can now keep a share of the business rates generated within the area rather than pooling for national redistribution, however this benefit is limited by other parts of the funding mechanism, such as Government top slicing of funds to meet new burdens, safety net authorities, national capitalisation targets, etc.

Beyond 2016/17, funding allocations remain highly uncertain. The only certainty is that funding will decrease - the question is by how much? Various forecasts exist, but we are anticipating reductions of a further 9.9% for 2016/17, 6.3% for 2017/18, and £6.3% for 2018/19.

The medium term outlook is currently being re-assessed, with a number of planning scenarios available. The most up to date information suggests savings of c86m will be required over the next four years beyond 2015/16.

Work is underway to establish a Budget Framework to deliver this level of savings.

During 2014/15, services have been working on options to meet this reduced funding, whilst maintaining and optimising as far as possible, front line services to the public. Portfolio plans at Section 5 outline indicative cash limits for the next 5 years, summarised in **Table 13** below:

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	68.08	61.93	57.80	54.71	50.58
Net Portfolio Cash Limits	188.37	175.14	162.73	154.83	142.08
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 *	(108.32)	(92.97)	(78.36)	(68.32)	(53.59)
Council Tax Requirement	93.70	95.57	97.47	99.41	101.39

**Central budgets includes direct Government funding and business rates.*

Capital

Capital programme resources are limited. The financing for capital expenditure on new investments is heavily reliant on grants and other funding received from the Government. The Government is clearly, in the medium term, planning to significantly reduce government financed capital spending.

The success that Walsall has had in securing a wide range of external funding may be harder to achieve as many of the sources of funding may stop or reduce. Government has also published its intention for more pooling of funds regionally which will require greater collaborative working between Local Authorities.

The remaining flexibility is currently through capital receipts and borrowing. Capital receipts projections however are limited, and fully dependent on when council assets are sold. Earmarking of capital receipts beyond what we are statutorily obliged to do is not recommended without overall strategic consideration of the entire capital programme. Use of unsupported borrowing incurs ongoing revenue debt charges and impacts on council tax payers.

Capital allocations and grants from Government and other sources have not yet been provided, therefore best estimates have been used, based on published information to date. Any further reduction in funding will require amendments to the draft programme.

Despite the above difficulties, significant investment is planned and funded over the four years 2015/16 to 2018/19 and the draft capital programme is balanced for 2015/16. The council is able to fund all existing commitments and has, through prioritisation of bids and resources and sound treasury management, been able to support new investment into key services, and areas of capital investment need.

The details of proposed capital schemes beyond 2015/16 are shown in each portfolio plan in section 5. **Table 14** shows the draft capital programme against predicted available resources. **Table 15** summarises the draft capital programme by portfolio.

Table 14 : Draft Capital Programme				
<u>Anticipated Capital Resources</u>	<u>2015/16</u> <u>£m</u>	<u>2016/17</u> <u>£m</u>	<u>2017/18</u> <u>£m</u>	<u>2018/19</u> <u>£m</u>
Council resources as shown in table 9	25.45	8.44	7.19	7.19
External Funding	22.51	14.94	11.75	11.54
<i>Total capital resources</i>	<i>47.96</i>	<i>23.38</i>	<i>18.94</i>	<i>18.73</i>
<u>Capital Bids</u>				
Prior Year Approvals	17.79	1.29	0.00	0.00
Rolling Programme Schemes	3.51	4.69	4.66	4.66
New capital bids	2.74	1.73	1.45	1.42
Council wide bids	1.41	1.25	1.00	1.00
<i>Total council funded schemes</i>	<i>25.45</i>	<i>8.96</i>	<i>7.11</i>	<i>7.08</i>
Externally funded schemes	22.51	14.94	11.75	11.54
Total draft capital programme	47.96	23.90	18.86	18.62
Funding shortfall (surplus)	0.00	0.52	(0.08)	(0.11)

Table 15 : Draft Capital Programme by Portfolio				
Portfolio	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Finance & Communications	0.00	0.00	0.00	0.00
Children's Services	8.65	7.97	7.97	7.97
Community, Leisure & Culture	20.15	4.47	0.04	0.04
Environment & Transport	5.70	5.28	5.22	5.01
Health	0.00	0.00	0.00	0.00
Personnel & Business Support	0.13	0.21	0.03	0.00
Regeneration	8.34	1.42	1.32	1.32
Social Care	3.58	3.30	3.28	3.28
Council Wide schemes	1.41	1.25	1.00	1.00
Draft Capital Programme	47.96	23.90	18.86	18.62

5. Portfolio Plans – 2015/16 onwards

5.1 Finance and Communications (Leader of the Council) Portfolio Plan

Summary of services within the portfolio

Communications

- 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)

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

Portfolio Objectives / Outcomes / Purpose

Communications

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

Finance

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 with the services they require.

Objectives for support services

We are taking a 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

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.

Financial summary

Table 16 details the revenue cash limits for the Finance & Communications (Leader of the Council) Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are shown in table 17.

Table 16: Finance & Communications Portfolio Cash limit 2015/16 – 2018/19				
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	5.446	4.479	4.208	3.764
Base budget adjustment	(0.005)	0.000	0.000	0.000
Less: Savings / efficiencies – <i>see table 17 below</i>	(0.962)	(0.271)	(0.165)	(0.206)
Less: reductions still to be finalised	0.000	0.000	(0.279)	(0.131)
Revised cash limit	4.479	4.208	3.764	3.427

The above cash limit represents the net budget for the portfolio, which includes central support service recharge income of £5.954m.

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

There are no specific capital schemes proposed for this portfolio. However, funding for self insured property damage and risk management will be considered for funding from a central reserve for essential works as they arise.

Revenue savings and efficiencies

Table 17 details the proposed revenue savings and efficiencies for the Finance & Communications (Leader of the Council) Portfolio for both 2015/16 and 2016/17.

Table 17 : Savings and efficiencies			
Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
1	Communications – reduce the corporate communications support to the organisation, including review of income generation.	0.164	
2	Finance – review and restructure of Finance Accountancy and Financial Administration services	0.692	0.171
3	Finance – restructure the risk and insurance service		0.100
7	Finance – reduce external audit fees	0.035	
	Council Wide – alternate funding for recruitability	0.048	
103	Corporate Management Team – delete support post and reduction in staffing and non staffing budget in the Chief Executive's office	0.023	
	Total	0.962	0.271

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

5.2 Children's Services Portfolio Plan

Summary of services within the portfolio

Access & Achievement

Education Services

- School Improvement
- Access & Attendance and Education Welfare
- Virtual School for Looked After Children
- Integrated Behaviour Support

Youth Support Services

- Information Advice and Guidance
- Targeted Youth Support
- Youth Justice Service
- Positive Activities for young people
- Active Involvement
- Education Business Partnership
- Teenage Pregnancy, Prevention & Support
- Parent Partnership Service

Early Help, Commissioning & Workforce Development

Early Help

- Early Years
- Children's Centres
- Intensive Family Support

Workforce Development

- Planning, Training & Development
- Recruitment & Retention

Commissioning

- Children's Commissioning Activity
- Contract Management
- Commissioning Intelligence & Monitoring
- School Transport Co-ordination

Specialist Children's Services

Provider Services

- Adoption Service
- Fostering Service
- Residential Care

Looked After Children and Care Leavers

- Contact and Assessment Service
- CAMHS (located in health - matrix managed)
- Sufficiency and Placement Commissioning
- Looked After Children Social Work teams
- Care Leavers Service

Safeguarding

- Independent Reviewing Officers
- Safeguarding Board
- Child Death Overview Panel

Initial Response Service

- Multi Agency Screening Team (MAST)
- Initial Response Teams
- Vulnerable Children Social Workers

Quality Assurance, Performance Information and Management	<u>Special Educational Needs and Disabilities (SEND)</u>
	<ul style="list-style-type: none"> • Disability Social Workers • Education Psychologist • SEN Assessment • SEN Advisory
	<u>Directorate and Partnership Performance Support</u>
	<ul style="list-style-type: none"> • Performance Management • Management Information • Quality Assurance • Statutory Returns • Systems Development

Portfolio Objectives / Outcomes / Purpose

We believe that all children and young people in Walsall have the right to be healthy, happy and safe, to be valued and respected and to have high aspirations for a successful present and to achieve their potential in the future. Our ambition is to be *‘Better Together For Children’* by working in partnership to offer the very best standard of help, support, education, care and protection for children and young people throughout their journey through our services.

Our Key Priorities agreed with the Children & Young People’s Partnership:-

- Supporting the most vulnerable families to provide the best start in life for children.
- Ensuring that children maintain a healthy weight.
- Reducing the harm caused by child sexual exploitation including children missing from school, care and home.
- Greater diversity of choice for learning, training and employment for young people.
- Supporting the transition into adulthood for children and young people with Special Educational Needs or Disabilities by creating single ‘through life’ plans.
- Promoting pride in the achievements of the children and young people in Walsall.
- Better communication between frontline staff and all agencies that support children and families
- Reducing the impact of child poverty

Our Key Priorities linked to the Education Improvement Plan:-

- Work to ensure all Walsall schools are good or outstanding.
- Improve the quality of teaching and learning.
- Narrow the gap for those children who are vulnerable to underachievement and potential exclusion.
- Ensure that all children make as much progress as they can and they achieve standards that are in line with national expectations.
- Support the achievement of children within and between educational phases.
- Work better together to improve children’s behaviour, care, safeguarding and attendance to maximise their learning.

- Improve schools' and pupil achievement through high quality school to school improvement support.
- Strengthen school leadership and management.
- Strengthen school governance.

Financial summary

Table 18 details the revenue cash limits for the Children's Services Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are shown in table 19.

Table 18 : Children's Services Portfolio Cash limit 2015/16 – 2018/19				
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	62.071	57.130	55.102	52.214
Base budget adjustment	(1.048)	0.000	0.000	0.000
Add: Service cost pressure – reduction in education services grant	0.493	0.000	0.000	0.000
Less: Savings / efficiencies – <i>see table 19 below</i>	(4.386)	(2.028)	(0.880)	(0.520)
Less: reductions still to be finalised	0.000	0.000	(2.008)	(0.965)
Revised cash limit	57.130	55.102	52.214	50.729

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

Capital investment for the Children's Services Portfolio over the next four years is £32.556m. Full details of capital investment are shown in table 20.

2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
8.649	7.969	7.969	7.969	32.556

Revenue savings and efficiencies

Table 19 details the revenue savings and efficiencies for the Children's Services Portfolio for both 2015/16 and 2016/17.

Table 19 : Savings and efficiencies			
Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
8	Delete non pay management & admin budgets	0.205	
9	Early Help – savings from the redesign of Early Help and intensive family support and further alignment of Early Help and the Troubled Families Programme	0.171	
10	Outcomes & Quality – deliver the bookstart programme differently	0.032	
11	Children with Disabilities Service – move the ‘buddies’ service from externally purchased to in house provision	0.036	
12	Safeguarding – remove some financial support to some domestic violence support providers (Policy)		0.120
13	Children’s Specialist Services – reduce by 25% over 4 years and remodel the delivery of short breaks for children with disabilities / special needs. This will deliver savings totalling £460k by 2018/19 (Policy)	0.050	0.150
14	Looked after Children – start using internal Children’s Centre’s staff and locations to provide ‘contact’ services and reduce externally commissioned work.	0.065	0.070
15	Vulnerable Children – reduce premise costs by 50%		0.038
16	Admin Review – savings from reduction and reshaping of administrative support staff	0.300	
17	Children’s taxi budget – reduce budget and promote independent travel where possible (Policy)	0.067	
18	Internal foster care - reduce budget for new furniture for foster carers	0.004	
19	Reduce resource for additional requirements to support placements in s23 of the Care Act	0.020	
20	Children’s Residential Services – reduce external training budget	0.020	
21	Children’s Residential Services – reduce Bluebells repair and maintenance budget	0.004	
22	Children’s Centre Services – reduction in children’s centres to align service with need. Phase 1 sees a reduction of 5 centres and Phase 2 (from Sept 15) a further 7 centres will close (Policy)	1.350	0.500
23	Educational Psychologists – reduce catering and reference books budget	0.001	
24	School Improvement – delete vacant post	0.070	
25	School Access – reduce non traded service (Policy)		0.089
26	Virtual School – to deliver the service differently	0.063	
27	Children’s SEN School Assisted Transport and School Bus Passes (Policy)	0.020	0.075
28	Information Services – reduce team leader capacity (from 2 to 1) and reinvest in front line support to schools to increase potential for income generated from traded services	0.097	
29	Review of Performance and Outcomes team	0.025	

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
30	Youth Services – Information, Advice and Guidance - focus on work with vulnerable groups and young people most at risk of becoming NEET (not in Education, Employment or Training). We are able to meet minimum statutory requirements, monitoring and reporting on destination outcomes and providing support to looked after children, care leavers, young people with learning disabilities and to provide support to other vulnerable groups (Policy)	1.000	0.040
31	Youth Services - Targeted Youth Work – reduce and reshape the budget for direct and commissioned delivery of targeted youth work (Policy)	0.490	0.580
32	Youth Services – Targeted Youth support. Year 1 to end contracts with Aspire counselling and Sandwell Young carers, and reduce contract with NACRO. Year 2 to review Child Sexual Exploitation contract. (Policy)	0.086	0.054
33	Youth Services – youth opinion unite team review and reshape service delivery	0.020	
34	Youth Services – redesign of administrative function		0.040
35	Youth Services – Review Parent Partnership Service ensuring appropriate alignments to other SEND activity (Policy)	0.020	0.010
36	Youth Services – reduce costs of teenage pregnancy support and work with Public Health to consider use of related transformation monies (Policy)		0.030
37	Youth Services – reduce funding of admission and pupil place planning team. This equates to 11.4% reduction in revenue of school admissions team		0.031
38	Children's Commissioning – reduce staff	0.060	
39	Early Years team – deliver the toy library service in a different way and delete one post	0.033	
40	Area Family Support Teams – reduce budgets, linking families in need of financial support for furniture and food to the council's Crisis Support service and other community resources.	0.015	0.065
41	CAMHS – withdraw funding for psychologist working in schools	0.040	
42	Safeguarding – reduce postage	0.003	
43	Safeguarding – reduce fees to voluntary bodies	0.014	
44	Safeguarding – reduce support to family centres		0.068
45	Specialist Services Management – reduce travel allowances budget	0.005	
46	Workforce Development – reduce workforce development to be fully traded		0.068
	Total	4.386	2.028

Where savings options are denoted as 'policy' changes in the above table, these will be supported by further details as shown on the following pages.

Capital investment

Table 20 details the capital investment for the Children's Services Portfolio over the next four years.

