

## **Cabinet – 19 January 2005**

**Report title:** Draft Corporate Revenue Budget 2005/6 – 2009/10

**Portfolio:** Councillor J G O'Hare – Deputy Leader

**Service Area:** Corporate finance

**Wards:** All

**Forward Plan:** Yes

### **Summary of report:**

This report presents the draft revenue budget for 2005/6 - 2009/10 prior to distribution to scrutiny panels for comment as part of the budget setting process for 2005. The final budget will be presented to Cabinet in February before being considered by Council in March.

### **Recommendations:**

1. That the draft revenue budget set out in this report and its appendices be noted.
2. That the use of c£1.5 m of general reserves to fund financial prudence in 2005/6 be noted.
3. That, at the time of despatch of this report, the precepting authorities (fire and police) had not notified the authority of their council tax increases be noted.
4. That this report be circulated to the council's scrutiny and performance panels requesting them to comment on its contents, to enable those comments to be considered by cabinet at its meeting in February 2005.

### **Resource and legal considerations**

Councils must set and maintain a budget sufficient to cover all known expenditure including an allowance for unknown contingencies. Chief financial officers (CFOs) are required to report to members on the adequacy of reserves. Balances should not be treated as a budget, nor should unbudgeted expenditure be assumed to be met from the working balance. A comprehensive statement on current and recommended reserves will be included in the final February budget report. It is prudent for councils to maintain an adequate working balance; the council uses a risk assessment to determine its level. The opening balance required @ 01.04.05 is £4.5m. Our medium term financial strategy aims to incrementally increase the opening working balance until it reaches £5m. This is on track.

Using a comprehensive medium term, policy led approach to budget setting reflects best financial practice, and underpins the council's delivery of its strategic aims and objectives.

The five-year approach to budget analysis will continue to enable evaluation of the medium-term financial plan.

The financial impact of the PTCF strategic partnership is currently being analysed. As negotiations are ongoing, this is not yet available. The draft budget assumes no additional council funds will be required to support the partnership.

The draft revenue support grant settlement was received on 2 December 2004 and the final settlement is expected in late January. The removal of ceilings on grants has been beneficial and there are grounds to be cautiously optimistic. Additional funds have been provided for schools. The social services grants and capital financing block funds need to be further evaluated once capital and grant allocations have been received, as such the final budget will depend on the final settlement.

### **Citizen impact:**

The draft budget would result in a 3.9% council tax increase, well within the Government's target of "low single figures", and should not be subject to capping. The budget is aligned with service activity in service plans. Investment has been targeted at service improvement, delivery of the council's vision of excellence by 2008 and service-user demand. A stable financial position ensures activity is targeted on service delivery and improvement.

### **Community safety:**

The budget provides funding for community safety initiatives which have a positive impact on community safety.

### **Environmental impact:**

Investment bids for 2005/6 onwards include a number of bids targeted at supporting environmental improvements.

### **Performance and risk management issues:**

The council annually reviews corporate financial planning and budget principles. In November, Cabinet approved an updated medium term financial planning strategy and framework. This report provides the latest draft corporate budget for 2005/6 onwards. As part of the budget setting process, a corporate financial risk assessment is undertaken to determine key risks, and their impact on the budget.

Regular financial monitoring reports are presented to management teams and Cabinet.

The efficiency review will require the delivery of annual efficiency targets of 2.5%. Detailed guidance is awaited on how this will be measured and assessed. The MTFS and financial planning processes will need to be updated to reflect the requirements of the review.

### **Equality implications:**

Services have regard to equalities in setting budgets and delivering services. The 2004/5 budget included investments that promoted equality and inclusion. Further bids have been received for 2005/6 onwards.

## Consultation:

Managers of all levels are responsible for delivering targets and service outputs within budget. With their teams they are involved in constructing the base budget, bidding for investment and in working up savings options. EMT and Cabinet receive regular budget updates. Consultation on the budget takes place more widely, including with key stakeholders. A draft budget was considered by Cabinet at a budget decision conference on 30 November and the outcomes on 6 and 9 December and recommendations arising from that event are contained in a separate report. All scrutiny panels will receive the draft revenue budget 2005/6+ for comment during January 2005.

## Vision 2008:

The budget and each investment bid and saving is assessed as to its contribution to the delivery of the Council's vision.

### 1. General Fund Financial Position 2004/5

- 1.1 Current monitoring indicates a predicted underspend at 31.03.05 of £0.950 m and balances of c£5.8 m, as shown in **table 1**. The approved medium term financial strategy (MTFS) is to end each year with the working balance intact and to commence 2005/6 with £4.5m of general fund balances. This is currently considered to be achievable. The value of reserves and provisions are re-assessed when the budget is set, informed by a comprehensive risk assessment. **Appendix 1** contains more detail.

Table 1: 2004/5 Estimated General Fund Outturn	
	2004/5 £M
Predicted revenue underspend	- 0.950
Balances available (post audit) @ 31.3.04	- 6.739
HRA balances @ 31.3.04	- 2.126
Less planned use of reserves to fund one-off items in 2004/5	4.009
<b>Total estimated balances @ 31.03.05</b>	<b>- 5.806</b>

*The MTFS requires balances of £4m @ 31.3.05 and £4.5m @ 01.04.05*

- 1.2 In accordance with the approved MTFS, balances above that required by the MTFS will be prudently and appropriately used to maintain financial stability by supporting financial prudence and funding one-off costs of restructuring, performance improvement, one-off investments and to cover known and estimated liabilities. The draft budget includes using c £1.5 m to fund prudent provisions and earmarked reserves to cover changes to pension regulations, to ensure an adequate level of funding in respect of employer pensions contributions and to manage the impact of single status. In addition, provision has been made for a central contingency, which is best practice. One-off expenditure is notionally funded by one-off income. All are automatically tracked in-year and removed during the following year's budget process.

### 2 Revenue Budget Process

#### 2.1 Budget Guidelines and Underlying Principles

- 2.1.1 The budget process is based on a continuous annual cycle. General fund budgets have been prepared in line with approved budget guidelines, updated for actual

changes as required. The draft budget provides for full inflation, pay awards and contractual inflation, as indicated in **table 2**.

<b>Table 2: Cost increase assumptions within Draft Budget 2005/6 to 2009/10</b>					
<b>Assumption \ Year</b>	<b>2005/6 %</b>	<b>2006/7 %</b>	<b>2007/8 %</b>	<b>2008/9 %</b>	<b>2009/10 %</b>
Pay awards	2.95%	2.95%	3%	3%	3%
Contract related cost increases	A s p e r c o n t r a c t				
Water increases	7.6%	3.1%	2.1%	1.8%	1.2%
Energy increases	6.5%	6.5%	6.5%	6.5%	6.5%
General inflation	2.1%	2.0%	2.0%	2.0%	2.0%

## 2.2 Overall Strategy

2.2.1 The budget has been constructed in accordance with the council's established MTFS and all relevant corporate financial protocols, resulting in:

- A focus on a policy-led, medium term, risk assessed budget setting approach using corporate priorities established by cabinet
- Funding financial prudence, the full year impact of investment choices approved in 2004/5 and demand as the highest priorities
- Full passporting of the schools education passporting requirement
- Prudent and appropriate use of the prudential code and use of unsupported borrowing to support capital investment proposals, where affordable and sustainable.
- Inflationary and other cost pressures recognised in the budget.
- Ensuring the opening working balance is further increased to an opening balance of £4.5 m @ 1.4.05, as required by the MTFS.

2.2.2 A separate report covers the draft capital programme 2005/6 to 2009/10. The financial implications arising from this are contained within the draft revenue budget.

## 2.3 2005/6 Budget Process

2.3.1 Draft service estimates were completed in early November 2004. All directorates held directorate decision conferences to consider their draft budgets, and investment and savings proposals. EMT have considered the overall draft budget. Cabinet held a budget decision conference on 30 November 2004. The decisions and outcomes from that decision conference are reflected in this report. The final budget will be reported to Cabinet in February prior to approval by Council in March.

## 2.4 Putting the Citizen First Partnership

2.4.1 The partnership is due to commence on 1.04.05. Negotiations are underway with the preferred bidder. A financial model has been produced to ensure that the partnership delivers the required investment. The draft budget assumes no additional net cost to the council in entering into the partnership.

## 3 **Draft Revenue Budget 2005/6**

3.1 **Appendix 2** summarises the draft budget for 2005/6 and **Appendices 3 to 6** show the draft preliminary forecasts 2006/7 to 2009/10. These figures exclude precepts. The exact values of levies are not yet known so estimates have been made. Based on currently available information, the 2005/6 net budget requirement is £342.482 m,

shown in **table 3**. This assumes approval of savings of £6.49 m (**Appendix 7** and section 3.5 give more detail) and total investment of £6.596 m (**Appendices 8a** and **8b** and section 3.6 give more detail). These are assumed to be funded. Funding of more investment will increase the net budget requirement and hence the council tax.

- 3.2 This draft net budget would result in a band D council tax (for the Walsall MBC element only) of £1,157.52, an increase over last year of £43.86 or 3.94%. Most properties in Walsall (69%) are in bands A or B – this would be an annual increase of £29.24 for band A and £34.11 for band B (**Appendix 9**). At the time this report was prepared, the precepts had not been received as such these are currently excluded.
- 3.3 The net council tax increase arising is 3.94%. Each £846k increases or decreases council tax by 1%. In making any budget reductions, members are strongly advised to not reduce prudent provisions such as inflation, pay awards, replenishment of balances and setting aside of funds for known future commitments.
- 3.4 The final settlement is expected in late January, impacting on the final budget. In addition, capital financing and social services grant allocations are still outstanding.