Table 20: Children's Services Portfolio Capital Investment 2015/16 – 2018/19					
Capital Project	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Source of funding
Social ICT Systems Review & Enhancement	0.550				Council
Rushall Primary / EDC alterations	0.350				Council
Basic Need	4.393	4.613	4.613	4.613	External
Devolved Formula Capital	0.571	0.571	0.571	0.571	External
Capital Maintenance	2.785	2.785	2.785	2.785	External
Total	8.649	7.969	7.969	7.969	

In addition to the above, there is also the proposed strategic scheme for the review of the Family Contact Centre, to be funded from a combination of earmarked capital receipts and council funding. This will be subject to a separate business case to be reported to Cabinet and will be included as a variation to the capital programme in year when approved. Where practical, a payback agreement should be implemented, whereby projects should, wherever possible be self funded over the life of the project and beyond.

5.3 Community, Leisure and Culture Portfolio Plan

Summary of services within the portfolio

- Area Partnerships and Community Development
- Bereavement & Registration - Streetly Crematorium, 8 Cemeteries (Bentley, Bloxwich, James Bridge, North Walsall, Ryecroft, Streetly, Willenhall Lawn and Wood Street Cemetery), Registration service (Births, deaths and marriages), shared Black Country Coroner service (with Sandwell, Dudley and Wolverhampton), Post Mortem service through Walsall Manor Hospital
- Sport & Leisure - Oak Park Leisure Centre, Bloxwich Leisure Centre, Gala Baths, Darlaston Swimming Pool, Sneyd Watersports Centre, Walsall (Aldridge) Airport Environmental & Outdoor Education Centre, Sports & Health Development, Town Hall Management (Walsall & Darlaston), Development and Box Office, Behavioural Improvement team
- Catering - Management and delivery of the schools' catering service to 39 schools across the Borough, corporate catering/committee room teas, the Town Hall Restaurant and the 2nd floor Civic Centre café
- Technical, Safety & Admin - Overall health and safety management within Leisure & Community Health, administrative and business support
- Green Spaces - Management and development of parks, open spaces and local nature reserves, play areas, urban forestry, allotments and community gardens.
- Grounds Maintenance: grounds, maintenance of parks, highways and public open spaces including tree planting and maintenance, cemetery maintenance and burials.
- Libraries - Operating through a network of 16 branch libraries, mobile library services and a school's library support service
- Museum services - Walsall Leather Museum and Walsall Museum
- Archive and local history services
- Arts services - The New Art Gallery, Forest Arts centre and music service & the Creative Development Team
- Adult and Community Learning - Apprenticeship Training and Training to support local Companies: through Walsall Adult and Community College (WACC)
- Regulatory Services - Trading Standards and Licensing, Environmental Health & Community Safety

Portfolio Objectives/Outcomes/Purpose

The objective for communities is for devolution through an area partnership model, and to create and sustain a vibrant voluntary and community sector. The outcomes we will achieve for communities and neighbourhoods are that:

- Communities will be more cohesive
- The voluntary sector will be further developed
- Residents will feel they can influence decisions locally

We will address anti-social behaviour through more integrated work with partners including the police, trade associations and the third sector.

The Leisure and Community Health Service seeks to maintain and improve the health and well-being of all Walsall's residents. This is delivered through the provision of a range of indoor and outdoor sports, leisure and recreation opportunities, the delivery of nutritional school meals, and ensuring the availability of sports and health development, outdoor education and behavioural improvement.

The objective is to get more people, more active, more often, becoming healthier, being happier whilst also achieving a variety of health improvements such as weight loss, smoking cessation, less stress and fewer days off sick. To help deliver this objective we will pilot a free school meals service for 8-11 year old in areas where deprivation is highest.

We will continue to promote a green environment throughout the borough and green spaces, particularly parks, will be well maintained and clean.

We will work with the third sector on a Trust-based approach to ensure our parks, green spaces and leisure facilities have a bright future.

Libraries Heritage and Arts will offer residents of all ages a wide range of facilities and cultural experiences to use and experience and help to make Walsall a place that they can enjoy and be proud to live in. Services will also offer children and young people opportunities to learn, discover and develop to fulfil their full potential.

In line with the priority to support business, libraries will continue to offer access to up to date business information and encourage new business by offering small business start up packs. Through free access to computers and basic skills courses they will help people develop their learning and skills to help them into employment.

In line with the council's commitment to improve residents' prospects to secure and retain work, manage their own health and wellbeing and be active citizens, the College offers a range of courses that address skills for life, skills for employment, and skills for active citizenship as well as Apprenticeship training designed and delivered in collaboration with local employers.

Financial summary

Table 21 details the revenue cash limits for the Community, Leisure and Culture Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are shown in table 22.

Table 21: Community, Leisure & Culture Portfolio Cash limit 2015/16 – 2018/19				
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	20.803	18.253	17.452	16.648
Base budget adjustment	(0.380)	(0.075)	0.000	0.000
Less: Savings / efficiencies - <i>see table 22 below</i>	(2.170)	(0.726)	(0.212)	(0.128)
Less: reductions still to be finalised	0.000	0.000	(0.592)	(0.285)
Revised cash limit	18.253	17.452	16.648	16.235

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

Capital investment for the Community, Leisure & Culture Portfolio over the next four years is £24.709m. Full details of capital investment are shown in table 23.

2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total
20.156	4.473	0.040	0.040	24.709

Revenue savings and efficiencies

Table 22 details the revenue saving and efficiencies for the Community, Leisure & Culture Portfolio for both 2015/16 and 2016/17.

Table 22 : Savings and efficiencies				
Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m	
47	Area Partnerships – removal of communications budget	0.020		
48	Area Partnerships – removal of 4 Support Officer posts	0.107		
49	Area Partnerships – removal of Area Partnerships Project Officer post	0.047		
50	Community Development – deletion of manager post	0.050		
51	Community Development – reduction in support to Community Associations – removal of building management budgets which support 8 CA's in council owned buildings and a 50% reduction in community grants to voluntary and community sector organisations (Policy) – Removed following budget consultation			
52	Regulatory Services – loss of 2 Trading Standards posts	0.061		
53	Regulatory Services – 65% reduction in administrative support	0.110		
54	Regulatory Services – restructure of Environmental Health, Enforcement and Community Safety Officer roles		0.120	
55	Regulatory Services – deletion of posts in Environmental Health	0.030	0.030	
56	Bereavement & Registration – increase fees and charges by 3%	0.090	0.091	
57	Allotments – 50% reduction in grants to allotment associations and similar (Policy)	0.014		
58	Green spaces – Green Space Management, Countryside Management and Park Rangers Activities – reduction, including the deletion of posts, cessation of events such as bonfires, easter egg hunts, fun days, loss of green flag parks status, reduction in parks repairs and maintenance, reduction in materials etc (Policy) Reduced saving from £362,708 previously proposed, following budget consultation. Revised policy template attached.	0.135		

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
59	Grounds Maintenance – reduce tractor mowing areas resulting in longer grass where there is no play provision, reduce staffing at Arboretum, cease bedding plants, reduce grass cutting, and reduction in posts (Policy)	0.524	
60	Tree Management / Urban Forestry – reduction in posts and deletion of new tree budget (Policy)	0.136	
61	Catering – remove subsidy to town hall restaurant	0.004	0.004
62	Sports & Leisure – cease outdoor adventure service (Policy). Alternative saving now identified for operational savings of £48.5k in 2015/16, with the remainder from one off use of reserves. Full £97k to be made from 2016/17.	0.097	
63	Sport & Leisure – increase leisure centre income by 3% from additional usage		0.017
64	Creative Development Team – restructure of team	0.086	
65	Libraries – closure of 5 libraries in 2015/16 (Beechdale, Pheasey, South Walsall, Streetly, Walsall Wood) and 3 in 2016/17 (Blakenall, New Invention, Rushall) (Policy). Deferred for 3 months	0.385	0.181
66	Local History Centre – reduction of service to meet statutory requirements only (Policy)	0.069	
67	Museums – closure of Walsall Museum (Policy)	0.070	
68	New Art Gallery – deletion of Head of Collections post and replacing it with Collections Curator	0.015	
69	New Art Gallery – reduce winter closing hours by closing 1 hour earlier for 20 weeks between Tuesday and Friday (Policy). Alternate saving now identified - to review operational staffing costs, following budget consultation.	0.005	
70	New Art Gallery – reduction in maintenance budget	0.005	
71	Forest Arts – reduce contracts for music teachers, reduce loan stock of musical instruments, increase ticket process, and reduce marketing	0.027	
72	Forest Arts – use of alternative funding for festive decorations	0.039	
73	Forest Arts – school music price increase	0.015	
74	Walsall Adult & Community College – reduce the training budget for Council staff (NVQ assessment centre)	0.028	0.017
75	Neighbourhood wide review of community activity		0.266
	Total	2.170	0.726

Where savings options are denoted as ‘policy’ changes in the above table, these will be supported by further details as shown on the following pages.

Capital investment

Table 23 details the capital investment for the Community, Leisure & Culture Portfolio over the next four years.

Table 23: Community, Leisure & Culture Portfolio Capital Investment 2015/16 – 2018/19					
Capital Project	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Source of funding
Libraries Universal Digital Offer – to enhance technology	0.055	0.055			Council
Active Living – Oak Park & Bloxwich Leisure Centres	14.970	1.239			Council
Active Living – Oak Park & Bloxwich Leisure Centres	1.562	0.129			External
Bentley Employability and Learning Hub <i>(as approved by Cabinet on 29 October 2014)</i>	0.115				Council
Pro-active Memorial Safety	0.060	0.050	0.040	0.040	Council
Leamore Park additional fencing	0.014				Council
A Single Library Management System	0.210				Council
Walsall Gala Baths refurbishment	1.000				Council
Heritage Centre for Walsall		3.000			External (with match funded element)
Aldridge Airport – Walsall Country Park initiative, including redevelopment of the Top Hanger	2.000				External (with match funded element)
Beacon Lodge, Community Activity Centre	0.020				External (with match funded element)
Barr Beacon Event Arena	0.020				External (with match funded element)
Allotments & Community Gardens	0.005				External (with match funded element)
Outdoor fitness equipment	0.025				External (with match funded element)
Forest Arts Centre hall conversion	0.100				External (with match funded element)
Total	20.156	4.473	0.040	0.040	

A provision has also been set aside for match funding where there is a potential to gain external funding to contribute to a scheme. The following schemes are forecast, dependent on agreement from the external funding body:

- Heritage centre for Walsall
- New Art Gallery building maintenance
- Walsall Arboretum Extension resurfacing of footway link from car park
- Aldridge Airport resurfacing of access road and car park
- Beacon Lodge community activity centre
- Barr Beacon events arena

- Allotments and community gardens
- Outdoor fitness equipment
- Forest Arts Centre hall conversion

A reserve list of schemes is also identified to start should funds become available in year. The following schemes are forecast :

- Willenhall Lawn Cemetery extension
- Local History Centre upgrade of computers and equipment
- Darlaston Swimming Pool refurbishment
- Walsall country park
- Security improvement programme

5.4 Environment and Transport Portfolio Plan

Summary of services within the portfolio

- Waste management and cleansing: domestic waste collection including bulky collections, trade waste collections, kerbside garden waste collection, dry recycling collections, education initiatives, waste disposal, street cleansing including town centre gold standard and public conveniences' cleansing.
- Fleet Services: management of council vehicles, MOT/garage facilities
- Policy and Performance: management & administration, policy improvements and initiatives, performance review and customer consultation
- Engineering & Transportation provides a range of statutory and non-statutory services and is made up of several teams grouped within the two groups of Highways and Environment and Road Traffic Network.

Portfolio Objectives/Outcomes/Purpose

Transport services make a vital contribution to the local economy and serve as an important catalyst to aid its recovery. They are essential to enable efficient travel around the borough in a way that is both safe and convenient. Pollution control is vital to the quality of life of residents in general and to their health. Close coordination between this and traffic management is essential due to the impact of road traffic noise and air quality within the borough.

- We will continue to deal effectively with the poor condition of many of the Borough's roads and in so doing provide a durable solution which will help avoid more costly repairs in the longer term
- We will review town centre parking to balance the needs of visitors, traders and residents
- We will ensure the focus on road safety and, working with schools, ensure sustainable methods of travel assisting in meeting the health objectives
- We will continue the successful trials to provide more energy efficient street lighting without compromising on road safety.
- We will continue to manage traffic across the borough in an efficient manner to minimise congestion
- We will take enforcement action against double yellow parking outside schools and fine drivers who use bus lanes illegally
- We will continue the popular and successful household waste collection service and identify new ways to improve further our already impressive recycling rates.
- We will continue to promote a clean environment throughout the borough.

The outcomes we will achieve are that streets will be well maintained and clean, and residents will continue to receive an excellent residual waste collection service and be able to recycle waste in line with national expectations.

Financial summary

Table 24 details the revenue cash limits for the Environment & Transport Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are shown in table 25.

Table 24: Environment & Transport Portfolio Cash limit 2015/16 – 2018/19				
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	34.025	32.734	30.620	29.227
Base budget adjustment	(0.354)	(0.349)	0.000	0.000
Add: Service cost pressures – increase in waste arisings, waste education team	0.265	0.000	0.000	0.000
Less: Savings / efficiencies - <i>see table 25 below</i>	(1.202)	(1.765)	(0.180)	(0.208)
Less: reductions still to be finalised	0.000	0.000	(1.213)	(0.586)
Revised cash limit	32.734	30.620	29.227	28.433

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

Capital investment for Environment & Transport Portfolio over the next four years is £21.211m. Full details of capital investment are shown in table 26.

2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total
5.703	5.282	5.215	5.011	21.211

Revenue savings and efficiencies

Table 25 details the revenue saving and efficiencies for Environment & Transport Portfolio for both 2015/16 and 2016/17.

Table 25 : Savings and efficiencies			
Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
76	Willenhall Lane Depot - Reduction in property related costs	0.077	
77	Household Waste Recycling Centre – reduce opening hours to 9am – 5pm and close one additional day at each site per week (Policy)	0.098	
78	Waste Collection (Residual) – amend frequency of residual waste collections from weekly to fortnightly (Policy)		0.532
79	Waste Collection (Garden) – operate for 6 months only between April and September (currently 8 months) (Policy)	0.140	
80	Waste Collection (Garden) – introduce charges for garden waste collection service (Policy). Removed following budget consultation.		