<b>Table 3: Draft Budget Requirement 2005/6</b>	<b>£M</b>
Basic forecast 2004/5	321.313
Budget refresh (pay awards, inflation, etc) / other changes	21.116
Financial Prudence	1.435
Total Investment Bids – Priority A	6.596
Total Savings	-6.489
<b>Net Revenue Expenditure</b>	<b>343.971</b>
Use of balances to fund one-off investment/financial prudence	-1.489
<b>Total Net Draft Budget Requirement 2005/6</b>	<b>342.482</b>
<b>Council Tax Increase</b>	<b>3.94%</b>

### 3.3 Central Contingencies, Balances, Provisions and Reserves

- 3.3.1 Budget setting must consider the longer term and we must plan now to deal with issues arising in the future to remain stability. This is managed by having adequate balances, provisions and reserves to deal with the diverse activities and pressures facing local councils. Cabinet has endorsed these principles through the MTFS.
- 3.3.2 The draft budget includes a central contingency of 0.01% of the net budget (£337K). A further modest provision of £0.25 m has been made to smooth any cost peaks arising from the implementation of single status in the short to medium term. An additional £0.4 m contribution to the insurance fund has been made to deal with increases in premiums arising from the hardening of the insurance market and to accommodate increased claims. £0.8 m has been set aside to cover additional costs arising from changes to the pension regulations to be implemented on 1.4.05.
- 3.3.3 The level of balances and provisions is based on a comprehensive risk assessment. This will be reviewed throughout 2005/6 and the outcomes used to inform decision making in future budget setting processes.

### 3.4 Delivering Excellence by 2008 - Strategic Choices

- 3.4.1 Robust challenge must form an integral part of the budget process to ensure that the council continues to modernise and improve and to meet the vision of achieving

excellence by 2008. This ensures that the process is policy-led and decisions reflect the medium to longer term impact. All services have undertaken a budget decision conference to rigorously examine current service scope and delivery methods with a view to creating savings and resources for reinvestment in both their own service and the wider corporate arena. This is the third year this approach has been taken.

### 3.5 Investment Bids

3.5.1 The 2004/5 revenue budget included significant funding for service improvement, customer demand, legislative changes, and to meet target performance levels. The 2005/6 draft budget seeks to further build on the improvements delivered in the last two years, with investment bids totalling £2.624 m to support continued improvement in these priority areas. In addition, new investment bids totalling £3.97 m are currently assumed to be funded, as they have been identified as a very high priority by Cabinet at the budget conference on 30.11.04 or by EMT as being essential to meeting legislative requirements and/or to meeting performance targets. Investment included in the draft budget is set out as follows:

- **Appendix 8a** – Full year effect of bids approved in 2004/5 budget of £2.624 m.
- **Appendix 8b** – Priority A bids totalling £3.972 m.

3.5.2 In respect of Education, the budget assumes that any pressures will be accommodated from meeting the schools passporting requirement. This means all FSS resources will be passed directly on to the education service, which will be expected to accommodate all inflationary, trend and spending pressures.

### 3.6 Efficiency Savings and Service Realignment

3.6.1 Senior managers have identified economies and efficiencies where considered achievable without changes in approved policy and/or an adverse impact on service delivery. Reviews of fees and charges have also taken place. Savings of £6.489 m (**appendix 7**) are reflected in this report. These effectively release funding for other council priorities and investment. Removal of any saving increases the proposed draft council tax and percentage increase. Additional savings would reduce it.

### 3.7 Comparative Draft Council Tax Levels

3.7.1 The approved MTFS states the Council will seek to establish and maintain its council tax at a level to ensure ongoing income from local taxation sufficient to support planned levels of expenditure. It also states that the council tax increase will be sufficient to ensure adequate resources are available to provide the current and planned budgeted levels of service provision in the context of the medium term.

3.7.2 Comparative draft council tax levels for 2004/5 for other west midlands or national councils are not yet publicly available.

### 3.8 Risk Assessment

3.8.1 Services undertake comprehensive risk assessments of their service budgets by identifying risk factors associated with potential changes to service delivery and funding streams to ensure that adequate corporate budgetary provision is available to cover unforeseen future events. This risk management approach has been in place for several years and is used to inform the level of earmarked reserves and working balance. A detailed statement on the adequacy of general and earmarked reserves and provisions will be included within the final budget report in February.

## 4 Budget Consultation

- 4.1 The council is statutorily obliged to consult with representatives of non-domestic ratepayers before setting the budget for the following financial year. Public consultation has been ongoing since November 2004 through a series of facilitated workshops involving representative samples of different parts of the community. A report on the outcomes of this consultation will be presented to Cabinet in February.

## 5. Medium Term Financial Outlook

- 5.1 The council has a longstanding commitment to medium term financial planning. The annual process requires services to calculate a provisional budget for the next 5 years. This is summarised at **Appendices 3 to 6** and includes the full year effects of changes identified in 2005/6 and inflationary and other known pressures. **Table 4** shows the current council tax requirement and an amount of efficiency savings required to achieve a scenario of council tax increases. The approach adopted in setting the budget, of matching spend and investment to priorities is now embedded

Table 4: – Estimated Council Tax Scenarios 2006/7 to 2009/10				
Description	Preliminary 2006/7 £M	Preliminary 2007/8 £M	Preliminary 2008/9 £M	Preliminary 2009/10 £M
Base Budget	363.254	382.041	401.183	420.675
External Support	268.270	281.147	296.047	311.738
Net requirement	94.984	100.894	105.136	108.937
<b>CT %age Increase Requirement</b>	<b>7.83%</b>	<b>6.08%</b>	<b>4.07%</b>	<b>3.48%</b>
Efficiency Savings to achieve 3% increase	4.254	2.932	1.079	.505
Efficiency Savings to achieve 4% increase	3.373	1.981	0.069	n/a
Efficiency Savings to achieve 5% increase	2.492	1.030	n/a	n/a

- 5.2 It is clear that some work will be needed to achieve a less than 5% council tax increase in 2006/7 onwards, based on latest RSG projections. It is essential that in setting a budget for a particular year, the council has regard to the medium term outlook. The council annually updates its medium term financial goals and targets. The information in this section provides a baseline assessment of likely resources and investment pressures. This will be developed further in the new financial year, with reports being brought forward to both senior officers and members in the summer.

### 5.3 Efficiency Review (Gershon)

- 5.3.1 Prominent in the July 2004 comprehensive spending review is the assumption that efficiency gains of 2.5% a year can be achieved. Delivering efficiency is a key challenge that local government will have to face. The purpose of the Gershon Review was to identify how the public sector could deliver increased efficiency, set targets and a time frame to work within. The efficiency gains expected are 2.5% per annum. Gains can be reinvested in local services. Budget reductions not linked to service efficiencies or which result in a reduction in levels of service will not count towards the annual efficiency targets. Gains are identified as “cashable”, where there is a direct financial saving or benefit, and “non cashable”, where gains do not lead to lower costs but improved performance for resources used. Expectations are that around half of the gains will be cashable. Efficiency gains in local services are not a euphemism for cuts. All “cashable” gains can be redirected to frontline services.

- 5.3.2 Although the Gershon Review sets specific targets; precisely how these will be assessed is still unclear. More detailed guidance is awaited. The efficiency targets and their assessment will need to be incorporated into the medium term service and financial planning process, once the guidance has been received.
- 5.3.3 The draft budget for 2006/7 onwards, assume achievement of these 2.5% efficiency gains, of which 50% is cashable. 2.5% equates to approximately £9 m in 2006/7. 50% of this is assumed to be cashable in 2006/7 onwards. It is important to stress that for services which are currently in-scope of the Putting the Citizen First strategic partnership, the delivery of the 2.5% efficiency target will be through that partnership.
- 5.3.4 The draft budget 2006/7 onwards assumes no further new bids, as these are assumed at this stage to be funded via the efficiency review.

## **6 Summary**

- 6.1 Over the last two years, the Council has stabilised its finances. To maintain this, services must continue to remain within their approved cash limited budgets and that prompt action is taken where necessary to ensure that this is achieved.
- 6.2 This report presents a balanced draft budget resulting in a council tax increase of 3.94% excluding precepts, equivalent to a band D council tax of £1,157.52. The key issues are:
- Funding for financial prudence of c£1.5 m.
  - Funding for continued improvement of £2.624 m to support priority areas.
  - Additional investment of £3.972 m focussed at front line services, corporate core infrastructure, and key developments.
  - Overall the total additional investment is £6.489 m.
  - Full passporting of education increases
  - An opening working balance of £4.5 m (an increase of £0.5 million over last year).
  - A central contingency of £0.3 million (minimum 0.01% of the net general budget).
  - Savings and service re-alignments of £6.569 m.
  - Full provision for the various pay awards, routine and contractual inflation and currently estimated demands, legislative changes and trends.
- 6.3 Council managers must continue to exercise extremely sound budget management. As last year, managers will be expected to formally sign up to their annual budgets and any investment and reductions allocated to them. They will be responsible for ensuring they deliver their target service outputs within budget. This will be monitored by line managers through the performance management framework. Effective budget management is one of the councils' key performance indicators.

### **Background papers:**

Various financial working papers.

Approved MTFs – Cabinet 10 November 2004.

Revenue Support Grant Provisional Settlement – Cabinet 22 December 2004

### **Contact officer:**

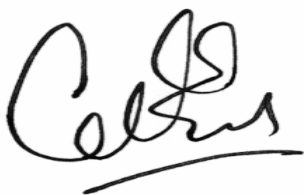
Vicky Crowshaw - Head of Corporate and Strategic Finance

☎ 01922.652349

[crowshawv@walsall.gov.uk](mailto:crowshawv@walsall.gov.uk)



**Signed:**

A handwritten signature in black ink, appearing to read 'Carole Evans', with a horizontal line underneath.

**Executive Director: Carole Evans**

**Date: 07.01.05**

**Signed:**

A handwritten signature in blue ink, appearing to read 'J G O'Hare', with a horizontal line underneath.

**Portfolio Holder: Cllr J G O'Hare**

**Date: 08.01.05**

## PREDICTED 2004/5 CORPORATE REVENUE YEAR END POSITION AS AT 31.10.04

SERVICE	ANNUAL GROSS EXPENDITURE BUDGET	ANNUAL GROSS INCOME BUDGET	NET ANNUAL BUDGET	PREDICTED EXPENDITURE AT YEAR END	PREDICTED INCOME AT YEAR END	PREDICTED YEAR END NET POSITION	PREDICTED YEAR END NET OVER/(UNDER) SPEND	
	£000	£000	£000	£000	£000	£000	£000	%
<b>Lifelong Learning &amp; Community</b>								
Mainstream Education	179,402	-31,699	<b>147,703</b>	180,817	-32,732	<b>148,085</b>	<b>382</b>	0.26
Community Sevices (inc sports)	24,720	-6,766	<b>17,954</b>	24,720	-6,691	<b>18,029</b>	<b>75</b>	0.42
School Crossings	455	0	<b>455</b>	455	0	<b>455</b>	<b>0</b>	0.00
Caretaking	1,697	-1,779	<b>-81</b>	1,670	-1,752	<b>-81</b>	<b>0</b>	0.00
Cleaning PSE	4,238	-4,406	<b>-168</b>	3,940	-4,108	<b>-168</b>	<b>0</b>	0.00
Catering PSE	5,696	-5,602	<b>94</b>	5,443	-5,349	<b>94</b>	<b>0</b>	0.00
<b>Total Lifelong Learning &amp; Community</b>	<b>216,209</b>	<b>-50,252</b>	<b>165,957</b>	<b>217,045</b>	<b>-50,631</b>	<b>166,414</b>	<b>457</b>	<b>0.28</b>
<b>Regeneration &amp; Built Environment</b>								
Street Pride	23,088	-12,037	<b>11,052</b>	23,143	-12,251	<b>10,891</b>	<b>-161</b>	-1.45
Built Environment Management	123	0	<b>123</b>	159	0	<b>159</b>	<b>36</b>	29.33
Asset Management	13,425	-9,376	<b>4,049</b>	14,931	-10,882	<b>4,049</b>	<b>0</b>	0.00
Service Improvement	563	-63	<b>501</b>	608	-73	<b>534</b>	<b>34</b>	6.76
Planning & Transport	15,686	-7,372	<b>8,314</b>	15,627	-7,390	<b>8,237</b>	<b>-77</b>	-0.92
Public Protection	3,507	-2,149	<b>1,359</b>	3,507	-2,094	<b>1,414</b>	<b>55</b>	4.05
Urban Regeneration	2,545	-451	<b>2,094</b>	2,553	-526	<b>2,026</b>	<b>-68</b>	-3.23
Community Satefy / CCTV	1,511	-280	<b>1,231</b>	1,283	-280	<b>1,004</b>	<b>-227</b>	-18.45
Neighbourhood / Programme Management	692	-475	<b>217</b>	687	-475	<b>212</b>	<b>-5</b>	-2.31
Walsall Borough Strategic Partnership	80	0	<b>80</b>	80	0	<b>80</b>	<b>0</b>	0.00
Housing Services	1,960	-269	<b>1,691</b>	1,805	-269	<b>1,536</b>	<b>-155</b>	-9.16
<b>Total Regeneration &amp; Built Environment</b>	<b>63,181</b>	<b>-32,472</b>	<b>30,709</b>	<b>64,383</b>	<b>-34,241</b>	<b>30,142</b>	<b>-567</b>	<b>-1.85</b>
<b>Corporate Services</b>								
ICT	7,560	-710	<b>6,850</b>	7,909	-710	<b>7,199</b>	<b>349</b>	5.10
Human Resources	5,665	-1,357	<b>4,308</b>	5,617	-1,380	<b>4,237</b>	<b>-71</b>	-1.64
Policy	927	0	<b>927</b>	892	0	<b>892</b>	<b>-36</b>	-3.87
Corporate Services	6,187	-2,126	<b>4,061</b>	6,522	-2,282	<b>4,240</b>	<b>179</b>	4.41
<b>Total Corporate Services</b>	<b>20,339</b>	<b>-4,193</b>	<b>16,146</b>	<b>20,940</b>	<b>-4,372</b>	<b>16,568</b>	<b>422</b>	<b>2.61</b>

## APPENDIX 1

SERVICE	ANNUAL GROSS EXPENDITURE BUDGET	ANNUAL GROSS INCOME BUDGET	NET ANNUAL BUDGET	PREDICTED EXPENDITURE AT YEAR END	PREDICTED INCOME AT YEAR END	PREDICTED YEAR END NET POSITION	PREDICTED YEAR END NET OVER/(UNDER) SPEND	
	£000	£000	£000	£000	£000	£000	£000	%
<b>Finance / Law / Performance Management</b>								
Legal Services	1,678	-366	1,312	1,505	-163	1,342	30	2.31
Revenues & Benefits(inc anti poverty unit)	82,103	-79,021	3,082	81,971	-79,165	2,807	-275	-8.94
Performance Management	1,600	0	1,600	1,527	0	1,527	-73	-4.56
Finance (inc. internal audit, CWSS, EMT)	11,313	-6,758	4,555	11,478	-6,783	4,695	139	3.06
Fleet Services	6,149	-2,162	3,987	6,050	-2,164	3,886	-101	-2.54
<b>Total Finance/ Law / Performance Management</b>	<b>102,842</b>	<b>-88,307</b>	<b>14,536</b>	<b>102,531</b>	<b>-88,275</b>	<b>14,256</b>	<b>-280</b>	<b>-1.93</b>
<b>Social Care &amp; Supported Housing</b>	114,793	-39,732	75,061	112,655	-38,303	74,352	-709	-0.94
<b>Capital Financing</b>	16,358	-3,065	13,294	16,649	-3,630	13,019	-275	-2.07
<b>Other Central Items</b>	513	0	513	207	0	207	-307	-59.73
<b>Carry forwards from 2003/04</b>	0	-2,618	-2,618	0	-2,618	-2,618	0	0.00
<b>Levies</b>								
PTE	11,948	0	11,948	11,948	0	11,948	0	0.00
Environment Agency	75	0	75	75	0	75	0	0.00
<b>SUB TOTAL</b>	<b>546,259</b>	<b>-220,637</b>	<b>325,621</b>	<b>546,433</b>	<b>-222,071</b>	<b>324,362</b>	<b>-1,259</b>	<b>-0.39</b>
<b>Costs to be met from earmarked reserves</b>								
Agreed carry forwards from 2003/04	0	0	0	2,618	0	2,618	2,618	
Improving the Working Environment	0	0	0	400	0	400	400	
Move to Norwich House - Community	0	0	0	60	0	60	60	
Summer reloaded - Community	0	0	0	200	0	200	200	
Community Engagement LNP's	0	0	0	250	0	250	250	
Shortfall in right to buy income	0	0	0	1,254	0	1,254	1,254	
Equal pay claims - Social Services	0	0	0	1,333	0	1,333	1,333	
Equal pay claims - Catering	0	0	0	570	0	570	570	
<b>SUB TOTAL</b>	<b>546,259</b>	<b>-220,637</b>	<b>325,621</b>	<b>553,118</b>	<b>-222,071</b>	<b>331,047</b>	<b>5,425</b>	<b>1.67</b>
<b>Reserves</b>								
Contribution from balances	0	-4,009	-4,009	0	-4,009	-4,009	0	
Use of agreed carry forwards from 2003/04	0	0	0	0	-2,618	-2,618	-2,618	
Use of other earmarked reserves	400	-700	-300	0	-4,767	-4,767	-4,467	
Transfers to earmarked reserves	0	0	0	709	0	709	709	
<b>Net Position as at 31.03.05</b>	<b>546,659</b>	<b>-225,346</b>	<b>321,313</b>	<b>553,827</b>	<b>-233,464</b>	<b>320,363</b>	<b>-950</b>	<b>-0.30</b>

N.B. All costs to be met from earmarked reserves are identified separately in the table above.

Gross expenditure above excludes internal recharges

**SUMMARY OF DRAFT CORPORATE REVENUE FORECAST 2005/6 INCLUDING PRIORITY A INVESTMENT BIDS**

SERVICE / LEVY ETC.	2004/5 BASIC FORECAST	ADD: INFLATIONARY PRESSURES	PAY AWARD	OTHER CHANGES	REMOVAL OF ONE-OFF 2003/4 GROWTH	TOTAL BASIC FORECAST 2005/6	IDENTIFIED SAVINGS	ADD: INVESTMENT BIDS	FORECAST INCL INVESTMENT BIDS
	£	£	£	£	£	£	£	£	£
Corporate services	4,852,884	135,072	170,337	412,510	-2,343,064	3,227,739	-255,400	375,000	3,347,339
Finance, legal, performance	15,042,165	352,407	417,000	449,735	762,666	17,023,973	-684,000	323,058	16,663,031
Social care and supported housing	82,760,728	1,918,034	1,435,413	1,566,569	-885,000	86,795,744	-3,535,000	2,908,000	86,168,744
Lifelong learning & community	206,789,114	6,725,633	602,730	3,150,044	-2,295,819	214,971,702	-132,869	803,000	215,641,833
Regeneration, housing and built environment	35,724,583	473,212	991,769	424,388	-1,896,538	35,717,414	-1,565,412	970,000	35,122,002
<b>SUB TOTAL SERVICES</b>	<b>345,169,474</b>	<b>9,604,358</b>	<b>3,617,249</b>	<b>6,003,246</b>	<b>-6,657,755</b>	<b>357,736,572</b>	<b>-6,172,681</b>	<b>5,379,058</b>	<b>356,942,949</b>
Capital Financing	13,293,794	0	0	1,971,576	0	15,265,370	-217,000	0	15,048,370
LESS: Capital Charges	-42,306,481	0	0	0	0	-42,306,481	0	0	-42,306,481
Non-service specific prudence/central items	-2,158,598	34,903	0	-351,404	3,559,755	1,084,656	-100,000	1,216,619	2,201,275
<b>SUB TOTAL CENTRAL ITEMS</b>	<b>-31,171,285</b>	<b>34,903</b>	<b>0</b>	<b>1,620,172</b>	<b>3,559,755</b>	<b>-25,956,455</b>	<b>-317,000</b>	<b>1,216,619</b>	<b>-25,056,836</b>
<b>Levies:</b>									
PTE (% increase to be advised)	11,948,323	340,677	0	-539,000	0	11,750,000	0	0	11,750,000
Environment Agency	74,965	5,622	0	0	0	80,587	0	0	80,587
<b>NET REVENUE EXPENDITURE</b>	<b>326,021,477</b>	<b>9,985,560</b>	<b>3,617,249</b>	<b>7,084,418</b>	<b>-3,098,000</b>	<b>343,610,704</b>	<b>-6,489,681</b>	<b>6,595,677</b>	<b>343,716,700</b>
(Use of)/contribution to general reserves	- 4,008,733	0	0	-285,000	4,008,733	-285,000	0	0	-285,000
(Use of)/contribution to other reserves	- 700,000	0	0	-950,000	700,000	-950,000	0	0	-950,000
<b>GRAND TOTAL BUDGET REQUIREMENT</b>	<b>321,312,744</b>	<b>9,985,560</b>	<b>3,617,249</b>	<b>5,849,418</b>	<b>1,610,733</b>	<b>342,375,704</b>	<b>-6,489,681</b>	<b>6,595,677</b>	<b>342,481,700</b>