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
81	Waste Disposal – reduced costs from the anticipated reduction in waste arisings from proposed changes to waste collection services		0.290
82	Street Cleansing – reduction in 15 front line posts across the town centre and district areas. This would involve the ceasing of the Walsall town centre Gold Standard and moving to a mobile on demand service basis. The frequency of road sweeping will reduce from fortnightly to monthly, district centres changed from fortnightly to 3-4 weekly, barrow routes reduced, graffiti removal and hot washing reduced (Policy). Reduced saving from £477,732 previously proposed, following budget consultation.	0.227	
83	Public Conveniences – closure of Pelsall toilets (Policy)	0.012	
84	Fleet Services – reduced vehicles based on service changes outlined above	0.146	0.248
85	Mgmt & Admin – reduction in administration staff	0.026	
86	Urban Traffic Control – shared service with Black Country boroughs	0.040	
87	Highways Maintenance – reduce highways maintenance budget through improved efficiencies (Policy)	0.050	
88	Highways Maintenance – reduce reactive maintenance (Policy)		0.180
89	Highways Maintenance – replacement of revenue funding with capital for some elements of highways maintenance	0.100	0.350
90	Street Nameplates – reduced replacement of road name plates (Policy)	0.010	
91	Minor Improvements – alternate funding for minor improvements e.g. junction improvements	0.040	
92	Parking enforcement – efficiency savings	0.040	
93	Lighting active management – reduce energy costs following Invest to Save invested in LED technology	0.010	
94	Road Safety – more effective use of various existing funding regimes to deliver the road safety service	0.035	
95	Parking Services – increase in charges for staff parking and town centre business (Policy)	0.030	
96	Parking Services – introduction of nominal car parking charge of £1 for 4 hours to assist with ongoing car park maintenance charges in District Centres (Policy). Removed following budget consultation – as reported to Cabinet on 17 December 2014.		
97	Car Parking – reduce maintenance of car parks	0.010	
98	Engineering & Transport – staffing reorganisation	0.025	
99	Highway Development Control – non filling of vacancy	0.045	
100	Drainage & Streams – reduced maintenance. Year 1 is a pilot scheme (Policy)	0.018	0.072
101	Road Markings – reduced maintenance. Year 1 is a pilot scheme (Policy). Alternate saving identified from general efficiencies.	0.007	0.029

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
102	Traffic Signs – reduced maintenance. Year 1 is a pilot scheme (Policy)	0.016	0.064
	Total	1.202	1.765

Where draft savings options are denoted as ‘policy’ changes in the above table, these will be supported by further details as shown on the following pages.

Capital investment

Table 26 details the capital investment for Environment & Transport Portfolio over the next four years.

Table 26: Environment & Transport Portfolio Capital Investment 2015/16 – 2018/19					
Capital Project	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Source of funding
Public Lighting – invest to save	0.250	0.250	0.250	0.250	Council
Highway Maintenance Programme	1.900	2.100	2.100	2.100	Council
Additional highways maintenance – alternate funding from revenue	0.100	0.450	0.450	0.450	Council
LSVT Retained Housing Land	0.050	0.050	0.050	0.050	Council
Mayrise System – mobile working	0.138	0.018	0.018	0.018	Council
Traffic Signals – replacement of obsolete control equipment	0.200	0.200	0.200	0.200	Council
Traffic Signals – Conversion to LED signals	0.650				Council
LTP Highway Maintenance	2.415	2.214	2.147	1.943	External
Total	5.703	5.282	5.215	5.011	

In addition to the above, there is also the proposed strategic scheme for Street Lighting invest to save to replace all outstanding street lights to LED operation. This will be subject to a separate business case to be reported to Cabinet, and will be included in the latest update of the draft capital programme when confirmed. Where practical, a payback agreement should be implemented, whereby projects should, wherever possible be self funded over the life of the project and beyond.

A reserve list of schemes is also identified to start should funds become available in year. The following schemes are forecast –

- LSVT retained housing land (further provision)
- Construction of new residential parking facilities
- Promotion of Community Health & Safety
- Local Safety Schemes

5.5 Health Portfolio Plan

Summary of services within the portfolio

Health Improvement:

- Sexual health services - contraception
- Sexual health services - advice, prevention and promotion
- NHS health check programme
- Programmes and services to reduce levels of adult obesity
- Programmes and services to reduce levels of childhood obesity
- National child measurement programme
- Nutrition initiatives including promotion of breastfeeding
- Programmes and services to increase adult physical activity levels
- Programmes and services to increase children's physical activity levels
- Adult Drug misuse - prevention and treatment programmes
- Adult Alcohol misuse - prevention and treatment programmes
- Drug and alcohol prevention and treatment services – young people
- Smoking and tobacco - Stop smoking services and interventions
- Smoking and tobacco - Wider tobacco control
- Children 5–19 public health programmes including the School Nursing Service
- Health and work, including the Healthy Workplace Programme
- Programmes to prevent accidents including falls prevention
- Public mental health promotion
- Dental public health promotion
- Water fluoridation

Health Protection:

- Sexual health services – Sexually transmitted infection testing and treatment
- Local authority role in health protection
- Local authority role in surveillance and control of infectious disease
- Public health aspects of environmental hazards protection
- Health emergency planning including cold weather and heat wave planning

Healthcare Public Health:

- Interventions to identify and reduce risk of disease by screening
- Actions to mitigate poor physical and mental health
- Actions to reduce long term disability and loss of independence
- Specialist public health advice
- Improving primary care

General prevention activities

- Community safety, violence prevention and social exclusion
- Local initiatives to reduce excess deaths from seasonal mortality
- Population level interventions to reduce and prevent birth defects (supporting role)
- Wider determinants of health

Information and Intelligence

- Population needs assessment and strategy

Portfolio Objectives / Outcomes / Purpose

Walsall council receives a ring fenced grant from the Department of Health, via Public Health England (PHE), to enable the council to discharge its statutory duty to achieve population level improvements in public health. In 2014/15 the council received an allocation of £15.8 million.

The Public Health grant is provided to the council to discharge its responsibilities to:

- Improve significantly the health and wellbeing of local populations
- Carry out health protection and health improvement functions delegated from the Secretary of State
- Reduce health inequalities across the life course, including within hard to reach groups
- Ensure the provision of population healthcare advice.

Our key priorities, informed by the Joint Strategic Needs Assessment and outlined in the Walsall Health and Wellbeing Strategy, are to:

1. Improve health and wellbeing in Walsall
2. Reduce health inequalities
3. Give every child the best start in life
4. Improve health and wellbeing through healthy lifestyles: Making 'healthier choices easier'
5. Reduce the burden of preventable disease, disability and death
6. Promote healthy ageing and independent living.

In 2014/15, £1.2M of the Public Health grant has been released into a Transformation Fund, through a process of disinvestment in some existing Public Health services. Money released in this way will be reinvested across council service areas which will be commissioned to deliver Public Health outcomes.

The Public Health Transformation Fund aims to:

- Support the delivery of priority local health and wellbeing activities
- Facilitate collaborative and integrated approaches to population health and wellbeing
- Improve value for money by evaluating the outcomes of activities and the associated impact on Walsall residents, the Council and its partners.
- Leverage wider public health benefits across the far larger spend of Walsall Council.

Financial summary

Confirmation has been received that the 2015/16 grant allocation will not be subject to a financial uplift, therefore we expect this to be £15.8m. We await confirmation of the following three years allocation.

There are no capital schemes proposed for this portfolio.

Table 27 details the savings and efficiencies for the Health Portfolio for both 2015/16 and 2016/17 and table 28, the proposed areas for investment.

Table 27: Savings and efficiencies

Programme Area	Potential Savings 2015/16 £	Potential Savings 2016/17 £	What is the savings option?	Details of the option	Impact on the customer / purpose / risks	Mitigations
PH1 : Sexual Health: Contraception services, prevention, testing and treatment of sexually transmitted infections (STIs).	53,000	70,000	Reduce contract values for some elements of sexual health activity	Rationalisation of services providing HIV prevention activity, reduction of Chlamydia screening and other outreach activity. Redesign of service to provide more integrated delivery.	Increased STI rates, and teenage conceptions. Reduced capacity to diagnose HIV at an early treatable stage of infection. Some prevention work will be lost and reduced ability to manage demand for expensive mandated open access Genitourinary Medicine services. Increased costs to the NHS and other partners.	Outreach activity to be included in the contracts for core sexual health services
PH2 : Drugs and Alcohol: Prevention and treatment services for alcohol and drug misuse	390,141	70,000	Reduce expenditure through a retendering exercise and a reducing year by year contract values.	Reduce capacity of the service through tendering a redesigned service with a single provider agency to maximise economies of scale. Optimise the transfer of patients into primary care to reduce drug costs.	Reduced prevention activity, increased waiting times, potential impact upon safeguarding for vulnerable children and adults, negative impact on crime and community safety, increased costs to NHS with increased hospital admissions and potential increase in blood-borne viruses and drug and alcohol related overdose and deaths.	Seek funding through Safer Walsall Partnerships for crime reduction elements of the service, although this could create additional referrals to a service operating at full capacity.
PH3 : 0 to 5 Healthy Child Programme: Promotion of breastfeeding and programmes to reduce maternal obesity	45,000	0	Reduce contract value, reduce staffing and scope of service	Reduce capacity of whole service Reduce cost of specialist midwife Decommission the Maternal and Early Years service.	Impact on infant mortality and morbidity. Possible negative impact on link between midwifery service and breastfeeding support service. Breastfeeding is protective against obesity which may rise as a result. Decrease in Healthy Start vitamins in pregnancy delivered (currently very low). Less support for Maternal obesity in pregnancy which increases costs of care. Groups that will notice the difference: Parents and carers, Children's Centres.	Increased role of community midwives and health visitors with an increase in the role of volunteer peer supporters.

Programme Area	Potential Savings 2015/16 £	Potential Savings 2016/17 £	What is the savings option?	Details of the option	Impact on the customer / purpose / risks	Mitigations
PH4 : 5 to 19 Healthy Child Programme: Walsall school nursing service this is the public health nursing service for children aged 5 to 19 years	100,000	0	Reduce contract value with loss of 1 WTE (currently 14 school nurses against a recommended 19 school nurses) and reduced scope of service	Reduce capacity of the service through tendering a redesigned service with a single provider agency.	Increased longer term costs. Teenage pregnancy increases, emotional health and wellbeing decreases leading to increase in antisocial behaviour, more parenting support needed, increase in numbers of looked after children increasing, less support for behaviour management. Less support for care leavers and school staff. Reduction in parenting courses offered. Elements of Public Health prevention work on sex and relationships education (SRE), support for governors, support for special educational needs and disabilities and work with young carers may be reduced.	New provider may demonstrate efficiency savings and reduced overheads so be able to deliver a more comprehensive service.
PH5 : Healthy Weight/Physical activity. These services help people to maintain a healthy weight through lifestyle support	155,000	45,000	Decommission /reduce investment in adult weight management programmes	Remodelling the service through procurement should enable us to provide a service to the same number of patients (albeit at lower level of intervention) within the reduced financial envelope	Decommission specialist weight management services. Impact on residents who are very overweight and have not been able to lose weight though less intensive programmes. Impact on NHS England as may lead to increase in demand for bariatric surgery and other health services.	As the service is being remodelled service availability for adults would continue, although there would be reduced access to more intensive programmes. However, there will be access to new less intensive services. Increased targeting of services would help to mitigate some of the risks.

Programme Area	Potential Savings 2015/16 £	Potential Savings 2016/17 £	What is the savings option?	Details of the option	Impact on the customer / purpose / risks	Mitigations
PH6 : Health Trainers. These services help people to develop healthier behaviour and lifestyles in their own communities	62,000	20,000	Reduce contract value.	Restrict support to certain subgroups e.g. those at highest risk of long term conditions. Negotiate a lower payment for the existing service.	A limit on the support offered may not achieve the results anticipated from the programme. Negotiating a lower payment will result in a more limited service.	Increased targeting of services on vulnerable groups will maximise reduction of health inequalities.
PH7 : Work and Health. These services aim to improve the health of the working age population	30,000	10,000	Reduce investment in healthy workplace programme support. Generate income through charging for Healthy Workplace Programme.	Use Council Public Health, HR and Environmental Health support to supplement the healthy workplace programme. Charge companies who do not meet inclusion criteria for access to healthy workplace programme or individual elements depending on the needs of the company.	Reduced capacity through healthy workplace programme to target hard to reach groups with poor health outcomes. Less resource to support small and medium sized enterprises Reduced capacity to develop structures and provide targeted support to residents who are out of work due to ill health.	Transformation funding used to increase Council HR and Health and Safety support to the programme. Costs of programme will need to be covered by local companies that do not meet inclusion criteria.
PH8 : Local Authority Role In Health Protection These services protect the population from infections including those acquired in hospitals	134,000	0	Disinvestment from Hospital Infection Control	This can be done in 2015/16 following discussion with the current providers and action to mitigate the impact of disinvestment in 2015/16 if necessary	Reduced levers on hospital infection control services with impact on wider community, care homes and primary care	Walsall Healthcare Trust to absorb costs of service.
PH9 : Population Mental Health - These services aim to improve the emotional wellbeing of the population	133,000	0	Reduce investment in population mental health programmes.	Decommission two contracts relating to population mental health	Extremely limited population mental health initiatives, impact on mental wellbeing and suicide rates	Explore opportunities to align with social care through Public Health Transformation Funding. Roll out of the 5 Ways to Wellbeing initiative

Programme Area	Potential Savings 2015/16 £	Potential Savings 2016/17 £	What is the savings option?	Details of the option	Impact on the customer / purpose / risks	Mitigations
PH10 : NHS Health Checks programme: The NHS Health Check programme is provided to 40 to 74 year olds to help prevent heart disease, stroke, diabetes, kidney disease and certain types of dementia	12,000	5,000	Reduce budget for NHS Health Checks programme	Achieve savings from I.T. software and programme support	Minimal	n/a
PH11 : Employees and overheads	90,000	30,000	Reduce staffing and spend on departmental overheads	Vacancy management / replacement of vacant posts at lower grades	Reduced expertise in the department, recruitment and retention adversely affected	Increase matrix working.
Total	1,204,141	250,000				

Table 28 - Areas for Transformation Fund investment

Investment Area	Service Area
Teenage Pregnancy	IYPSS
Early Intervention/Children's Centres	Early Intervention and Family Support
Healthy Schools Programme	School Improvement
Air Quality and Respiratory Health	Pollution Control
Healthy Takeaway Awards, Workplace Health and Safety, Tobacco Control	Environmental Health
Sports development	Sports and Leisure Services
Health and work	Regeneration, Employment and Skills
Occupational Health and work	Human Resources
Health through warmth	Housing, money, home, jobs
Community allotments/ranger service	Green Spaces
Possible areas identified including drug rehabilitation, community development, mental health, advocacy older people	Social Care

5.6 Personnel and Business Support Portfolio Plan

Summary of services within the portfolio

Human Resources

- HR Direct – recruitment, payroll, pensions and transactional HR services
- HR Specialist Services – HR advisors (directorate support), health & safety, HR policy and job evaluation, wellbeing and equality and learning and development
- Payroll and HR advice to schools

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

Procurement

- Advice, guidance and practical support to enable effective procurement across the organisation

Information and Communications Technology (ICT)

- ICT Services and Support
- 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)

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

Portfolio Objectives / Outcomes / Purpose

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.