## SUMMARY OF PRELIMINARY FORECAST 2006/7

SERVICE / LEVY ETC.	2005/6 TOTAL BASIC FORECAST £	ADD: INFLATIONARY PRESSURES £	PAY AWARD £	OTHER CHANGES £	TOTAL BASIC FORECAST 2006/7 £	IDENTIFIED SAVINGS £	ADD INVESTMENT BIDS £	FORECAST INCL INVESTMENT BIDS £
Corporate services	3,227,739	157,320	268,349	199,254	3,852,662	-190,000	436,000	4,098,662
Finance, legal, performance	17,023,973	322,235	411,078	725,975	18,483,261	-417,000	962,945	19,029,206
Social care and supported housing	86,795,744	1,993,880	1,493,742	283,436	90,566,802	-3,535,000	4,311,000	91,342,802
Lifelong learning & community	214,971,702	7,034,320	639,666	59,361	222,705,049	-150,063	828,000	223,382,986
Regeneration, housing and built environment	35,717,414	591,086	747,558	678,179	37,734,237	-1,985,412	1,750,000	37,498,825
<b>SUB TOTAL SERVICES</b>	<b>357,736,572</b>	<b>10,098,841</b>	<b>3,560,393</b>	<b>1,946,205</b>	<b>373,342,011</b>	<b>-6,277,475</b>	<b>8,287,945</b>	<b>375,352,481</b>
Capital Financing	15,265,370	0	0	1,909,182	17,174,552	-217,000	0	16,957,552
LESS: Capital Charges	-42,306,481	0	0	0	-42,306,481	0	0	-42,306,481
Non-service specific prudence/central items	1,084,656	0	0	-1,016,351	68,305	-100,000	3,853,463	3,821,768
<b>SUB TOTAL CENTRAL ITEMS</b>	<b>-25,956,455</b>	<b>0</b>	<b>0</b>	<b>892,831</b>	<b>-25,063,624</b>	<b>-317,000</b>	<b>3,853,463</b>	<b>-21,527,161</b>
<b>Levies:</b>								
PTE (% increase to be advised)	11,750,000	1,084,000	0	539,000	13,373,000	0	0	13,373,000
Environment Agency	80,587	3,626	0	0	84,214	0	0	84,214
<b>NET REVENUE EXPENDITURE</b>	<b>343,610,704</b>	<b>11,186,467</b>	<b>3,560,393</b>	<b>3,378,036</b>	<b>361,735,601</b>	<b>-6,594,475</b>	<b>12,141,408</b>	<b>367,282,534</b>
(Use of)/contribution to general reserves	-285,000	0	0	785,000	500,000	0	0	500,000
(Use of)/contribution to general reserves	-950,000	0	0	950,000	0	0	0	0
Less Gershon Impact and PTCF delivery of savings *	0	0	0	0	0	-4,528,945	0	-4,528,945
<b>GRAND TOTAL BUDGET REQUIREMENT</b>	<b>342,375,704</b>	<b>11,186,467</b>	<b>3,560,393</b>	<b>5,113,036</b>	<b>362,235,601</b>	<b>-11,123,420</b>	<b>12,141,408</b>	<b>363,253,589</b>

\*Note: The Gershon efficiency review will deliver 2.5% efficiency savings, 50% of which will be reinvested in services, 50% of which are cashable. The PTCF partnership will deliver efficiency savings relating to in-scope services.

## SUMMARY OF PRELIMINARY FORECAST 2007/8

SERVICE / LEVY ETC.	2006/7 TOTAL BASIC FORECAST £	ADD: INFLATIONARY PRESSURES £	PAY AWARD £	OTHER CHANGES £	TOTAL BASIC FORECAST 2007/8 £	IDENTIFIED SAVINGS £	ADD INVESTMENT BIDS £	FORECAST INCL INVESTMENT BIDS £
Corporate services	3,852,662	132,398	272,523	170,204	4,427,787	-190,000	426,000	4,663,787
Finance, legal, performance	18,483,261	318,205	473,399	605,664	19,880,529	-381,000	965,945	20,465,474
Social care and supported housing	90,566,802	2,043,536	1,572,807	101,655	94,284,800	-3,535,000	4,358,000	95,107,800
Lifelong learning & community	222,705,049	7,376,449	669,535	69,260	230,820,293	-169,101	942,000	231,593,192
Regeneration, housing and built environment	37,734,237	617,563	790,018	275,039	39,416,857	-1,985,412	2,700,000	40,131,445
<b>SUB TOTAL SERVICES</b>	<b>373,342,011</b>	<b>10,488,151</b>	<b>3,778,282</b>	<b>1,221,822</b>	<b>388,830,266</b>	<b>-6,260,513</b>	<b>9,391,945</b>	<b>391,961,698</b>
Capital Financing	17,174,552	0	0	2,141,887	19,316,439	-217,000	0	19,099,439
LESS: Capital Charges	-42,306,481	0	0	0	-42,306,481	0	0	-42,306,481
Non-service specific prudence/central items	68,305	0	0	-63,264	5,041	-100,000	3,217,615	3,122,656
<b>SUB TOTAL CENTRAL ITEMS</b>	<b>-25,063,624</b>	<b>0</b>	<b>0</b>	<b>2,078,623</b>	<b>-22,985,001</b>	<b>-317,000</b>	<b>3,217,615</b>	<b>-20,084,386</b>
<b>Levies:</b>								
PTE (% increase to be advised)	13,373,000	0	0	1,463,000	14,836,000	0	0	14,836,000
Environment Agency	84,214	0	0	3,790	88,003	0	0	88,003
<b>NET REVENUE EXPENDITURE</b>	<b>361,735,601</b>	<b>10,488,151</b>	<b>3,778,282</b>	<b>4,767,235</b>	<b>380,769,268</b>	<b>-6,577,513</b>	<b>12,609,560</b>	<b>386,801,315</b>
(Use of)/contribution to general reserves	500,000	0	0	-500,000	0	0	0	0
(Use of)/contribution to general reserves	0	0	0	0	0	0	0	0
Less Gershon Impact and PTCF delivery of savings *	0	0	0	0	0	-4,760,616	0	-4,760,616
<b>GRAND TOTAL BUDGET REQUIREMENT</b>	<b>362,235,601</b>	<b>10,488,151</b>	<b>3,778,282</b>	<b>4,267,235</b>	<b>380,769,268</b>	<b>-11,338,129</b>	<b>12,609,560</b>	<b>382,040,700</b>

\*Note: The Gershon efficiency review will deliver 2.5% efficiency savings, 50% of which will be reinvested in services, 50% of which are cashable. The PTCF partnership will deliver efficiency savings relating to in-scope services.

## SUMMARY OF PRELIMINARY FORECAST 2008/9

SERVICE / LEVY ETC.	2007/8 TOTAL BASIC FORECAST £	ADD: INFLATIONARY PRESSURES £	PAY AWARD £	OTHER CHANGES £	TOTAL BASIC FORECAST 2008/9 £	IDENTIFIED SAVINGS £	ADD INVESTMENT BIDS £	FORECAST INCL INVESTMENT BIDS £
Corporate services	4,427,787	129,959	321,770	98,950	4,978,466	-190,000	426,000	5,214,466
Finance, legal, performance	19,880,529	328,254	510,353	385,945	21,105,081	-349,000	965,945	21,722,026
Social care and supported housing	94,284,800	2,115,707	1,271,197	853,751	98,525,455	-3,535,000	4,362,000	99,352,455
Lifelong learning & community	230,820,293	7,686,002	736,639	-30,090	239,212,844	-186,497	1,438,000	240,464,347
Regeneration, housing and built environment	39,416,857	151,961	807,889	125,951	40,502,658	-1,985,412	2,655,000	41,172,246
<b>SUB TOTAL SERVICES</b>	<b>388,830,266</b>	<b>10,411,883</b>	<b>3,647,848</b>	<b>1,434,507</b>	<b>404,324,504</b>	<b>-6,245,909</b>	<b>9,846,945</b>	<b>407,925,540</b>
Capital Financing	19,316,439	0	0	1,590,344	20,906,783	-217,000	0	20,689,783
LESS: Capital Charges	-42,306,481	0	0	0	-42,306,481	0	0	-42,306,481
Non-service specific prudence/central items	5,041	0	0	483,423	488,464	-100,000	3,283,334	3,671,798
<b>SUB TOTAL CENTRAL ITEMS</b>	<b>-22,985,001</b>	<b>0</b>	<b>0</b>	<b>2,073,767</b>	<b>-20,911,234</b>	<b>-317,000</b>	<b>3,283,334</b>	<b>-17,944,900</b>
<b>Levies:</b>								
PTE (% increase to be advised)	14,836,000	0	0	1,271,000	16,107,000	0	0	16,107,000
Environment Agency	88,003	0	0	3,960	91,964	0	0	91,964
<b>NET REVENUE EXPENDITURE</b>	<b>380,769,268</b>	<b>10,411,883</b>	<b>3,647,848</b>	<b>4,783,234</b>	<b>399,612,234</b>	<b>-6,562,909</b>	<b>13,130,279</b>	<b>406,179,604</b>
(Use of)/contribution to general reserves	0	0	0	0	0	0	0	0
(Use of)/contribution to general reserves	0	0	0	0	0	0	0	0
Less Gershon Impact and PTCF delivery of savings *	0	0	0	0	0	-4,996,153	0	-4,996,153
<b>GRAND TOTAL BUDGET REQUIREMENT</b>	<b>380,769,268</b>	<b>10,411,883</b>	<b>3,647,848</b>	<b>4,783,234</b>	<b>399,612,234</b>	<b>-11,559,062</b>	<b>13,130,279</b>	<b>401,183,451</b>

\*Note: The Gershon efficiency review will deliver 2.5% efficiency savings, 50% of which will be reinvested in services, 50% of which are cashable. The PTCF partnership will deliver efficiency savings relating to in-scope services.

## SUMMARY OF PRELIMINARY FORECAST 2009/10

SERVICE / LEVY ETC.	2008/9 TOTAL BASIC FORECAST £	ADD: INFLATIONARY PRESSURES £	PAY AWARD £	OTHER CHANGES £	TOTAL BASIC FORECAST 2009/10 £	IDENTIFIED SAVINGS £	ADD INVESTMENT BIDS £	FORECAST INCL INVESTMENT BIDS £
Corporate services	4,978,466	132,423	330,160	94,854	5,535,903	-140,000	426,000	5,821,903
Finance, legal, performance	21,105,081	337,086	520,097	333,534	22,295,798	-370,000	965,945	22,891,743
Social care and supported housing	98,525,455	2,189,293	1,311,004	49,886	102,075,638	-3,535,000	4,367,000	102,907,638
Lifelong learning & community	239,212,844	8,060,487	759,185	-22,557	248,009,959	-203,369	1,440,000	249,246,590
Regeneration, housing and built environment	40,502,658	584,542	833,364	51,373	41,971,937	-1,985,412	3,110,000	43,096,525
<b>SUB TOTAL SERVICES</b>	<b>404,324,504</b>	<b>11,303,831</b>	<b>3,753,810</b>	<b>507,090</b>	<b>419,889,235</b>	<b>-6,233,781</b>	<b>10,308,945</b>	<b>423,964,399</b>
Capital Financing	20,906,783	0	0	2,016,967	22,923,750	-217,000	0	22,706,750
LESS: Capital Charges	-42,306,481	0	0	0	-42,306,481	0	0	-42,306,481
Non-service specific prudence/central items	488,464	0	0	783,297	1,271,761	-100,000	3,351,024	4,522,785
<b>SUB TOTAL CENTRAL ITEMS</b>	<b>-20,911,234</b>	<b>0</b>	<b>0</b>	<b>2,800,264</b>	<b>-18,110,970</b>	<b>-317,000</b>	<b>3,351,024</b>	<b>-15,076,946</b>
<b>Levies:</b>								
PTE (% increase to be advised)	16,107,000	0	0	820,350	16,927,350	0	0	16,927,350
Environment Agency	91,964	0	0	4,138	96,102	0	0	96,102
<b>NET REVENUE EXPENDITURE</b>	<b>399,612,234</b>	<b>11,303,831</b>	<b>3,753,810</b>	<b>4,131,842</b>	<b>418,801,717</b>	<b>-6,550,781</b>	<b>13,659,969</b>	<b>425,910,905</b>
(Use of)/contribution to general reserves	0	0	0	0	0	0	0	0
(Use of)/contribution to general reserves	0	0	0	0	0	0	0	0
Less Gershon Impact and PTCF delivery of savings *	0	0	0	0	0	-5,236,021	0	-5,236,021
<b>GRAND TOTAL BUDGET REQUIREMENT</b>	<b>399,612,234</b>	<b>11,303,831</b>	<b>3,753,810</b>	<b>4,131,842</b>	<b>418,801,717</b>	<b>-11,786,802</b>	<b>13,659,969</b>	<b>420,674,883</b>

\*Note: The Gershon efficiency review will deliver 2.5% efficiency savings, 50% of which will be reinvested in services, 50% of which are cashable. The PTCF partnership will deliver efficiency savings relating to in-scope services.



**SERVICE AND CORPORATE INVESTMENTS**  
**NEW INVESTMENT - SAVINGS / INCOME GENERATION**

SAVING / INCOME NO	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF SAVING / INCOME GENERATION / RISKS IN IMPLEMENTING
		2005/6 £000	2006/7 £000	2007/8 £000	2008/9 £000	2009/10 £000	
	CORPORATE SERVICES						
1	Income generation from new public houses licensing laws	-65	0	0	0	0	Public houses need to hold a personal licence (renewable every 10 years) and a one-off premises licence (lasts the life of the business). Income from entertainment licences will reduce following this new legislation, hence a new investment bid included of £36k per annum.
2	Savings generated through centralised procurement process	-90	-90	-90	-90	-90	Projected saving of £450k included in last years' investment choices. Now estimated that this will be approx.£540k minimum saving
new	Telephone contract	-50	-50	-50	-50	-50	Saving from new contract
new	Reduction in staff advertising budgets	-50	-50	-50	-50	-50	Savings arising from a review of the media used for advertising
	Total Corporate Services	-255	-190	-190	-190	-190	
	REGENERATION, HOUSING AND BUILT ENVIRONMENT						
3	Restructure of planning & transportation	-70	-70	-70	-70	-70	Reshaping of service area will generate savings
4	Review of IT budgets	-45	-45	-45	-45	-45	Re-prioritisation of budgets to minimise cuts in front-line services
5	Highways PFI	-70	-140	-140	-140	-140	Options appraisal being undertaken and budget re-profiled for 05/6
6	Waste disposal savings	-75	-75	-75	-75	-75	Budget re-profiling
7	Vacancy management - Increase to 5%	-350	-350	-350	-350	-350	Re-prioritisation of budgets to minimise cuts in front-line services

SAVING / INCOME NO	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF SAVING / INCOME GENERATION / RISKS IN IMPLEMENTING
		2005/6 £000	2006/7 £000	2007/8 £000	2008/9 £000	2009/10 £000	
8	Community regeneration - management restructure	-30	-30	-30	-30	-30	Re-shaping linked to programme management
9	Review of public conveniences provision	-100	-100	-100	-100	-100	This option will involve moving to a mobile attended service for all public conveniences but will not involve any closures.
10	Supported workshop	0	-350	-350	-350	-350	Closure of workshop and transfer of staff to links to work
11	Reduction in supplies & services etc budgets	-300	-300	-300	-300	-300	Re-prioritisation of budgets to minimise cuts in front-line services
12	Increase in planning fees budget	-50	-50	-50	-50	-50	Budget re-profiling
13	Review of lease concessions	-20	-20	-20	-20	-20	Review of charges to tenants incl. community / voluntary groups
14	Car parking income	-70	-70	-70	-70	-70	Budget re-profiling
15	Disinfestation income	-20	-20	-20	-20	-20	Budget re-profiling
16	Works in default income	-10	-10	-10	-10	-10	Budget re-profiling
new	Review of section 11/82 costs	-100	-100	-100	-100	-100	All claims should be settled by 31.03.05 so no further budget is expected to be required.
new	Review of leasing costs re: former housing vehicles	-105	-105	-105	-105	-105	Leasing costs of former housing vehicles now transferred to WHG - budget no longer required
new	CCTV/community safety	-100	-100	-100	-100	-100	A reduction in budgetary provision for CCTV/community safety activity due to the availability of NRF funding via the community safety commission (note that NRF funding is expected to fall out March 06).
new	Review of unitary development plan (UDP)	-35	-35	-35	-35	-35	The UDP is inspected once every 3/4 years as such this budget is not fully required in the next financial year but will need to be reinstated in future years.
new	Realignment of housing and regeneration budgets	-15	-15	-15	-15	-15	Re-prioritisation of budgets to minimise cuts in front-line services
	<b>Total Regeneration, Housing &amp; Built Environment</b>	<b>-1,565</b>	<b>-1,985</b>	<b>-1,985</b>	<b>-1,985</b>	<b>-1,985</b>	

SAVING / INCOME NO	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF SAVING / INCOME GENERATION / RISKS IN IMPLEMENTING
		2005/6 £000	2006/7 £000	2007/8 £000	2008/9 £000	2009/10 £000	
	LIFELONG LEARNING AND COMMUNITY						
18	Catering - savings due to anticipated increased take up in school meals	-10	-27	-46	-63	-80	The saving will be generated through capital investment in dining facilities at secondary schools that will generate additional income. A capital investment proposal has been completed for £310k in 2005/6 and for further amounts in subsequent years. The investment is required to modernise outdated facilities at secondary schools.
new	Savings identified within directorate	-123	-123	-123	-123	-123	Education client budget, Illuminations, increase in fees and charges, vacancy management. Full details to follow.
	Total Lifelong Learning & Community	-133	-150	-169	-186	-203	
	SOCIAL CARE AND SUPPORTED HOUSING						
20	Savings resulting from reduction in number of looked after children	-690	-690	-690	-690	-690	Saving flowing from increased investment in family support - reduction in number of new admissions to care - based on 10 children coming out of care. Impossible for vulnerable children to use Walsall's services; unable to provide safe and secure placements which meet care standards for children; reduced ability to achieve targets and star rating which reduces the attainability of excellent status by 2008; unable to allocate places for vulnerable children which has negative effect on safety & security. Previous target in MTFP unrealistic - given early stages of family support strategy.

SAVING / INCOME NO	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF SAVING / INCOME GENERATION / RISKS IN IMPLEMENTING
		2005/6 £000	2006/7 £000	2007/8 £000	2008/9 £000	2009/10 £000	
21	Workforce management	-650	-650	-650	-650	-650	Reduction in use of and unit cost of agency staff. Reduced ability to achieve targets and star rating which reduces the attainability of excellent status by 2008. Number of agency staff reduced leading to savings in agency staff in addition to cost saving of £100k.
22	Reduction in use of agency staff	-100	-100	-100	-100	-100	Departmental savings relating to agency staff. This is a key part of the councils recruitment and retention policy – the reduction in the use of agency staff will transform Walsall into an excellent Local Authority by ensuring continuity of service and also help strengthen the local economy by providing employment opportunities. Number of agency staff reduced leading to savings in agency staff included in MTFP
23	Children's residential restructuring	-300	-300	-300	-300	-300	Saving flowing from restructuring within children's residential services costing £337k - this is predicted to reduce use of agency staff by £300k in 05/6. Impossible for vulnerable children to use Walsall's services; unable to provide safe and secure placements which meet care standards for children; reduced ability to achieve targets and star rating which reduces the attainability of excellent status by 2008; unable to allocate places for vulnerable children which has negative effect on safety & security. Restructure delayed due to negotiations with union, target optimistic given need to implement care standards