Procurement

- To help my council procure the best value for money.

ICT

- 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.

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.

Re-designing support services

We are taking a 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.

Financial summary

Table 29 details the revenue cash limits for the Personnel & Business Support Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are shown in table 30.

Table 29 : Personnel & Business Support Portfolio Cash limit 2015/16 – 2018/19				
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	1.783	0.225	(1.183)	(3.379)
Base budget adjustment	(0.178)	0.000	0.000	0.000
Add: Service cost pressure – virtual team	0.000	0.000	0.000	0.000
Less: Savings / efficiencies -- <i>see table 30 below</i>	(1.380)	(1.408)	(1.801)	(1.421)
Less: reductions still to be finalised	0.000	0.000	(0.395)	(0.162)
Revised cash limit	0.225	(1.183)	(3.379)	(4.962)

The above cash limit represents the net budget for the portfolio, which includes central support service recharge income of £15.28m.

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

Capital investment for the Personnel & Business Support Portfolio over the next four years is £0.374m. Full details of capital investment are shown in table 31.

2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total
0.127	0.214	0.033	0.000	0.374

Revenue savings and efficiencies

Table 30 details the revenue saving and efficiencies for the Personnel & Business Support Portfolio for both 2015/16 and 2016/17.

Table 30 : Savings and efficiencies			
Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
104	Democratic Services – reduce Members Special Responsibility allowances	0.092	
105	Democratic Services – improve efficiency of arrangements for support to Councillors	0.036	
106	Democratic Services – reduce food and drink provided for meetings at the Council House	0.009	
107	Democratic Services – reduce the number of scrutiny panels and the frequency of meetings		0.050
108	Legal Services – remove one lawyer post	0.048	
109	Legal Services – reduce the administrative support across the service	0.035	

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
110	Legal Services - Increase legal traded services fees by 5%	0.006	
111	Human Resources – cease participation in Recruitability (Policy). Removed and alternate saving identified from council wide.		
112	Human Resources – review and restructure of management and staff posts across the service	0.202	0.121
113	Human Resources – review of contracts including Employee Assistance and Physiotherapy, and restructure of management and administrative posts across the service		0.175
114	Human Resources – Cease the Sickness Absence Reporting Centre (from 01 October 15)	0.024	0.024
115	Human Resources – reduce the Occupational Health service	0.042	
116	Human Resources – reduce frequency of Disclosure and Barring Service re-checks	0.018	
117	Human Resources – Cease the Jobs Go Public contract given we have suitable alternative arrangements in place to advertise job vacancies	0.016	
118	Human Resources – reduce Trade Union facility time (UNITE, GMB, UNISON)		0.080
119	Internal Audit – restructure within the service	0.103	
120	Internal Audit – reduce non staff budgets	0.017	
121	Programme Delivery – downsize the programme delivery and governance team	0.220	0.079
122	Programme Delivery – reduce training budgets	0.002	
123	ICT – downsize management and staffing	0.296	
124	ICT – reduce and re-commission services in ICT through contract adjustment and terminations	0.158	
125	ICT – revise delivery of ICT to make increased use of web based access to systems		0.250
126	ICT – cease use of the current central time recording system across the council	0.056	
127	Resources Wide – review of management and administrative support		0.629
	Total	1.380	1.408

Where savings options are denoted as ‘policy’ changes in the above table, these will be supported by further details as shown on the following pages.

Capital investment

Table 31 details the capital investment for the Personnel & Business Support Portfolio over the next four years.

Table 31: Personnel & Business Support Portfolio Capital Investment 2015/16 – 2018/19					
Capital Project	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Source of funding
Email enhancements		0.050			Council
ICT essential growth – server capacity		0.046			Council
Essential resilience for internet facing servers		0.046			Council
Essential upgrade to Blackberry Server	0.017				Council
Essential upgrades to Windows 2003 server	0.110				Council
Wi-Fi in public council buildings		0.025	0.033		Council
Improving internet capacity and resilience		0.047			Council
Total	0.127	0.214	0.033	0.000	

5.7 Regeneration Portfolio Plan

Summary of services within the portfolio

- Strategic Regeneration
- Development & Delivery
- Planning Services
- Property Services

Portfolio Objectives / Outcomes / Purpose

“Create the conditions for sustained economic growth by supporting the growth of business and jobs in Walsall, ensuring Walsall people have the right skills and environment to make the most of opportunities”

Manage our assets well

- Stimulate private investment
- Support service delivery
- Reduce costs & liabilities

Support our town & district centres

- Improve footfall
- Increase investment
- Improve customer experience

Create the right sites for business

- Attract new business
- Retain existing business
- Raise external reputation of Walsall
- Create future supply
- Business friendly council

Support business growth

- Understand & respond to new & existing business needs
- Retain & increase jobs
- Promote Walsall to new investors

Address unemployment

- Reduce worklessness & resulting demands
- Raise aspirations
- Increase spending & demand in Walsall economy

Improve skills

- Improve chances of getting & keeping a job
- Improve future resilience & employment flexibility

New & better homes

- Respond to housing need
- Improve existing homes
- Create new homes

Note: - Delivery of the above activities (all or in part) rely on our continued ability to attract external resources, either through grants or income for services delivered. Cuts in mainstream budgets together with the austerity measures planned by the Government will have adverse effects on our ability to maintain delivery of services. Where known these have been factored into this plan.

Financial summary

Table 32 details the revenue cash limits for the Regeneration Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are in table 33.

Table 32: Regeneration Portfolio Cash limit 2015/16 – 2018/19				
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	9.112	7.457	7.003	6.449
Base budget adjustment	(0.500)	0.000	0.000	0.000
Add: Service cost pressure	0.334	0.000	0.000	0.000
Less: Savings / efficiencies - <i>see table 33 below</i>	(1.489)	(0.454)	(0.291)	(0.081)
Less: reductions still to be finalised	0.000	0.000	(0.263)	(0.126)
Revised cash limit	7.457	7.003	6.449	6.242

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

Capital investment for the Regeneration Portfolio over the next four years is £12.407m. Full details of capital investment are shown in table 34.

2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
8.347	1.420	1.320	1.320	12.407

Revenue savings and efficiencies

Table 33 details the revenue saving and efficiencies for the Regeneration Portfolio for both 2015/16 and 2016/17.

Table 33 : Savings and efficiencies			
Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
128	Development & Delivery – Black Country Archaeological Service cease payment of Walsall's share of funding post	0.007	
129	Development & Delivery – removal of vacant post	0.036	
130	Planning & Building Control – remove vacant LLPG post	0.026	
131	Planning & Building Control – reduce directorate management hub support	0.025	
132	Planning & Building Control – reduce stationary budget	0.015	
133	Planning & Building Control – increase planning fee income target	0.080	

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
134	Property Services – merge facilities and project management teams to remove duplication, and change delivery to procure single contract to deliver £945k in total over the 3 years from 2015/16	0.801	0.094
135	Property Services – additional shop rental income	0.050	
136	Property Services - Cleaning / Caretaking and Curators – market testing review of consumables	0.003	
137	Property Services – restructure and reposition Asset Management team	0.142	0.064
138	Regeneration Management – replace Black Country Consortium payment with alternate external funds	0.144	
139	Regeneration Management – efficiencies through revised service management and remodelling	0.043	0.229
140	Regeneration Management – develop alternative income streams to cover costs	0.072	0.067
141	Strategic Regeneration – replacement of revenue funding with other funding	0.045	
	Total	1.489	0.454

Capital investment

Table 34 details the capital investment for the Regeneration Portfolio over the next four years.

Table 34 : Regeneration Portfolio Capital Investment 2015/16 – 2018/19					
Capital Project	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Source of funding
Walsall Market	1.750				Council
Shop Maintenance		0.120	0.120	0.120	Council
Regenerating Walsall		0.200	0.200	0.200	Council
Walsall Town Centre Public Realm Improvements		1.100	1.000	1.000	Council
LEX remediation works	0.405				Council
Integrated Transport Block / Local Transport Plan	1.247				External
Darlaston Strategic Development Area Access Project	4.945				External
Total	8.347	1.420	1.320	1.320	

In addition to the above, there are schemes under development within the Enterprise Zone and wider Darlaston areas to unlock employment sites, together with innovative proposals, and also a project covering combined heat and power for central council buildings. These will be subject to a separate business case to be reported to Cabinet, and will be included in the latest update of the draft capital programme when confirmed. Where practical, a payback agreement should be implemented, whereby projects should, wherever possible be self funded over the life of the project and beyond.

A separate allocation has been set aside for projects of a health and safety nature. This can be drawn upon as required in year for asbestos removal, statutory testing, legionella,

fire risk, condition surveys and any demolition works as required.

A reserve list of schemes is also identified to start should funds become available in year which includes the following in regeneration - regenerating Walsall (further provision in 2015/16).

5.8 Social Care Portfolio Plan

Summary of services within the portfolio

The portfolio covers social care services for adults and older people with physical disability, sensory impairment, learning difficulties, mental health issues, substance misuse, autism, HIV/AIDS. It also includes the responsibility for 'Money, Home, Job' (Revenues, Benefits, Housing and Customer Services)

Social Care

- Response, information, advice and signposting
- Preventative services, community alarms, tele-care, tele-healthcare
- Enablement and re-ablement
- Assessment and review
- Resource allocation and support planning
- Safeguarding of vulnerable adults
- Whole sector workforce planning and development
- Commissioning of services including residential, nursing, day care, home care, extra care (incl. Housing 21), supporting people and the learning disability and integrated community equipment pooled budgets
- Shaping and development of adult social care market
- Quality assurance of services
- Direct service provision: reablement, response, day and respite care, adult placements
- Housing related support for vulnerable groups

Money, Home, Job

- Advice, customer application support, assessment, revision, payment, recovery of overpayments, customer queries, complaints and appeals of the following benefits and reliefs:-
 - Housing benefit
 - Council tax reduction scheme
 - Discretionary housing payments
 - Free school meals
- Disabled Persons' Parking permits (Blue Badge)
- The Crisis Support scheme
- The prevention, detection and investigation of benefit fraud and error, including the application of sanctions.
- Council tax - billing, collection, recovery and enforcement
- Non domestic rates (business rates) - billing, collection, recovery and enforcement
- Welfare rights– income maximisation, debt advice
- Supported Housing and homelessness
- Housing Standards and Improvements
- The First Stop Shop at the Civic Centre
- The Council's contact centre and switchboard
- Banking hall – corporate income collection service and social care payments

Portfolio Objectives / Outcomes / Purpose

Social Care

Our main aim is to assist people to live independent lives. To that end our prime interventions will be looking at ways in which a person can be supported to recover from the crisis that they presented to the Council when they wanted help. For some people this can be achieved through a bit of help by signposting to a community or voluntary sector organisation; for others they may need more help and may need a period of help to support recovery, reablement, rehabilitation or recuperation. We will focus on the outcomes from our interventions that assist with reducing or delaying the need for longer term help.

The broad aims are:

- To help citizens to access universal services
- To assist citizens to access mainstream services
- To provide access to a range of community based health and social care services
- To prevent citizens becoming socially excluded and needing more intensive and costly health and social care services by providing a range of practical services close to home
- To reduce dependence on services, and support independence and self directed support
- To commission good quality services that provide real choices for citizens to achieve their outcomes

Money, Home, Job

The purpose of this service is: 'Help me with my money, my home, my job'.

The service helps people to become or remain independent and assists them with extra help when they fall into crisis and helps them to get back on their feet.

The service increasingly integrates what used to be stand-alone services so that the resident or business that needs help from the council receives a customer-focused service that addresses all of their needs in a streamlined way, making best use of public money in the round.

Financial summary

Table 35 details the revenue cash limits for the Social Care Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are shown in table 37.

Table 35: Social Care Portfolio Cash limit 2015/16 – 2018/19				
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	72.861	68.080	61.926	57.795
Base budget adjustment	(1.396)	(0.095)	0.000	0.000
Add: Service cost pressures – reduction in housing benefit admin grant, collection following CTRS	0.304	0.145	0.137	0.000
Less: Savings / efficiencies - see <i>table 36 below</i>	(3.689)	(6.204)	(1.953)	(2.000)
Less: reductions still to be finalised	0.000	0.000	(2.315)	(1.083)
Revised cash limit	68.080	61.926	57.795	54.712

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

Capital investment for Social Care Portfolio over the next four years is £13.445m. Full details of investment are shown in table 38.

2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
3.579	3.302	3.282	3.282	13.445

Revenue savings and efficiencies

Table 36 details the revenue saving and efficiencies for Social Care Portfolio for both 2015/16 and 2016/17.

Table 36 : Savings and efficiencies			
Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
142	Access, Assessment & Care Management – redesign of care and support through the assessment and reviews of older people and those with physical disabilities using promotion of independence methods	1.684	2.421
143	Access, Assessment & Care Management – Learning Disabilities long term care placement review and resettlement efficiencies	0.200	0.400
144	Access, Assessment & Care Management – joint funded learning disability placements review and resettlement efficiencies – relating to people funded in care homes for whom a long term resettlement or therapeutic change can improve outcomes at lower cost		0.500
145	Access, Assessment & Care Management – reduction in administration costs through the implementation of the Mosaic IT system and related automation of invoices, billing, and financial transactions which will result in efficiencies		0.400
146	Commissioning – Memory Clinic funding – the CCG has agreed to a change of funding source for what is now a NHS service	0.200	
147	Commissioning – Housing 21 contract – further review of the extra care sheltered housing contract to find ways to switch to personal budgets and reduce overall cost (Policy)		0.250
148	Commissioning – review of service level agreements with third party organisations – redesign the prevention and diversion impact of investment in the voluntary sector, targeted at most cost effective user led outcomes		0.150

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
149	Mental Health – expand resettlement and care reviews of those in residential care and high cost packages, with promotion of independence support	0.400	
150	Mental Health – Section 75 review of partnership jointly with CCG with a view to more effective outcomes and targeted commissioning (Policy)		0.200
151	Commissioning – removal of recruitability payments to sheltered employment users - continue withdrawal of the subsidy for apprenticeships whilst expanding support to volunteering, vocational and training opportunities in partnership with colleges (Policy)	0.104	
152	Provider – Fallings Heath respite care - review and replace residential provision with a wider range of alternatives, subject to consultation. No carers will receive a reduction. Proposal withdrawn. Saving to be made from review of in house services and increased occupancy rates.	0.260	0.020
153	Provider – review and redesign day opportunities that produce cost effective non buildings based options using Goscote as a " hub" for these users and staff (Policy)		0.517
154	Provider – Links to Work - replace current service with a redesigned service that supports users to access volunteering, vocational and training opportunities in partnership with colleges and employers (Policy)		0.300
155	Strategic Development – review community alarm and related services in line with the new charging policy, and the implementation of the Care Act. Proposals would require consultation and procurement follow on (Policy)		0.570
156	Strategic Development – withdraw subsidy to apprenticeships, whilst revising the vocational support, access to work placements and volunteering with LINKS to Work which will also be revised	0.271	
157	Strategic Development – review of Programme Office following the implementation of the Care Act and Children & Families Act, and related changes, leading to a reduced need for support with changes managed with the service	0.100	0.100
158	Strategic Development – review of Paris & Performance team following the implementation of the MOSAIC customer relationship management IT system and associated systems, leading to reduced due to new automated support functions	0.050	0.050
159	Money, Home, Job - review and restructure across the service	0.398	0.158
160	Money, Home, Job – cease the bus service that provides a mobile first stop shop (Policy)	0.022	
161	Money, Home, Job – provide more efficient ways for residents to pay in or collect money from the council		0.072
162	Money, Home, Job – improve the arrangements for residents contacting the council by telephone		0.096
	Total	3.689	6.204

Where savings options are denoted as 'policy' changes in the above table, these will be supported by further details as shown on the following pages.