SAVING / INCOME NO	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF SAVING / INCOME GENERATION / RISKS IN IMPLEMENTING
		2005/6 £000	2006/7 £000	2007/8 £000	2008/9 £000	2009/10 £000	
24	Ongoing savings in residential care placements	-827	-827	-827	-827	-827	Ongoing saving identified in 03/4; due to demand not being as high as predicted when growth was identified. Risk that demand increases over and above that which was budgeted for which may have a negative effect on security of vulnerable adults and reduced ability to achieve targets and star rating which reduces the attainability of excellent status by 2008.
25	Additional savings on reducing numbers of looked after children (LAC).	-550	-550	-550	-550	-550	Additional savings identified to bring LAC back in house from external residential placements - equates to an additional 5 children by end of 05/6. Impossible for vulnerable children to use Walsall's services; unable to provide safe and secure placements which meet care standards for children; reduced ability to achieve targets and star rating which reduces the attainability of excellent status by 2008; unable to allocate places for vulnerable children which has negative effect on safety & security
26	Increased levels of vacancy management	-418	-418	-418	-418	-418	Increasing vacancy mgt discount to 3.9% - excludes any discount for residential care. Reduced ability to achieve targets and star rating which reduces the attainability of excellent status by 2008. Needs to be very carefully managed by service to ensure no negative effect on service provision or star rating; there will be delays in filling posts which will affect assessment process - currently an outlier (1 blob) in this - vacancy mgt will slow recovery; also may increase waiting lists
<b>Total Social Care and Supported Housing</b>		<b>-3,535</b>	<b>-3,535</b>	<b>-3,535</b>	<b>-3,535</b>	<b>-3,535</b>	

SAVING / INCOME NO	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF SAVING / INCOME GENERATION / RISKS IN IMPLEMENTING
		2005/6 £000	2006/7 £000	2007/8 £000	2008/9 £000	2009/10 £000	
	FINANCE, LAW AND PERFORMANCE						
28	Additional DWP funding in respect of verification framework	-398	-358	-322	-290	-261	Additional income to be received from the DWP
new	Additional vacancy management - revenue & benefits	-27	-27	-27	-27	-27	Savings arising from additional vacancy management
new	Additional vacancy management - finance	-27	-27	-27	-27	-27	Savings arising from additional vacancy management
new	one-off funding of anti- poverty unit from supporting people grant	-227	0	0	0	0	Funding from supporting people grant for 1 year only.
new	Supplies and services cost reductions - legal / internal audit	-5	-5	-5	-5	-5	Savings arising from a review of supplies and services budget - 50% legal, 50% internal audit
	Total Finance, Law & Performance	-684	-417	-381	-349	-320	
	CENTRAL ITEMS						
29	Efficiency savings arising from proactive treasury management	-217	-217	-217	-217	-217	
new	Non-social care and supported housing temporary agency contracts	-100	-100	-100	-100	-100	Savings from the procurement of new contracts.
	TOTAL CENTRAL ITEMS	-317	-317	-317	-317	-317	
	TOTAL ALL DIRECTORATES	-6,489	-6,594	-6,577	-6,562	-6,550	

## SERVICE AND CORPORATE INVESTMENTS

## 2005/6 FULL YEAR IMPACT OF APPROVED 2004/5 INVESTMENT

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000		
REGENERATION, HOUSING AND BUILT ENVIRONMENT								
A	<b>Increase in landfill tax</b> Landfill tax will increase by £1 per tonne in 2004/05 and thereafter annually by £3 per tonne until a ceiling of £35 per tonne is reached.	380	770	1165	1570	1970	Contributes to vision 2008 priority 1 "ensure a clean and green borough".	Spending on landfill is unavoidable and without growth the existing budget would be overspent. Impact on BVPI 86 and 87
B	<b>Disposal of garden refuse</b> Contractual arrangements will see the introduction of a gate fee for the disposal of green waste. The cost assumes arrangements continue following the end of the existing contract (2006/07). Tenders for this work have also being sort via the Black Country Waste Management Forum.	160	240	240	240	240	Contributes to vision 2008 priority 1 "ensure a clean and green borough".	Potential impact on BVPI 82b, 82d, and 87. Overspend on existing provision for waste disposal. Impact on statutory recycling and composting target (24% - 2005/06).
C	<b>Expansion of garden waste collection scheme</b> Full year effect of brown bin expansion programme 03/04 (22,000) and 04/05 (7,000)	40	40	40	40	40	Improved performance on BVPI 82b and 82d. Contributes to vision 2008 priority 1. 'ensure a clean and green borough'.	Not achieving statutory performance target at 24% (2005/06).
D	<b>Anticipated growth in tipping</b> Growth has averaged 1.9% over the past three years.	40	80	125	170	215	Contributes to Vision 2008 Priority 1 "ensure a clean and green borough".	Overspend on existing budget provision for waste disposal.

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000		
E	<b>Disposal of tyres</b> Approved growth in 2003/04 £20K. Anticipated increase in disposal costs associated with tyres directive which bans the disposal at landfill sites from 2006/07.	0	40	40	40	40	Contributes to vision 2008 priority 1. 'ensure a clean and green borough'.	Contribution towards achievement of statutory recycling target and landfill diversion targets.
F	<b>Mainstream community safety unit</b> The authority is required by Section 17 of the Crime & Disorder Act 1988 to implement community safety policies.	0	65	65	65	65	This investment will assist the authority to deliver on its priorities included within its vision statement. In particular helping to ensure that all people are safe and secure.	The authority is required by section 17 of the Crime & Disorder Act 1998 to implement community safety policies.
<b>Total Regeneration, Housing &amp; Built</b>		<b>620</b>	<b>1,235</b>	<b>1,675</b>	<b>2,125</b>	<b>2,570</b>		
<b>LIFELONG LEARNING AND COMMUNITY</b>								
G	<b>Teacher payments music and music support grant</b> To meet increased pay bills for teachers from threshold 3, etc plus loss of core funding grant.	607	607	607	607	607	The music service is an award winning service and contributes significantly to making our schools great by providing a subject that stimulates learning.	Redundancies, reduction then closure of service.
H	<b>Blakenall library (one stop)</b> Running costs for new library at Blakenall one stop shop.	60	60	60	60	60	The library will enable residents to access services more easily.	Litigation, poor services, accidents, poor BVPI results.
I	<b>Walsall outdoor adventure centre</b> Outdoor adventure centre, via new opportunities funding (NOF) 3 scheme, £400k earmarked. Facility based on Aldridge airport site. Grant has been approved.	3	5	7	9	11	The investment will enable children and young adults to have access to facilities that are not available at the moment in the borough. The new facility will be an asset to people of the borough.	Building and service cannot progress and £400k of funding will be lost.



INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000		
J	<b>Replacement of flexible learning centres pc's (172 in all) on a 3yr cycle</b> To keep public access computers in libraries up to date. 19 libraries in the borough - 3 computers in small libraries & 10-16 in large libraries. Government standard is 6 computers available per 10,000 of the population.	30	53	58	52	52	Giving residents access to ICT facilities is a key priority. It will improve their skills and enable to access online services.	Poor facilities, under used, unable to meet standards.
	<b>Total Lifelong Learning &amp; Community</b>	<b>700</b>	<b>725</b>	<b>732</b>	<b>728</b>	<b>730</b>		
<b>SOCIAL CARE AND SUPPORTED HOUSING</b>								
K	<b>Client demand - learning disabilities - 05/6 &amp; future yrs effect of growth approved 04/5</b> Client demand for new LD clients - will be spent on a range of new services to include supported living, home care, day care etc.	366	366	366	366	366	Ensuring that vulnerable adults with learning disabilities are safe and secure and their assessed needs are met.	Existing demand continues to increase - failure to fund new demands will result in new packages of care not proceeding and support to citizens not met - in addition the view of the Commission for Social Care Inspection (CSCI) was that services in Walsall for people with learning disabilities was excellent.

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000		
<b>L</b>	<b>Client demand learning disabilities - new identified growth 05/6</b> Client demand for new LD clients - will be spent on a range of new services to include supported living, home care, day care etc	426	794	794	794	794	Ensuring that vulnerable adults with learning disabilities are safe and secure and their assessed needs are met.	Existing demand continues to increase - failure to fund new demands will result in new packages of care not proceeding and support to citizens not met - in addition the CSCI view that services in Walsall for people with learning disabilities was excellent.
<b>M</b>	<b>Independent sector home care fee increases</b> Projected increase in independent sector home care fees - 2% above base budget allowance of 3.5%.	81	81	81	81	81	Ensuring that assessed needs of vulnerable older people are met.	Unstable market - fee increases need to keep pace with other local authorities - projected 5.5% for industry sector home care from June 2005.
<b>N</b>	<b>Mental health preserved rights</b> Funding required to change packages of care for preserved rights clients (mental health) - reassess clients - clients still in system - unique issue for mental health.	100	200	200	200	200	Addressing the assessed need of clients with mental health problems in preserved rights placements.	There are a number of existing service users with preserved rights and existing resources are inadequate to meet their care needs. Should this additional funding not be forthcoming, additional demands will be placed on next years continuing care resources.
<b>O</b>	<b>One year reduction in cash limit (04/5) added back</b> Corporate adjustment in 04/5 required to be added back in 05/6.	31	31	31	31	31		Direct cut to 05/6 budget.

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000		
P	<b>Care standards - budget realignment</b> Long standing operational shortfall originating from 02/03 where costs of weekend working, additional allowances etc. increased expenditure in this area.	300	300	300	300	300	Ensuring older people receive services which meet national standards.	Insufficient revenue funding to cover the cost of current residential services. Failure to meet national minimum standards, poor management of buildings, data and PI'S.
	<b>Total Social Care and Supported Housing</b>	1,304	1,772	1,772	1,772	1,772		
	<b>TOTAL ALL DIRECTORATES</b>	2,624	3,732	4,179	4,625	5,072		

**SERVICE AND CORPORATE INVESTMENTS**  
**NEW INVESTMENT - PRIORITY "A"**

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
CORPORATE SERVICES								
1	<b>Mortuary accommodation - winter provision</b> To meet a proportion of the cost of providing temporary additional mortuary accommodation during the winter periods attributable to the use of the facility by the coroner.	8	10	0	0	0	Ensures that the coroner is able to carry out his responsibilities with the minimum of distress to residents and maintain the required level of service throughout the year.	Mortuary accommodation might not be available - council could be in breach of statutory responsibility. Poor image of council.
2	<b>New licensing laws for public houses - funding of licensing team</b> New licensing laws for pubs -personal licence now req'd, renewable every 10 yrs and one-off premises licence covering the life of the business. The income in the 1st year provides savings in that yr but incurs costs from 6/7 as the no. of entertainment licences reduces. Funding req'd to finance the operation of the team.	10	42	42	42	42	Ensure council able to comply with statutory licensing requirements and licensing team able to provide high quality service to its customers.	Inadequate funding will inhibit the ability of the council to comply with statutory requirements.
3	<b>Connection to the West Midlands Regional Broadband Network</b> Annual service charge for connecting to the West Midlands Regional Broadband Network	28	28	28	28	28	Improves access to council services and transforming Walsall into an excellent authority	The Council will be excluded from the West Midlands Regional Broadband Network
4	<b>Head of corporate support post</b> To provide support to executive director of corporate services on corporate support issues.	73	73	73	73	73	Enables co-ordination of all corporate services to meet obligations.	Not able to meet support needs of executive director.
6	<b>Service awards</b> To continue to recognise team improvement / service delivery.	10	10	10	10	10	Transforming Walsall into an excellent authority where employees' contribution towards service delivery is recognised.	Potential reduction in staff morale, increase in sickness absence, limits the potential of sharing learning therefore not becoming a learning organisation.
7	<b>Introduction of a 6 place supernumerary disability scheme</b> Establishment of a 6 place supernumerary scheme for people with a disability in order to address poor employment performance.	90	108	108	108	108	Increase the councils BVPI 16a - employing people with a disability.	The authorities profile of employing people with a disability remains low and hinders the authority's attempt of becoming an excellent council - not achieving or exceeding current BVPI target.

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		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
11	<b>Events and consultancy support</b> To support key community events and initiatives organised by new equalities team.	20	20	20	20	20	Promotes diversity; develops effective partnership working; underpin & strengthen key performance measures inc. the equality standard & race equality scheme; strengthen the council in this area in readiness for corporate assessment. Supports community cohesion.	Council will be perceived to be failing to deliver improvements in this area, and failing to engage fully and effectively with community; failure to achieve KPIs.
12	<b>Provision of corporate translation / interpretation service</b> Building on current year developments, including identified sound practice, to establish quality services, in-house and external, for provision of interpretation and translation services - community languages and human aids to communication (british sign language, braille, etc.)	30	30	30	30	30	Vision highlights inclusive borough, valuing cultural diversity, treating all people fairly, equally and with respect. Addresses priorities relating to listening and improving access to services.	Failure to meet requirements under disability discrimination and equality legislation; failure to follow through on key recommendation in the Audit Commission housing inspection; also key outcome of diversity conference, and council recognition of british sign language.
13	<b>Citizens Panel (full size 1500 now 85% =1,000 places)</b> Building on pilot panel established as one-off in current year, to establish permanent panel of more appropriate size to provide representative views of residents of the borough and of local neighbourhood areas.	30	30	30	30	30	The citizens' panel provides a key means of obtaining the views of residents on key issues relating to the council, its services and the borough, leading to service improvements and improved customer satisfaction levels.	Inability to gain rounded picture of the views, needs and perceptions of local residents, and to act on what we hear. Risk that our services may not reflect the needs and address the concerns of local people and service users.
14	<b>Freedom of information act (FOI) - permanent post</b> To establish a dedicated resource to co-ordinate responses to FOI requests in line with tight statutory timescales; to continue training and awareness raising within the council; to make further improvements in council records management systems.	26	35	35	35	35	To meet a new statutory obligation to provide a wide range of information held by the council on request, in line with the Act and related guidance. Relates closely to the council priority to make it easier to access local services - and information about those services.	The council must fulfil its new statutory obligations - the Information Commissioner has a range of powers to require councils failing to deal with FOI effectively to take urgent action. Risk of damage to the council's reputation locally and nationally.

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		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
15	<b>Shopmobility</b> Enhanced council support for a fully functioning shopmobility scheme for Walsall town centre.	50	50	50	50	50	The provision of a shopmobility scheme has been flagged up in consultations towards the council vision in 2003 and on diversity and equality issues in April 2004.	Failure to meet identified public concerns and priorities; negative impact on the town centre; perceived lack of commitment to equalities and to local disabled people.
	<b>Total Corporate Services</b>	375	436	426	426	426		
<b>REGENERATION, HOUSING AND BUILT ENVIRONMENT</b>								
17	<b>Cemeteries - shortfall in income</b> Net impact of the revised charging policy on cems and cremes which will generate a further £90k per annum.	10	10	10	10	10		Inaccurate base budget.
19	<b>Loss of income from car parks</b> Parking lost as a result of the town centre transport package (TCTP) and Shannon's Mill development.	90	240	240	240	240	The TCTP and Shannon's Mill development are vital to maintaining the vitality and viability of the town centre.	The loss of these two schemes would not only result in the loss of some £80m of inward investment, but would have considerable impact upon the vitality and viability of the town centre and borough as a whole.
21	<b>Increase in number of properties requiring domestic refuse collections</b> Growth in number of domestic properties.	10	15	25	30	40		
22	<b>Expansion of garden waste collection scheme</b> Full year effect of brown bin expansion programme 03/04 (22,000) and 04/05 (7,000)	90	90	90	90	90	Improved performance on BVPI 82b and 82d. Contributes to vision 2008 priority 1 'ensure a clean and green borough'.	Not achieving statutory performance target at 24% (2005/06).
24	<b>Fall-out of ERDF/ESF for urban regeneration</b> Mainstreaming of 2 posts currently funded via ERDF/ESF which falls out in 2005/6.	45	45	45	45	45	The economic development team will make a significant contribution to strengthening the local economy.	Insufficient budgetary provision for the economic development team will restrict its ability to develop strategies for addressing the need to strengthen the local economy.

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		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
25	<b>Energy efficiency officer</b> Requirement by GOWM to undertake energy efficiency work, there is no one undertaking this work for the council, we have managed to get away with this so far but we need to take a more focused approach to energy efficiency work and do not have an officer with this skill and knowledge to undertake such work.	30	40	40	40	40	Targeted work by an energy efficiency officer will help more vulnerable people live at home and help the council meet the decent home target for the private sector.	We must do energy efficiency work, failure to employ a specialist officer could impact on our housing inspection score and on meeting our 2008 vision.
27	<b>Expansion of the gold standard across other district centres</b> To extend the gold standard into the district centres of Willenhall, Darlaston, Bloxwich, Aldridge and Brownhills on a phased basis to commence in 2005/06.	75	75	75	75	75	Priority 1 and priority 6. Improved performance on BVPI 199.	Inconsistent standards of cleaning in town centres.
	<b>Total Regeneration, Housing &amp; Built Environment</b>	<b>350</b>	<b>515</b>	<b>525</b>	<b>530</b>	<b>540</b>		
<b>LIFELONG LEARNING AND COMMUNITY</b>								
45	<b>Youth service - fall out of budget delegated to partner organisations</b> Council does not currently fund the youth service to the level indicated in the formula spending share. Part of this gap has been covered by NRF / temporary one off funding. However the fallout of NRF / temporary funding will put considerable pressure on the youth service.	600	600	600	600	600	Investing in high quality youth work is fundamental to the future of the borough. It will enhance educational attainment, reduce anti-social behaviour and support the development of active citizenship.	The authority presently offers an extremely poor service to young people . It will be heavily criticised in the Ofsted Insp. due Dec 04. Would be linked to failure to invest properly. It could also mean that the authority would be unable to complete the post Ofsted action plan. Key priorities for the council would be affected. There is likely to be an increase in disengagement &
19	<b>Music support grant - balance now not required</b> This was awarded during the 2004/5 budget setting process to the music service. It is now anticipated that music service standards fund will not drop out to at least 2007/8.	-607	-607	0	0	0		

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
new	<b>Fall out of rental income from wharf bar</b> Income currently received by the art gallery will cease as it is expected that the premises will be purchased.	45	45	45	45	45	The art gallery is a flagship state of the art new building for Walsall. A large amount of investment has been generated for this project, a major asset which is seen to encourage everyone to feel proud of Walsall, and to raise further the profile of our cultural treasures.	The rent income is a valuable contribution towards the costs of operating the art gallery. Should this funding be lost, then further cuts in services will be required to plug the funding gap. Also, the art gallery receives annual funding from the arts council, which may be jeopardised if Walsall MBC funds are withdrawn.
47	<b>Parks / greenspace improvement strategy</b> Investment will affect all parks, public open space, play areas, allotments, fishing pools, country parks & nature reserves. Many facilities are in a less than adequate condition due to reduction in revenue/capital resources. This has led to a lack of site pride & gradual decline in the quality/quantity of assets.	65	65	65	65	65	There are 16 friends of parks / green spaces focus groups that support this kind of increased investment. Thus the project complies with listening to what local people want. The investment will help contribute to ensuring the borough is clean and obviously green. The investment will open up further green spaces assisting in making it easier for people to get around. The investment will assist in making people safe and secure, and help Walsall become a healthy and caring place.	Decline in the standard of public open spaces and parks across the borough. Increased difficulty in complying with DDA for a number of play sites. Also difficulty in meeting the policies of LNPs in relation to dog fouling, health walks etc. The council will face continuing public criticism of its care of parks and green spaces.
	<b>Total Lifelong Learning &amp; Community</b>	<b>103</b>	<b>103</b>	<b>710</b>	<b>710</b>	<b>710</b>		
	<b>SOCIAL CARE AND SUPPORTED HOUSING</b>							
49	<b>Fall out of asylum seekers grant income</b> Loss of income will be a direct budget cut for the department which has previously made a surplus.	330	331	335	339	344	Supporting asylum seekers.	Not negotiable - income generated through the asylum seekers contract will be lost.



INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
<b>50</b>	<b>Support payments for looked after children (LAC)</b> Required for children under s17 s23 s34 of the Children's Act - majority of which are court ordered and uncontrollable - although a few under section 20 - looking at commissioning and procurement of services - supervised visits.	225	225	225	225	225	Ensuring children are safe & secure and that they are able to access local services, to ensure that appropriate statutory intervention is achieved for children at risk.	Extensive audit and new tendering process to address overspend result of historically insufficient budget, court requirements, Human Rights Act etc.
<b>51</b>	<b>Additional costs of agency staff within social work teams for LAC</b> High level of agency staff requires additional funding.	170	170	170	170	170	Ensuring children are safe & secure and that they are able to access local services, to ensure that appropriate statutory intervention is achieved for children at risk.	Inability to fulfil statutory functions due to recruitment crisis.
<b>52</b>	<b>Realignment of salaries of children's service managers</b> To enable a more strategic approach to service delivery.	50	50	50	50	50	Ensure appropriate skilled & qualified managers retained within service area.	Retention issues - inability to complete senior management structure.
<b>54</b>	<b>Restructure in older peoples and physical disability and sensory impairment services (OP/PDSI)</b> To meet changing and developing service needs - reports in place to JNCC.	48	148	148	148	148	Addressing poor performance and improving outcomes for older people and people with physical and sensory impairment.	Will not be able to meet key targets - National Standards (NSF)
<b>55</b>	<b>PDSI development budget</b> Development work to identify unmet needs of this client group - service user involvement - meet demographic demand.	50	50	50	50	50	Ensuring services are developed based on listening to service users and carers.	Will not be able to develop services for this group of clients.
<b>56</b>	<b>Service user and carer consultation across client groups</b> Required to implement user involvement strategy.	0	10	10	10	10	This will demonstrate how the council listens to what people want and improve services to make Walsall a healthy and caring place.	Unable to deliver user involvement strategy.