Capital investment

Table 37 details the capital investment for Social Care Portfolio over the next four years.

Table 37 : Social Care Portfolio Capital Investment 2015/16 – 2018/19					
Capital Project	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Source of funding
Preventative Adaptations & Supporting Independence	0.250	0.760	0.750	0.750	Council
Health through Warmth	0.150	0.150	0.150	0.150	Council
Aids & Adaptations	0.750	0.760	0.750	0.750	Council
Disabled Facilities Grant	1.632	1.632	1.632	1.632	External
Social Care Community Capacity Grant	0.797				External
Total	3.579	3.302	3.282	3.282	

A reserve list of schemes is also identified to start should funds become available in year. The following schemes are forecast –

- Preventative adaptations & Supporting Independence (additional allocation)
- Aids & Adaptations (additional allocation)

ANNEX 1: SUMMARY OF CORPORATE REVENUE BUDGET 2015/16 BY PORTFOLIO

PORTFOLIO / SERVICE	2014/15 BASIC FORECAST £	IN YEAR MOVEMENTS £	2015/16 BASIC FORECAST £
Childrens Services	65,713,612	-3,642,466	62,071,146
Community, Leisure & Culture	22,008,997	-1,205,881	20,803,116
Environment & Transport	34,475,561	-451,280	34,024,281
Health	37,736	-30,934	6,802
Leader of the Council	6,231,645	-785,919	5,445,726
Personnel and Business Support	3,851,169	-2,068,113	1,783,056
Regeneration	8,354,850	757,269	9,112,119
Social Care	74,138,339	-1,277,249	72,861,090
SUB TOTAL SERVICES	214,811,909	-8,704,573	206,107,336
Capital Financing	5,276,223	-731,338	4,544,885
Non-service specific prudence/central items	-146,997,892	9,435,911	-137,561,981
SUB TOTAL CENTRAL ITEMS	-141,721,669	8,704,573	-133,017,096
Levies:			
PTE	13,601,528	0	13,601,528
Environment Agency	71,853	0	71,853
NET REVENUE EXPENDITURE	86,763,621	0	86,763,621
GRAND TOTAL COUNCIL TAX REQUIREMENT	86,763,621	0	86,763,621

FULL YEAR EFFECT PREVIOUS APPROVED SAVINGS £000	NEW SAVINGS £000	USE OF GRANT FUNDING £000	INFLATION COST £	COST / FUNDING PRESSURES £000	2015/16 FORECAST BUDGET £000
0	-4,385,642	-469,840	0	-85,565	57,130,099
0	-2,169,945	-380,192	0	0	18,252,979
-256,000	-1,201,711	-98,000	0	265,000	32,733,570
0	0	3,411	0	0	10,213
0	-961,726	0	0	-5,298	4,478,702
0	-1,380,133	0	0	-177,932	224,991
-479,047	-1,489,176	-21,000	0	334,000	7,456,896
0	-3,689,186	-1,238,520	0	146,550	68,079,934
-735,047	-15,277,519	-2,204,141	0	476,755	188,367,384
0	-184,185	0	0	-3,627,000	733,700
0	-1,530,000	0	1,167,000	29,605,333	-108,319,648
0	-1,714,185	0	1,167,000	25,978,333	-107,585,948
0	0	0	0	-751,850	12,849,678
0	0	0	0	0	71,853
-735,047	-16,991,704	-2,204,141	1,167,000	25,703,238	93,702,967
-735,047	-16,991,704	-2,204,141	1,167,000	25,703,238	93,702,967

ANNEX 2 : COUNCIL TAX DATA 2015/16

1. COUNCIL TAX EXCLUDING PRECEPTS (WALSALL COUNCIL ONLY)

A. LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (67% of Properties)

BAND	WEIGHT	2014/15 C.TAX	2015/16 C.TAX	ANNUAL CHANGE	ANNUAL INCREASE
		£	£	£	%
A	6/9	940.17	958.88	18.71	1.99%
B	7/9	1,096.87	1,118.70	21.83	1.99%
C	8/9	1,253.56	1,278.51	24.95	1.99%
D	9/9	1,410.26	1,438.32	28.06	1.99%
E	11/9	1,723.65	1,757.95	34.30	1.99%
F	13/9	2,037.04	2,077.58	40.54	1.99%
G	15/9	2,350.43	2,397.21	46.78	1.99%
H	18/9	2,820.51	2,876.65	56.14	1.99%

2. OVERALL COUNCIL TAX INCLUSIVE OF PRECEPTS

A. LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (67% of Properties)

BAND	WEIGHT	2014/15 TOTAL C.TAX	2015/16 WMBC C.TAX	ESTIMATE - ACTUAL T.B.A		OVERALL (INC PRECEPTS)
				2015/16 FIRE PRECEPT	2015/16 POLICE PRECEPT	2015/16 TOTAL C.TAX
		£	£	£	£	£
A	6/9	1,045.73	958.88	36.62	71.04	1,066.54
B	7/9	1,220.02	1,118.70	42.73	82.87	1,244.30
C	8/9	1,394.30	1,278.51	48.83	94.71	1,422.05
D	9/9	1,568.60	1,438.32	54.94	106.55	1,599.81
E	11/9	1,917.18	1,757.95	67.14	130.23	1,955.32
F	13/9	2,265.75	2,077.58	79.35	153.90	2,310.83
G	15/9	2,614.33	2,397.21	91.56	177.58	2,666.35
H	18/9	3,137.18	2,876.65	109.87	213.10	3,199.62

B. LEVELS FOR PROPERTIES WITH ONE RESIDENT (25% DISCOUNT) (33% of Properties)

				ESTIMATE - ACTUAL T.B.A		OVERALL (INC PRECEPTS)
BAND	WEIGHT	2014/15 TOTAL C.TAX	2015/16 WMBC C.TAX	2015/16 FIRE PRECEPT	2015/16 POLICE PRECEPT	2015/16 TOTAL C.TAX
		£		£	£	£
A	6/9	784.30	719.16	27.47	53.28	799.91
B	7/9	915.01	839.02	32.05	62.15	933.22
C	8/9	1,045.72	958.88	36.63	71.03	1,066.54
D	9/9	1,176.45	1,078.74	41.21	79.91	1,199.86
E	11/9	1,437.88	1,318.46	50.36	97.67	1,466.49
F	13/9	1,699.31	1,558.18	59.52	115.43	1,733.13
G	15/9	1,960.75	1,797.91	68.68	133.19	1,999.77
H	18/9	2,352.88	2,157.48	82.41	159.83	2,399.72

3. SPREAD OF PROPERTIES

The proportion of properties within Walsall MBC within each Council Tax band at 1st December 2013 is as follows:

BAND	A	B	C	D	E	F	G	H	TOTAL
PROPERTIES (No)	49,838	26,140	17,627	10,050	5,494	2,364	752	53	112,318
PROPERTIES (%)	44.37	23.27	15.70	8.95	4.89	2.10	0.67	0.05	100
CUMULATIVE TOTALS	67.64%								
	83.34%								
	92.29%								

4. WEEKLY INCREASE IN COUNCIL TAX (WALSALL MBC ELEMENT)

BAND	A	B	C	D	E	F	G	H
£	0.36	0.42	0.48	0.54	0.66	0.78	0.90	1.08

ANNEX 3

CHIEF FINANCE OFFICER (CFO) REPORT ON ROBUSTNESS OF THE BUDGET AND ADEQUACY OF RESERVES - SUPPORTING INFORMATION

Context

In accordance with the Local Government Act 2003 (S25-S27) and to comply with CIPFA guidance on local authority reserves and balances, the Chief Finance Officer is required to formally report to members on the robustness of the budget and the adequacy of reserves. The CFO is appropriately qualified under the terms of S113 of the Local Government Finance Act 1988. In signing off this overall revenue budget report, the signature of the Assistant Director of Finance who holds the post of CFO constitutes the formal declaration required under the Act that these conditions are met (based on the available information at the time of signing).

Adequacy of reserves

The CFO assesses and determines the appropriate level of reserves (including schools reserves), provisions and contingencies using a variety of mechanisms, including;

- Being significantly involved in the budget setting process, the annual financial cycle, and engaged in the strategic leadership of the organisation as an attendee of the corporate management team;
- The annual refresh of the medium term financial. Challenging the budget at various stages of construction, including the reasonableness of the key budget assumptions, such as estimates of financial pressures, realism of income targets, robustness of plans to deliver savings, and the extent to which known trends and liabilities are provided for;
- Meetings with specific colleagues and partners to examine particular areas or issues;
- Review of the corporate and service financial risk assessments;
- Review of the movements, trends and availability of contingency, provisions and earmarked reserves to meet unforeseen cost pressures in the context of future pressures and issues;
- The use of professional experience and best professional judgement;
- The use of appropriate professional, technical guidance and local frameworks (CIPFA guidance, LAAP55, Local Government Act 73, Localism Act 2011);
- Knowledge of the colleagues involved in the process, particularly finance professionals, including their degree of experience and qualifications;
- Review of the strength of financial management and reporting arrangements, including internal control and governance arrangements.
- Review of the current year's financial performance in services and known future service delivery changes, the level of schools reserves and financial performance of schools.

This is undertaken in consultation with relevant colleagues and the Cabinet portfolio holder for finance.

It is prudent for councils to maintain an adequate level of general reserves. A risk assessed approach is used to determine the required level of general and earmarked reserves, contingencies and provisions. The combined medium term financial strategy (MTFS), Cabinet budget meetings and budget preparation processes have previously

been identified by the Audit Commission as areas of good practice to be shared nationally. The fourteenth edition of the MTFS was approved by Cabinet in July 2014. Reserves and contingencies are addressed within the strategy, demonstrating our acknowledgement of the importance of sound governance and the priority this issue is given.

The level of contingency is set as follows:

- Revenue - A central contingency of between 0.1% and 0.15% of the year's gross revenue budget will be established for each financial year, the precise level being informed by risk assessment and set by the Chief Finance Officer (CFO). For 2015/16 this is to be set at £740k.
- Capital - a prudent central contingency will be set, not exceeding 10% of the annual council funded element of the capital programme requirement, to accommodate unforeseen / unbudgeted expenditure (i.e. where, due to the level of uncertainty, the financial impact is not certain at the time of setting the programme). The exact level to be determined by a risk assessment and set by the CFO in consultation with the portfolio holder for finance. The contingency will be funded from an annual revenue contribution to capital outlay from the project reserve. For 2015/16 this is to be set at £1m.

The level of general reserves, in the same way as central contingency, is index linked to the level of the gross revenue budget and continues to be informed by an annual risk assessment. The council will have opening general reserves as required by the MTFS; the precise level determined by risk assessment. The minimum opening balance required @ 01.04.2015 is c£6.2million whilst the maximum is c£12.4million. Reserves will be within the MTFS requirements. The financial risk assessment undertaken recommends a minimum level of general reserves of around £10.15million.

The MTFS also sets out the authority's financial framework including, as the first of ten themes of operational principles, calls on reserves and contingencies. A key principle is that reserves should not be considered to be or used as a budget and any in-year calls on the working balance should be replenished. Services cannot approve unbudgeted expenditure on the assumption that it will be met from the working balance. This matter is reserved to full Council, taking advice from the CFO. A central contingency supports prudent financial management. Experience shows that this should be adequate.

In recommending an adequate level of reserves, the CFO considers and monitors the opportunity costs of maintaining particular levels of reserves and balances and compares these to the benefits accrued from having such reserves. The opportunity cost of maintaining a specific level of reserves is the 'lost' opportunity for example, of investing elsewhere to generate additional investment income, or using the funds to invest in service improvements. In assessing this it is important to consider that reserves can only be used once. Therefore, any use of general reserves above the lower minimum threshold is only ever used on one-off items of expenditure. The level of reserves is also determined by use of a comprehensive risk assessment to ensure they represent an appropriately robust "safety net" which adequately protects the council (a complex and multi-disciplinary metropolitan district local authority) against potential unforeseen and therefore unbudgeted costs.

The implementation of the new Government funding mechanism, Business Rates Retention (BRR) to replace Formula Grant, has added additional complexity and volatility into the Council's finances. Should the council collect anything up to £2.49m less than the £34.710m estimated local share of rates, then this will have to be borne by the council in

full. The review of the level of reserves has therefore for the second year included a risk assessment of business rate collection rates and the impact of potential changes in business rate yield on the council's budgetary position.

In addition, the government's changes to the welfare system; making councils accountable for payments for crisis loans, community grants and council tax reduction scheme have placed additional risk on the councils finances. There is a great delay of uncertainty as to real level of demand for these services, and the direct and indirect impact of housing benefit changes cannot be fully assessed at the point at which this report was written. The crisis support and discretionary housing funds will be sufficient to cover short term demand, however crisis loan funding will cease from 2015/16.

The CFO recommended level of reserves is £10.15m. This is considered to be sufficient for most possible events, over the short-term i.e. for 2015/16. The Council is however, facing real and present financial challenges in 2015/16 and beyond. In the context of this funding environment, whenever possible reserves should be built up further during 2015/16 beyond the maximum level recommended within the MTFS. Consideration will be given to amending the maximum level of permitted reserves. In this context, it is considered that the current level of reserves presents an optimum balance between risk management and opportunity cost. The Chief Financial Officer is satisfied that the benefits accrued in maintaining these at the recommended level outweigh the potential lost opportunity from investing these reserves in other ways. This maintains a suitable and sustainable level of reserves, which include ensuring sound governance and financial stability in the short and longer term.

Schools Reserves

The CFO as part of this statement is required to confirm that schools balances are adequate. In 2006/07, DfES introduced expectations on local authorities with regard to their schemes of financial management. Part of this legislation required schools to agree a balance control mechanism. This mandatory requirement was subsequently removed. Walsall Council and Walsall Schools Forum have considered the options around balance control and given the authority powers to investigate and clawback balances in excess of 8% of the school budget share. Walsall Council notes that the latest Academies handbook has removed the need for balance control for many academies.

Walsall Schools Forum is mindful of value for money in all that schools do, looks for medium term financial planning and encourages an adequate working balance as part of that process. This is supported by regular reports to Walsall Schools Forum on medium term funding and more recently linking value for money and performance.

The adequacy of balances is reviewed annually by the CFO. For the current financial year no schools have made the council aware of a potential deficit budget, however, as in previous years, were this to happen an action plan would be put in place to support the relevant schools to manage these pressures.

The levels of reserves will be kept under regular review, along with any exceptional balances. The overall level of reserves is considered prudent and the 2012/13 balances were classed as 'green' by Grant Thornton in their report on financial resilience.

Walsall Council and Walsall Schools Forum has identified that the implementation of a National Fair Funding Formula from 2015/16 is a financial risk. It is unknown at this time but analysis from the Institute of Fiscal Studies has said that there could be significant turbulence by some of the changes being considered.

Use of Reserves

The above assessment demonstrates that general reserves are at an appropriate level; as determined in accordance with the MTFS and the CFO's professional advice. The MTFS allows any reserves above the level required by the MTFS to be used to fund one off items of expenditure. No general reserves below the minimum threshold are being used to support the 2015/16 budget. The risk assessment described elsewhere in this report has informed the established level of general and earmarked reserves. The council follows the CIPFA guidance (LAAP 55) on the use of reserves.

Robustness of Budget

The CFO has been involved throughout the entire budget process, including input to the drafting of the budget, the ongoing financial monitoring and reporting process, evaluation of investments and savings, engagement with members of the executive and scrutiny, advising colleagues, challenge and evaluation activities, and the scrutiny and approval of various reports.

The following sections of this statement signpost to particular activities and documents and have been used by the CFO in coming to his overall conclusion on the adequacy of reserves and robustness of the estimates:

Process - a robust budget process has been used in developing the 2015/16 budget, within the overall context of the MTFS. Plans have been developed, tested and challenged by the Chief Executive, and the corporate management team. The process, timetable and the overall budget framework were approved by Cabinet. The CFO's nominees (Head of Finance and Senior Finance Manager) have reviewed the saving options and cash limits during this process to test the validity of the financial assumptions.

Looking beyond 2015/16 the economic uncertainty of the country, combined with the potential changes in political leadership at a national and local government level, has had the consequence of foreshortening the development of detailed service plans beyond 2015/16. Current financial modelling undertaken by the CFO, using all available knowledge anticipates an increase in costs of c£36million for the period 2015/16 to 2018/19. This would be challenging enough on its own but the CFO also anticipates a reduction in government funding of £50million over the same period, as the Government tries to reduce both the deficit and the national debt. Using indicative figures for 2015/16, funding has been cut by £97million since 2010; therefore an anticipated reduction of £50m does not seem unreasonable. Work is underway to develop a service plan that accounts for, not only the totality of this change but also the profiling of it as well. In building up the 2016/17-2018/19 budget, clear and robust plans need to be agreed by the executive to go to consultation in late spring of 2015.

Timetable - the process commenced in Spring 2014 and draft budget options were available by September before the provisional Government financial settlement. This enabled Cabinet to meet in October 2014 to consider its priorities and draft budget proposals in the context of estimated resources. Formal scrutiny meetings have been held in November 2014 and January 2015 to consider Cabinet's draft budget proposals. Formal public consultation has been ongoing since October 2014.

The final budget is due to be set at Council on 26 February 2015.

Member involvement and Scrutiny - both informal and formal member involvement has been extensive, particularly through the Cabinet portfolio holder for finance, individual portfolio holders in conjunction with executive directors, and budget meetings with Cabinet. Cabinet formally considered draft budget proposals on 29 October 2014 and 17 December 2014. Scrutiny panels have each had opportunity to make recommendations and comments to Cabinet, both on the services within their individual remit and the overall budget. Budget briefings have also been offered to each political group.

Consultation - internally and externally, has been comprehensive as outlined in this and previous reports submitted to Cabinet.

Challenge - there are various points of challenge at various stages of the budget, including throughout corporate management team and Cabinet budget meetings, meetings of various directorate management teams, corporate management team meetings, stakeholder consultation and the scrutiny process.

Budget monitoring - reports continue to be submitted to Cabinet, scrutiny panels, corporate management team, and Audit Committee and management teams across the council throughout the year. The council's employee performance appraisal process also requires review of financial performance for individual managers, complementary to the formal accountability process at executive director level.

Referendum – Following implementation of the Localism Act 2011, councils are required to consult the electorate in the form of a referendum should a council wish to increase the council tax above a level prescribed by the Secretary of State. For 2015/16, this has been determined as 2% of the council's relevant amount of council tax (i.e. excluding levies).

Ownership and accountability - the budget has progressed through various filters during its construction including endorsement by management teams within services and corporate management team itself. Executive directors are expected to test and validate the savings options and spending plans to ensure that services can be delivered lawfully within the funding envelop allocated. These officers are accountable for ensuring services are delivered within the approved budget.

Current financial position - the budget is a statement of financial intent, reflecting the council's vision, plans and priorities. It also sets the financial spending parameters for each financial year and as such, the CFO assessment of the adequacy of reserves also includes the risk of services overspending and/or underspending their budgets and the impact of this on the financial health of the council and its level of reserves. The current financial position has been reported on throughout the year. The CFO has reported a significant overspend at the end of quarter 3. Mitigating action plans have been put in place to reduce this in the remaining period. At the time of writing this report, it is unlikely that officers will be able to resolve the financial position. This will place a greater pressure on future service budgets particularly in the demand led service areas such as social care and children services.

Key assumptions

The cost assumptions and prices used in the budget are derived from current intelligence and are considered appropriate. Demand changes have been identified and are reflected in budget increases identified in the appendices where appropriate. Fees and charges have been reviewed and changes are reflected in the overall budget. The capital receipts

and borrowing requirement to be used for the draft capital programme are based on professional estimates both of timing and value.

Financial risks - the council continues to use an embedded good practice risk assessment approach both when setting the budget and in validating estimated outturns. This continues for the 2014/15 outturn and 2015/16+ budget. The prevailing level of general and earmarked reserves is considered adequate to cover many but not all of the most serious combination of events.

The budget in context

The budget includes the allocation of financial resources to different services and projects, any proposed contingency funds, the council tax reduction scheme, setting the council tax and decisions relating to the control of the councils borrowing requirement, the control of its capital expenditure and the setting of virement limits. The budget has been constructed in accordance with the principles and direction of the MTFS.

All cost pressures, efficiencies and savings have been appraised to ensure accuracy of costings and deliverability. Individual officers are identified as accountable for their implementation. The council is working to improve performance outcomes on a range of activities which are monitored throughout the year. Budget provision has been identified for the priorities outlined in the council's vision document.

Summary

Best endeavours have been made to ensure that the budget and reserves are adequate using the information available at this date. The budget has been constructed with a professional policy-led medium term strategic framework, using appropriate assumptions, linking investment and spending to key priorities and having undertaken a comprehensive assessment of risk.

In summary, I can confirm that, the budget as it stands is robust, taking into account the information known at this time and that the level of reserves are sufficient to cover known events and reasonable possible events, however should a series or a combination of unforeseen or unusual events occur, the level of reserves may be insufficient.

A handwritten signature in black ink, appearing to read 'James T Walsh', with a stylized, circular flourish at the end.

James T Walsh, B Hum (Hons), ACMA, CGMA
Chief Finance Officer

Part 2 – Treasury Management

Treasury Management and Investment Strategy for 2015/16 Onwards

1 INTRODUCTION

1.1 Background

The council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

1.2 Treasury Management Strategy for 2015/16

The strategy for 2015/16 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy;
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

1.3 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Annual Treasury Management Briefings are held and further training is arranged as when required.

1.4 Treasury management consultants

The Council uses Capita Asset Services as its external treasury management advisors. The Council recognises that the responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

1.5 Treasury management Monitoring

Local and Prudential indicators are used to monitor Treasury Management activities these are produced monthly and reported at least quarterly to the Treasury Management panel. The indicators that are monitored during the year are detailed in **Annex 1**.

2 THE CAPITAL PRUDENTIAL INDICATORS 2015/16 – 2017/18

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure Prudential Indicator 1

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts. The financing need below excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments. The current capital plans which this strategy supports is detailed over in Table 1.

Table 1 : Current Capital Programme £m					
	2013/14 Actual £m	2014/15 Estimated - Sept 14 £m	2015/16 Estimated £m	2016/17 Estimated £m	2017/18 Estimated £m
Total capital expenditure	39.865	59.052	47.960	23.380	18.940
Resourced by:					
• Capital receipts	3.342	7.631	3.247	1.500	1.500
• Capital grants	24.521	28.050	22.510	14.940	11.750
• Capital Reserves	1.069	0.821			
• Revenue	1.935		0.960	0.300	0.290
• Borrowing	8.998	22.550	21.243	7.165	5.320
Total resources available	39.865	59.052	47.960	23.905	18.860

2.2 Affordability prudential indicators

The prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Ratio of financing costs to net revenue stream – Prudential Indicator 2

This indicator identifies the trend in the cost of capital Financing (borrowing and other long term obligation costs net of investment income) against the council's net revenue stream.

Table 2 : Prudential Indicator 2					
	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Ratio Not Including MRP Policy Update	9%	10%	11%	12%	12%
Ratio Including MRP Policy update	9%	8%	10%	10.5%	11%

The estimates of financing costs include current commitments and the proposals in this budget report. Table 2 shows the ratio not including and including the reprofiling of MRP costs, following the proposed MRP policy change see section 3. It shows that the proposed change is required to maintain this ratio around the level of 10% to 11%.

Incremental impact of capital investment decisions on council tax – Prudential Indicator 3

This indicator see Table 3 identifies the revenue costs associated with proposed changes to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. This indicator will change during a year if council makes changes during the year affecting the borrowing required to support the capital programme,

Table 3 : Prudential Indicator 3					
	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Council tax - band D	£11.48	£18.19	£30.33	£10.23	£7.60

2.3 The Council's borrowing need (the Capital Financing Requirement)

Prudential indicator 4 is the Council's Capital Financing Requirement (CFR). The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £8.29m of such schemes within the CFR.

The Council is asked to approve the CFR projections in Table 4 below which show that the council's borrowing need for the period 2015/16 to 2017/18 is estimated to be £2.469m. The council's borrowing strategy is discussed in section 4.

Table 4 : Analysis of CFR £m				
	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Total CFR	313.883	325.077	321.878	316.352
Movement in CFR	12.892	11.194	Cr 3.199	Cr 5.526
Net financing need for the year (above)				
Less MRP/VRP and other financing movements	Cr 9.658	Cr 10.049	Cr 10.364	Cr 10.846
Additional Borrowing	22.550	21.243	7.165	5.320
Movement in CFR	12.892	11.194	Cr 3.199	Cr 5.526
Total		2.469		

3. MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP). The proposed policy statement is detailed in **Annex 2**.

3.1 MRP policy objectives

- The council shall determine for each financial year an amount of revenue provision for the future repayment of debt that it considers to be prudent.
- To set aside funds at a rate such that future generations who benefit from the assets are contributing to the associated debt and also avoiding the situation of future generations paying for the debt on assets that are no longer useable.

3.2 MRP Policy Review

The council's Borrowing costs (MRP and Interest Costs) is currently 26% of council tax requirement and 15% of tax revenue (council tax requirement plus NNDR contribution). As the council enters a period of reducing income an aim is to manage and maintain this position.

CLG regulations require the full Council to approve **an MRP Statement** each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement (**see Annex 2**) it includes two changes in methodology. The changes are:-

Firstly MRP relating to Pre 2008 debt and Supporting Borrowing post 2008 is changed from a 4% reducing balance methodology to a 2% straight line basis this means that paragraphs 1 and 3 of the current policy are changed from:-

1. For any capital expenditure carried out prior to 31 March 2008 the authority will be adopting the regulatory method. This is where the MRP will be 4% of the opening capital financing requirement (CFR) (which has been adjusted as per the 2003 regulations).
3. For any capital expenditure carried out after 1 April 2008 being financed by Government supported funding the authority will again be adopting the regulatory method. ere the authority considers the capital expenditure to have added significantly to the lifespan of the asset, we will set aside funds for repayment in line with the appropriate life span of the asset type.

To a single paragraph:

For any capital expenditure carried out prior to 31 March 2008 or financed by supported borrowing capital expenditure, the authority will be charging MRP at 2% of the balance at 31 March 2013 (which has been adjusted as per the 2003 regulations, ie. net of Adjustment A), fixed at the same cash value so that the whole debt is repaid after 50 years.

This change is considered more prudent for the following reasons. Firstly, a consequence is that the pre 2008 debt will be fully provided for by 2064, if the regulatory method was continued with, £20m/13% of the debt would still be outstanding in 2064. Also, as this MRP element will be provided for on straight line basis, stability for budget planning is increased and affordability more easily achieved.

The second change relates to MRP for Unsupported Borrowing.

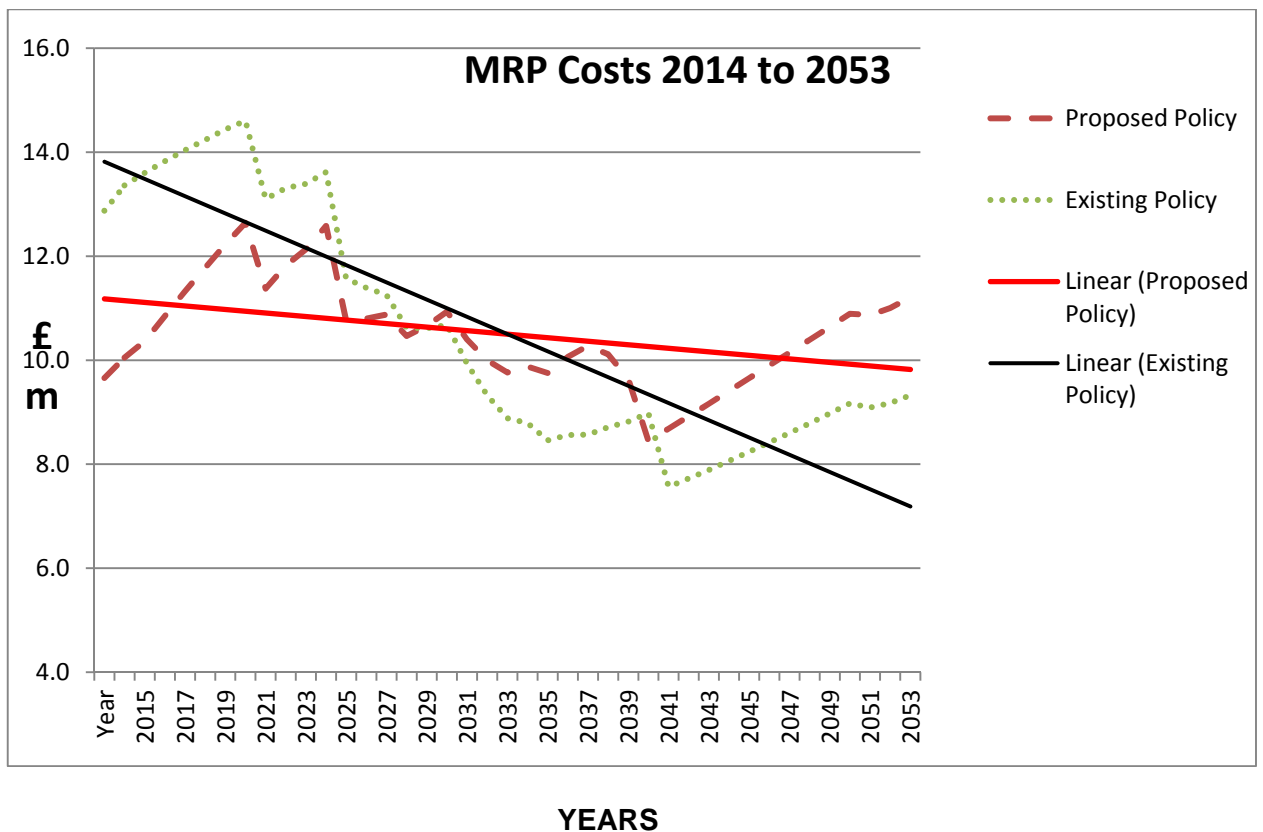
Recommendation change paragraph 2 from:-

2. For any capital expenditure carried out after 1 April 2008 being financed by unsupported borrowing the authority will be adopting the asset life method (option 3). This is where MRP will be based on the capital expenditure divided by a determined asset life or profile of benefits to give annual instalments.

To a paragraph that makes explicit the options available to implement the asset life method.

2. For any capital expenditure carried out after 1 April 2008 being financed by unsupported borrowing the authority will be adopting the asset life method. This is where MRP will be based on the capital expenditure divided by a determined asset life or profile of benefits to give annual instalments. The annual instalment may be calculated by the equal instalment method, annuity method or other methods as justified by the circumstances of the case at the discretion of the Chief Finance Officer.

MRP guidance gives both the options of equal instalment asset life and annuity, having one option does not preclude the use of the other option. Both result in the payback being the same estimated term of the asset. When taking into account the time value of money the straight line method stacks the costs at the start of the project and the annuity profiles it more evenly. The annuity method is more appropriate for schemes where the benefits grow during the life of the project e.g. regeneration schemes. The other methods clause would arise in circumstances where the profile of benefits funding the repayment does not fit into the equal instalments or the annuity payback method. This could only be applied where it is consistent with the statutory duty to be prudent. Graph 1 below projects the MRP costs from 2014 to 2053 - it shows that the policy change proposed smoothes and re-profiles the MRP costs over the 40 year period. This model assumes that from 2020 to 2054 capital spend supported by borrowing is £5m per year. In both instances in 2053 the actual borrowing outstanding is £107m and the Capital Financing requirement is £103m. This demonstrates affordability and prudence as enough funds are being set aside to repay future borrowing. **Annex 2** details the proposed Minimum Revenue Provision 2014/15 onwards



The impact of this policy update is that rather than having a high charge in initial years that reduces over time, the council will pay a charge that is consistent throughout a shorter time period. This will result in a lower MRP charge up to 2029/30 of £29.5million. From 2030/31 to 2054/55 there is an equal and opposite increase in the MRP charge by £29.5m, although this increase will be lower in real terms because money loses value over time. If approved the policy change will support the strategy of maintaining the level of current capital financing costs as a proportion of council tax revenue.

4 BORROWING

The resourcing of capital expenditure plans set out in Section 2 provides details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

4.1 Current portfolio position

The council is expected to end 2015/16 with a borrowing portfolio of £245m against an asset base of approximately £500m, and short term investments of between £90m and £120m. These will be proactively managed to minimise borrowing costs and maximise investment returns within a robust risk management environment. In 2015/16 estimated annual interest payments are £10.5m and investment interest income is £0.916m. The net budget for capital financing in 2014/15 is £23.1m. The treasury management budget required for the running of the treasury management function for 2015/16 is £0.179m (2014/15 £0.185m). By having a proactive approach to managing cash flows and investments it is estimated that investment income of £0.181m above the bank base rate will be generated.

The council's treasury portfolio position at 30 November 2014 is shown in Table 5 below; forward projections are summarised below in Table 6. It shows the actual external borrowing (the treasury management operations), against the capital borrowing need, operational debt, and highlights any over or under borrowing. It shows that the council's underborrowing position is expected to continue for the medium term.

Table 5 : Borrowing and Investments			
	Borrowing £ m	Investments £ m	Net Borrowing £ m
31-Mar-14	245.111	Cr 139.295	105.816
30-Nov-14	245.201	Cr 125.990	119.211
Change in year	0.090	13.305	13.395

Table 6 : Borrowing Forward Projections			
	2015/16 £ m	2016/17 £ m	2017/18 £ m
PWLB	106.588	106.621	96.655
Market Loans	122.000	122.000	122.000
Bonds and Temporary Loans	0.840	0.840	0.840
Net Other Local Authority Debt	15.063	14.251	13.356
Total Borrowing	244.491	243.712	232.851
Operational Debt – Prudential Indicator 6	316.787	313.588	308.062
(Under) / Over Borrowing	(72.296)	(69.876)	(75.211)

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within defined limits. **Prudential Indicator 7** relates to the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2015/16 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Chief Finance Officer reports that the Council complied with **Prudential Indicator 7** in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

In accordance with **Prudential Indicator 8** the council has adopted and complies with the Cipfa code of Practice for Treasury Management.

4.2 Treasury Indicators: limits to borrowing activity

The authorised limit for external debt Prudential Indicator 5.

This prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Table 7 : Authorised Limit £m – Prudential Indicator 5				
	2014/15	2015/16	2016/17	2017/18
	£m	£m	£m	£m
Total	349.022	357.585	354.066	347.987

The operational boundary Prudential Indicator 6. This is the limit beyond which external debt is not normally expected to exceed. It has been calculated by deducting the other long term liabilities (£7.4m) from the Capital Financing Requirement (CFR).

Table 8 : Operational Boundary £m – Prudential Indicator 6				
	2014/15	2015/16	2016/17	2017/18
	£m	£m	£m	£m
Total	307.527	316.787	313.588	308.062

4.3 Prospects for interest rates

The Council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives Capita Assets' View on Interest rate prospects. If this is significantly changed before the report goes to council then the Treasury Management and Investment strategy will be updated.

Table 9: Prospects for Interest Rates				
Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 Year	25 Year	50 Year
Dec-14	0.5	2.5	3.9	3.9
Mar-15	0.5	2.7	4.0	4.0
Jun-15	0.75	2.7	4.1	4.1
Sep-15	0.75	2.8	4.3	4.3
Dec-15	1.0	2.9	4.4	4.4
Mar-16	1.0	3.0	4.5	4.5
Jun-16	1.25	3.1	4.6	4.6
Sep-16	1.25	3.2	4.7	4.7
Dec-16	1.5	3.3	4.7	4.7
Mar-17	1.5	3.4	4.8	4.8
Jun-17	1.75	3.5	4.8	4.8
Sep-17	2.0	3.5	4.9	4.9
Dec-17	2.25	3.5	4.9	4.9
Mar-18	2.5	3.5	5.0	5.0

The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications see below. **Annex 3** provides a detailed Economic commentary.

- The Eurozone, concerns in respect of a major crisis subsided considerably in 2013. However, the downturn in growth and inflation during the second half of 2014, and worries over the Ukraine situation, Middle East and Ebola, have led to a resurgence of those concerns as risks increase that it could be heading into deflation and a triple dip recession since 2008. It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods;
- Investment returns are likely to remain relatively low during 2015/16 and possibly beyond;
- Borrowing interest rates have been volatile during 2014 as alternating bouts of good and bad news have promoted optimism, and then pessimism, in financial markets. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times, when authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt;

- There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

4.4 Borrowing Strategy

Our borrowing objectives are:

- To minimise the revenue costs of debt whilst maintaining a balanced loan portfolio
- To manage the council's debt maturity profile, ensuring no single future year has a disproportionate level of repayments
- To maintain a view on current and possible future interest rate movements and borrow accordingly
- To monitor and review the balance between fixed and variable rate loans against the background of interest rate levels and prudential indicators.

Specific Borrowing Objectives

- **L1. Full compliance with the Prudential Code - No Change.**
- **L2. Average maturity date between 15 and 25 years - No Change.**
- **L3 a. Financing costs as % of council tax requirement – Maintain current position through review of MRP policy and possible debt rescheduling. This indicator has been updated to include MRP costs.**
- **L3 b. Financing costs as % of tax revenues (council tax requirement and NNDR contribution) - Maintain current position through review of MRP policy and possible debt rescheduling. This indicator has been updated to include MRP costs.**
- **L4. Actual debt as a proportion of operational debt range is maintained in the range 75%- 90% - No Change**
- **L5. Average interest rate for internally managed debt will be equal to or less than 4.6% - No change**
- **L6. Average interest rate for total debt (including other local authority debt) will be equal to or less than 4.73%.- No change**
- **L7. The gearing effect on capital financing estimates of 1% increase in interest rates increase must not be greater than 5% - No change.**

The Council is currently maintaining an under borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and the risks within the economic forecast, caution will be adopted with the 2015/16 treasury operations. The Treasury Manager will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*

- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in the anticipated rate to US tapering of asset purchases, or in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.*

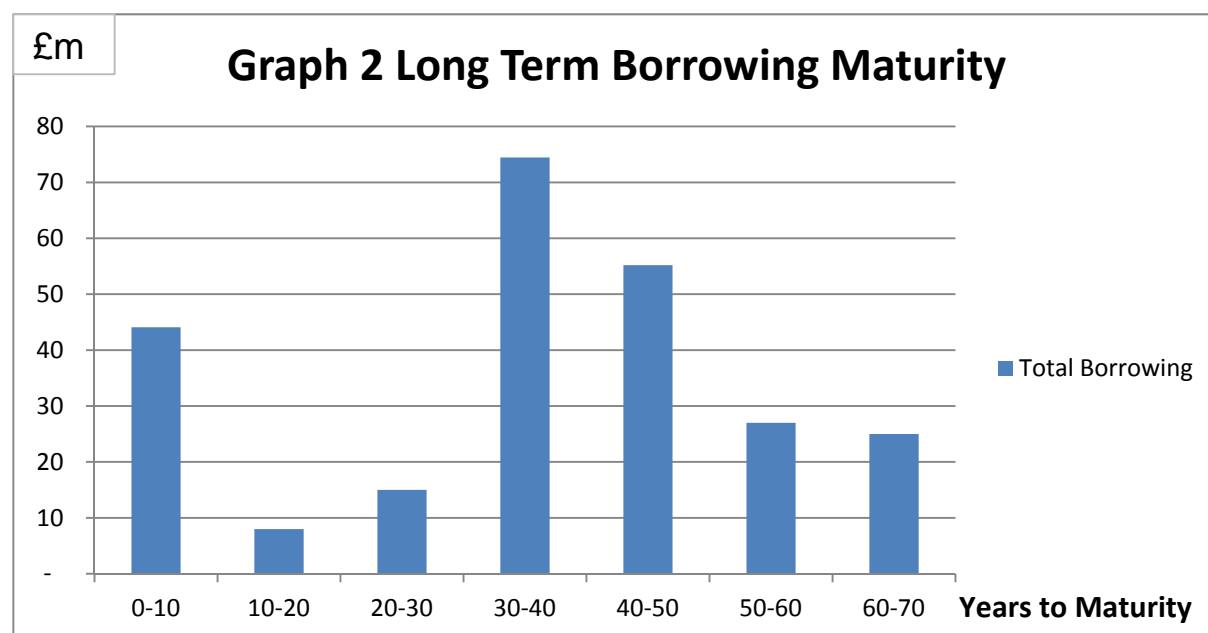
Any decisions will be reported to the appropriate decision making body at the next available opportunity.

4.5 Treasury management limits on activity

There are three debt related treasury activity limits. The purpose of these is to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. These limits have been reviewed. The indicators the council is asked to approved are:

Table 10a: Borrowing Limits	2015/16	2016/17	2017/18
Prudential Code Indicator 10	95%	95%	95%
Upper limits on fixed interest rate exposures.			
Lower limits on fixed interest rate exposures	40%	40%	40%
Prudential Code Indicator 11	45%	45%	45%
Upper limits on variable interest rate exposures			
Lower limits on variable interest rate exposures	0%	0%	0%
Table 10b: Borrowing Limits	2015/16	2016/17	2017/18
Prudential Code Indicator 12			
Lower limits for the maturity structure of borrowings:			
Under 12 Months	0%	0%	0%
12 months and within 24 months	0%	0%	0%
24 months and within 5 years	0%	0%	0%
5 years and within 10 years	5%	5%	5%
10 years and above	30%	30%	30%
Upper limits for the maturity structure of borrowings:			
Under 12 Months	25%	25%	25%
12 months and within 24 months	25%	25%	25%
24 months and within 5 years	40%	40%	40%
5 years and within 10 years	50%	50%	50%
10 years and above	85%	85%	85%

Graph 2 below shows the Maturity Structure of the council's borrowing portfolio.



Following a change in the Prudential Code guidance notes for the reporting of the maturity structure of LOBO loans; the maturity date is deemed to be the next call date. As £122m of the council's borrowing has a LOBO attached this measure has brought forward the reported maturity date. To reflect this change in presentation the lower limits for the maturity structure of borrowing have to be flexed each year to reflect the possible call date even though the council's borrowing has not changed. Due to the low interest rate environment the probability of a LOBO borrowing being called is extremely low.

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the council can ensure the security of such funds.

4.6 Debt rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred). The reasons for any rescheduling include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).
-

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt. All potential rescheduling would require the approval of the Treasury Management Panel.

5. ANNUAL INVESTMENT STRATEGY

5.1 Introduction: changes to credit rating methodology

The main rating agencies (Fitch, Moody's and Standard & Poor's) have, through much of the financial crisis, provided some institutions with a ratings "uplift" due to implied levels of sovereign support. More recently, in response to the evolving regulatory regime, the agencies have indicated they may remove these "uplifts". This process may commence during 2014/15 and / or 2015/16. The actual timing of the changes is still subject to discussion, but this does mean that the council's creditworthiness policy will be under additional review and scrutiny in the coming months.

5.2 Investment policy

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk.

Continuing regulatory changes in the banking sector are designed to see greater stability, lower risk and the removal of expectations of Government financial support should an institution fail. This withdrawal of implied sovereign support is anticipated to have an effect on ratings applied to institutions. This will result in the key ratings used to monitor counterparties being the Short Term and Long Term ratings only. Viability, Financial Strength and Support Ratings previously applied will effectively become redundant. This change does not reflect deterioration in the credit environment but rather a change of method in response to regulatory changes.

As with previous practice, ratings will not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

5.3 Creditworthiness policy

Approved Organisations for Investments

Only organisations that are eligible to receive investments from local authorities may be used. The council's credit worthiness policy was reviewed and approved by Audit Committee on 10 November 2014 and council on 17th November 2014.

5.4 The Monitoring of Investment Counterparties

The credit rating and financial resilience of counter parties are monitored regularly. The council receives credit rating information from Capita Asset Services as and when ratings change and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list by the treasury manager, and if required new counterparties which meet the criteria will be added to the list.

5.5 Investment strategy

The general policy objective for this council is for the prudent investment of its treasury balances. The council's investment priorities are:

- The security of capital
- Liquidity of its investments
- All investments will be in sterling
- The council will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity.

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for interest rates.

Investment returns expectations. Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 2 of 2015. Bank Rate forecasts for financial year ends (March) are:

- 31st March 2016 1.00%
- 31st March 2017 1.50%
- 31st March 2018 2.50%

There are downside risks to these forecasts (i.e. start of increases in Bank Rate occurs later) if economic growth weakens. However, should the pace of growth quicken, there could be an upside risk. Capita Assets suggest budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year for the next three years are as follows:

- 2015/16 0.90%
- 2016/17 1.50%
- 2017/18 2.00%

5.6 Specific Investment Objectives

- **L8.** Average interest rate received on STI Versus 7 day Libid rate – 0.5% - **No Change**
- **L9.** Average interest rate received on:
 - At call investments – **0.4% - No Change**
 - Short term investments – **0.9% - Changed from 0.8% to reflect market conditions.**

- Long term investments – **1.80%** - **Changed from 1.75% to reflect market conditions.**
- L10 Average rate on at call and short term investments will be equal to or greater than **0.8%** - **Changed from 0.7% due to market conditions.**
- L11. Average rate on all investments will be equal to or greater than 1.1% - **Changed from 0.9% due to market conditions**
- L12 % daily bank balances within a target range of 98% - **No Change**

Investment treasury indicator and limit total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year end.

The Council is asked to approve Prudential Indicator 9. treasury indicator and limit:

Prudential Indicator 9 Maximum principal sums invested > 364 days			
£m	2015/16	2016/17	2017/18
Principal sums invested > 364 days	£25m	£25m	£25m

Annex 1 - IN YEAR TREASURY MANAGEMENT INDICATORS TO BE MONITORED

No.	Indicator	2015/16	2016/17	2017/18
PCI 1	a. Capital expenditure - Council Resources	£25.450m	£8.440m	£7.190m
PCI 1	b. Capital expenditure - External Resources	£22.510m	£14.940m	£11.750m
PCI 2	Estimates of the ratio of financing costs to the net revenue stream	10.0%	10.5%	11.0%
L.3	a. Financing costs as % of council tax requirement	25.0%	25.0%	25.0%
L.3	b. Financing costs as % of tax revenues	13.5%	13.5%	13.5%
L.4	Actual debt versus operational debt within the following range	75%-90%	75%-90%	75%-90%
L.5	Average interest rate of debt excluding OLA less than	4.60%	4.60%	4.60%
L.6	Average interest rate of debt including OLA	4.73%	4.73%	4.73%
L.8	Average interest rate received on STI Versus 7 day LIBID rate	0.50%	0.50%	0.50%
L.9	Average interest rate received on:			
	(a) At call investments	0.40%	0.75%	1.00%
	(b) Short Term investments	0.90%	1.50%	2.00%
	(c) Long Term investments	1.80%	2.20%	2.50%
L.10	Average interest rate on all ST investments. (ST and At call)	0.80%	1.30%	1.70%
L.11	Average rate on all investments	1.10%	1.50%	1.90%
L.12	% daily bank balances within target range	98%	98%	98%

Annex 2 - MINIMUM REVENUE PROVISION 2014/15 ONWARDS

Under the Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2010, local authorities have a duty to produce an annual statement on its policy for making a minimum revenue provision (MRP).

For the financial years 2014/15 onwards the authority will be adopting the following policies in determining the MRP:

1. For any capital expenditure carried out prior to 31 March 2008 or financed by supported borrowing capital expenditure, the authority will be charging MRP at 2% of the balance at 31 March 2013 (which has been adjusted as per the 2003 regulations, ie. net of Adjustment A), fixed at the same cash value so that the whole debt is repaid after 50 years.
2. For any capital expenditure carried out after 1 April 2008 being financed by unsupported borrowing the authority will be adopting the asset life method (option 3). This is where MRP will be based on the capital expenditure divided by a determined asset life or profile of benefits to give annual instalments. The annual instalment may be calculated by the equal instalment method, annuity method or other methods as justified by the circumstances of the case at the discretion of the Chief Finance Officer.
3. The authority will treat the asset life as commencing in the year in which the asset first becomes operationally available. Noting that in accordance with the regulations the authority may postpone the beginning of the associated MRP until the financial year following the one in which the asset becomes operational, there will be an annual adjustment for Assets Under Construction.
4. In all years the CFR for the purposes of the MRP calculation will be adjusted for other local authority transferred debt.

Finance Leases

In accordance with legislation the council will make a MRP for finance leases equivalent to the principal payment contained with the lease terms.

Annex 3 - ECONOMIC BACKGROUND

This Economic Commentary is based upon information provided by our Treasury Management Advisors – Capita Asset Services. If you wish to read the full commentary, please contact Michael Tomlinson ext 2360.

Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth has rebounded during 2013 and especially during 2014, to surpass all expectations, propelled by recovery in consumer spending and the housing market. Forward surveys are also currently very positive in indicating that growth prospects are strong for 2015, particularly in the services and construction sectors. However, growth in the manufacturing sector and in exports has weakened during 2014 due to poor growth in the Eurozone. There does need to be a significant rebalancing of the economy away from consumer spending to manufacturing, business investment and exporting in order for this initial stage in the recovery to become more firmly established. One drag on the economy is that wage inflation has been lower than CPI inflation so eroding disposable income and living standards, although income tax cuts have ameliorated this to some extent. This therefore means that labour productivity must improve significantly for this situation to be corrected by warranting increases in pay rates. In addition, the encouraging rate at which unemployment has been falling must eventually feed through into pressure for wage increases, though current views on the amount of hidden slack in the labour market probably means that this is unlikely to happen in the near future. The US, the main world economy, faces similar debt problems to the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth.

Forward indications are that inflation is likely to fall further in 2014 to possibly near to 1% and then to remain near to, or under, the 2% target level over the MPC's two year ahead time horizon. So markets are expecting that the MPC will be cautious in raising **Bank Rate** as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak. A first increase in Bank Rate is therefore expected in Q2 2015 and they expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.

The return to strong growth has also helped lower forecasts for the increase in **Government debt** by £73bn over the next five years, as announced in the 2013 Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018/19. However, monthly public sector deficit figures have disappointed so far in 2014/15.

The Eurozone (EZ). The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to 0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).

Concern in financial markets for the Eurozone subsided considerably during 2013.

However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed. The ECB's pledge in 2012 to buy unlimited amounts of bonds of countries which ask for a bailout has provided heavily indebted countries with a strong defence against market forces. There are also particular concerns as to whether democratically elected governments will lose the support of electorates suffering under EZ imposed austerity programmes, especially in countries like Greece and Spain which have unemployment rates of over 24% and unemployment among younger people of over 50 – 60%. There are also major concerns as to whether the governments of France and Italy will effectively implement austerity programmes and undertake overdue reforms to improve national competitiveness. Any loss of market confidence in the two largest Eurozone economies after Germany would present a huge challenge to the resources of the ECB to defend their debt.

USA. The U.S. faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions. It is currently expected that the Fed. will start increasing rates in mid 2015.

China. There are also concerns around the potential size, and dubious creditworthiness, of some bank lending to local government organisations and major corporate in China. This primarily occurred during the government promoted expansion of credit, which was aimed at protecting the overall rate of growth in the economy after the Lehmans crisis.

CAPITA ASSET SERVICES FORWARD VIEW

Economic forecasting remains difficult with so many external influences weighing on the UK. Major volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, or the safe haven of bonds. The overall longer run trend is for gilt yields and PWLB rates to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Over time, an increase in investor confidence in world economic recovery is also likely to compound this effect as recovery will further encourage investors to switch from bonds to equities.

The interest rate forecasts in this report are based on an initial assumption that there will not be a major resurgence of the EZ debt crisis, or a break-up of the EZ, but rather that there will be a managed, albeit painful and tortuous, resolution of the debt crisis where EZ institutions and governments eventually do what is necessary. There is a significant danger that key financial ratios for them could rise to the point where markets lose confidence in the financial viability of one, or more, countries, especially if growth disappoints and / or efforts to reduce government deficits fail to deliver the necessary reductions. While the ECB has adequate resources to manage a debt crisis in a small EZ country, if one, or more, of the large countries were to experience a major crisis of market confidence, this would present a serious challenge to the ECB and to EZ politicians.

Downside risks currently include:

- The situation over Ukraine poses a major threat to EZ and world growth if it was to deteriorate into economic warfare between the West and Russia where Russia resorted to using its control over gas supplies to Europe. Fears generated by the potential impact of Ebola around the world.
- UK strong economic growth is currently mainly dependent on consumer spending and the potentially unsustainable boom in the housing market. The boost from these sources is likely to fade after 2014.
- A weak rebalancing of UK growth to exporting and business investment causing a weakening of overall economic growth beyond 2014. Weak growth or recession in the UK's main trading partner - the EU, inhibiting economic recovery in the UK.
- A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.
- A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.
- Recapitalisation of European banks requiring considerable government financial support.
- Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- Italy: the political situation has improved but it remains tenuous. Italy has the third highest government debt mountain in the world.
- France: after being elected on an anti austerity platform, President Hollande has embraced a €50bn programme of public sector cuts over the next three years. However, there could be major obstacles in implementing this programme.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan. Heightened political risks in the Middle East and East Asia could trigger safe haven flows back into bonds.

There are also increasing concerns at the reluctance of western central banks to raise interest rates significantly for some years, plus the huge QE measures which remain in place (and may be added to by the ECB in the near future). This has created potentially unstable flows of liquidity searching for yield and, therefore, heightened the potential for an increase in risks in order to get higher returns. This is a return to a similar environment to the one which led to the 2008 financial crisis.

The potential for upside risks to UK gilt yields and PWLB rates, especially for longer term PWLB rates include.

- A further surge in investor confidence that robust world economic growth is firmly expected, causing a flow of funds out of bonds into equities.
- UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

Annex 4 - GLOSSARY OF TERMS

TERM	DEFINITION
Authorised Limit	Level of debt set by the council that must not be exceeded.
Bond	A government or public company's document undertaking to repay borrowed money usually with a fixed rate of interest.
Borrowing	Obtaining money for temporary use that has to be repaid.
Capital expenditure	Expenditure on major items e.g. land and buildings, which adds to and not merely maintains the value of existing fixed assets.
Capital grants	Specific targeted grants to cover capital expenditure.
Capital receipts	The proceeds from the disposal of land or other assets. Capital receipts can be used to fund new capital expenditure but cannot be used to finance revenue expenditure
Cash flow Management	The management of the authority's receipts and payments to ensure the authority can meet its financial obligations.
Counter party limits	Maximum amount that the council may lend to other institutions will vary according to size and credit rating of other intuitions.
Dividends	Sum to be payable as interest on loan.
ECB	European Central Bank
EU	European Union
EZ	Euro Zone
GDP	Gross Domestic Product – the total market value of all final goods and services produced in a country in a given year, equal to total consumer investment and government spending, plus the value of exports minus the value of imports.
IMP	International Monetary Fund – an organisation of 187 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
Investments	The employment of money with the aim of receiving a return.
Libid rate	London Interbank Bid Rate (the rate that banks are willing to borrow from each other)
LOBO	Lenders Option Borrowers Option. A type of loan arrangement.
Liquidity	How easily an asset including investments may be converted to cash.
Long Term Borrowing	Borrowing of money for a term greater than one year.
Long Term Liabilities	Amounts owed by the council greater than 12 months old.
Market convention	The rules and regulations by which all brokers and dealers should abide by. It includes standards of practice and calculation conventions for interest. They are defined in the London Code of Conduct ("The London Code") published by the Bank of England.

TERM	DEFINITION
MPC	Monetary Policy Committee – group that sets the bank base rate for the Bank of England
Temporary borrowing	Borrowing of money for a term of up to 364 days.
Treasury management	The management of the local authority's cash flows, its borrowings and its investments, the management of associated risks, and the pursuit of the optimum performance or return consistent with those risks.
Treasury Policy Statement	A statement of key policies that an organisation follows in pursuit of effective treasury management, including borrowing limits and strategy.
Variable debt	This is money that has been borrowed at a variable interest rate, and as such is subject to interest rate changes.
Unsupported borrowing	Borrowing taken through the remit of the Prudential Code for which the council will not receive any government funding and will fund from own resources.
Definition of Fitch Primary Credit Rating Scales	
Long Term Ratings A: High credit quality.	A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
Short-Term Ratings F1: Highest short term credit quality.	Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
Definition of Moodys General Credit Rating	
LongTerm Corporate Obligation Ratings A	Obligations rated A are considered upper-medium grade and are subject to low credit risk.