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
57	<b>Home treatment services - mental health</b> Reconfiguration of assertive outreach team, mental health crisis team. - shift towards home treatment - compliant with Strategic Health Authority (SHA) and National Services Framework (NSF) regs - approved social work requirement for out of hours. This will pay for new star workers to release social work posts.	40	50	50	50	50	Ensuring needs of those with serious mental illnesses are met.	This is a national requirement and Walsall has been highlighted by the strategic health authority as failing to comply with national guidance. There is an improvement target associated with this. Any failure will result in a negative assessment.
58	<b>Joint management arrangements - mental health</b> Contribution towards 1/2 of joint director of mental health and 1/2 of joint commissioning manager - other 50% from PCT.	80	80	80	80	80	Improving performance and outcomes for those with mental health problems.	Component part of the joint arrangements between the PCT and the MBC, lack of resources will result in delaying the partnership arrangements. Any reduction in management capacity at this point in time will slow down the progress in those joint arrangements.
59	<b>Fall out of mental health grant</b> Shortfall of mental health grant based on changed national formula - leads to a cut in mainstream resources.	44	86	129	129	129	Improving performance and outcomes for those with mental health problems.	As the formula for this grant has been reconfigured Walsall's allocation will be reduced year on year. If the reduction is not replaced by new resources, directly delivered services will be reduced as they rely on this as part of their core funding.
60	<b>Mental health social worker posts</b> 3 social workers at west, east and central community mental health teams for older people (CMHTOP) - specialist service for older people with mental health needs.	70	93	93	93	93	Ensuring older people with mental health problems and dementia receive services to meet needs.	Insufficient social work support at CMHTs for older people.
61	<b>Supporting people contractual and commissioning support</b> Contractual support to ensure supporting people (SP) programme can be delivered.	23	30	30	30	30	This will help the council spend more money on helping people stay in their own home and improve the services they receive under supporting people grant.	Will not be able to commission underspends from 03/04 - convert ODPM contracts to new contracts, will not be able to fund the full SP budget.
62	<b>Contract management of agency staff contract</b> Contract manager to monitor agency staff contracts to be implemented in 2004.	20	27	27	27	27	This will deliver better value for money and secure safe contracts for the provision of agency staff which ensures service continuity for vulnerable people.	Will not get best value from the contract. Contract quality will be at risk.

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD
		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
64	<b>Home care contract monitoring</b> Contract officer staff to monitor core and additional quality standards.	20	54	54	54	54	This will ensure vulnerable people receive safe and effective home care services and also that the council receives value for money.	Must respond to user survey, additional contract standards.
65	<b>Commissioning support - PDSI</b> Final post to complete all commissioning development officers for all client groups - 20 residual hours across whole service.	19	25	25	25	25	Social inclusion will be enhanced by ensuring that services to people with sensory disability and sensory impairment are developed to better meet their needs.	Gap - no support in commissioning to this client group.
66	<b>Direct payments support</b> Funding support - contracting for direct payments.	19	25	25	25	25	This will provide help for people to manage their direct payments for services which helps them choose and fund their own services.	Unable to deliver government targets for direct payments.
67	<b>Agency staff clearing house</b> Co-ordination of agency staff placements in line with new contracting arrangements - admin staff	30	40	40	40	40		Necessary for effective administration of the employment of agency staff. Purchasing would revert to managers which would be uncoordinated and increase risks of non compliance with new contract arrangements.
68	<b>Improvement plan</b> In 2003/04 it was assumed that a number of costs contained within the social services improvement plan would fall out. This is not the case, so this now generates an additional pressure.	205	530	530	530	530	Ensure appropriate skilled & qualified managers are retained within service area.	The improvement plan involved recruitment to a number of key senior management posts which would need to be deleted if this investment is not approved.
70	<b>Additional housing support workers - supported housing</b> To increase number of staff from 2 to 4, rising to 5 in 06/7.	60	90	90	90	90	Ensuring vulnerable adults receive high quality and timely advice	Failure to demonstrate significant improvement in performance, investment in the governments prevention agenda at a time when the service is judged to be a poor service and a re inspection is scheduled for July 2005 (which will contribute to the corporate CPA).

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		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
<b>71</b>	<b>Homelessness prevention strategy</b> New technology to speed up info gathering £10k, homelessness prevention fund £15k - new post pro active 'home visiting' prevention officer £30k, mediation services £10k and expand rent scheme £10k.	60	75	75	75	75	Reducing causes of homelessness.	Intended to develop tools to respond to the homelessness prevention agenda & provide an effective advice service - unable to deliver plan in the homelessness strategy, increased homeless applications if opportunity to prevent not taken.
<b>72</b>	<b>Supported people admin grant (expected fall-out 06/7)</b> Fall out of SP grant - est. per national indication in 05/6 - investment required to sustain level of staffing within SP team in future pending government review of SP admin.	41	350	350	350	350	Supporting people service helps hundreds of citizens remain in their own homes & enjoy more choice. The ODPM reduces the grant for support services each year even though the demand for support increases, this funding will ensure that the supporting people service continues to ensure choice.	Non negotiable - loss of core funding.
<b>Total Social Care and Supported Housing</b>		<b>1,604</b>	<b>2,539</b>	<b>2,586</b>	<b>2,590</b>	<b>2,595</b>		
<b>FINANCE, LAW AND PERFORMANCE</b>								
<b>73</b>	<b>Physical disability and sensory impairment senior accountant - SCSH</b> Additional finance support required.	0	29	32	32	32	Modern effective council - provision of finance support.	Ineffective finance support, to support service delivery.
<b>74</b>	<b>Additional leasing requirement - fleet</b> Leasing bids for new and existing vehicles.	350	960	960	960	960	New vehicles will improve service delivery across the council.	Higher maintenance costs for old vehicles and services not being provided.
<b>74A</b>	<b>Additional income from DEFRA - fleet</b>	-61	-61	-61	-61	-61		
<b>75</b>	<b>Licensing lawyer</b> New licensing regulations applicable to local government. Advice will be required in respect of granting licences, etc.	40	40	40	40	40	Modern effective council - provision of legal support to allow full compliance with new regulations.	Unable to provide effective support to new function, ineffective delivery of new requirements.
<b>78</b>	<b>Corporate projects team - corporate finance</b> Investment to create a corporate finance projects team to support delivery of corporate projects.	35	35	35	35	35	Modern effective council - effective finance support to ensure the councils financial interests are protected.	Councils financial interests are not protected. Increased need for external consultancy support.
<b>78A</b>	<b>Savings in purchasing of specialist finance support to deliver major projects - corporate finance</b>	-40	-40	-40	-40	-40		
<b>Total Finance, Law &amp; Performance</b>		<b>324</b>	<b>963</b>	<b>966</b>	<b>966</b>	<b>966</b>		

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST					DETAILS OF HOW THE INVESTMENT MEETS THE COUNCIL'S VISION PRIORITIES	CONSEQUENCES / RISK OF NOT GOING AHEAD	
		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000			
	CENTRAL ITEMS								
79	<b>Costs of Norwich Union House - non controllable cost, ongoing cost to the council - LL&amp;C</b> Ongoing accommodation costs. Lifelong learning and community were forced to move to the property to facilitate the first stop shop extension. Currently funded through a central corporate reserve.	60	60	60	60	60	First stop shop will allow better customer access to services.	Dramatic effects on service delivery. Would have to find other accommodation. Council would still have to pay for the lease at NU house because of agreement.	
80	<b>Costs of Tameway Tower - non controllable cost, ongoing cost to the council - LL&amp;C</b> To cover rental charges on office space due to move from civic centre to Tameway Tower in order to accommodate first stop shop.	105	105	105	105	105	First stop shop will allow better customer access to services.	These will be on going rental costs which will have to be funded.	
81	<b>Additional costs of occupation of additional accommodation - SCSH</b> Covers a variety of accommodation related issues, Lime House, Tameway Tower due to increased costs of rent, rates, service charges, BOSS etc.	310	335	335	335	335	This investment in accommodation will provide enhanced facilities for staff and service users making it easier for people to access services and encouraging staff and citizens to feel proud of Walsall MBC.	Inadequate accommodation to meet service requirements - some staff are in buildings which are not fit for purpose - potential breach of health and safety.	
91	<b>Black Country Study - RHBE</b> This will inform future amendments to regional planning guidance (RPG) & provide the basis for the physical regen. of the area. It will therefore, help set the context within which stat. dev. plans (currently the UDP) are prepared. As such, the study will impact on people and communities across the borough.	143	178	0	0	0	Contributes to vision 2008 priority 1. "ensure a clean and green borough", priority 2 "make it easier for people to get around", priority 6 "encourage everyone to feel proud of Walsall", and priority 8 "strengthen the local economy." Will also reduce liability claims as the result of trips and falls.	The government's states that the black country should undertake a broadly-based sub-regional study to address issues in the black country, including its urban capacity, identification of employment land, scope for environmental and town centre improvements, and ways of improving access to regeneration sites.	

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		2005/ 06 £000	2006/ 07 £000	2007/ 08 £000	2008/ 09 £000	2009/ 10 £000		
<b>92</b>	<b>Mainstreaming of 7 permanent APU staff currently funded via non-mainstream funds and engaged in welfare benefits take-up campaign</b> To pick up the fall out of time expiring NRF funding for 7 permanent staff only (not fixed term contract staff).	227	227	227	227	227	<b>5:</b> welfare benefits take-up reduces health inequalities thereby contributing to making Walsall a healthy & caring place <b>7:</b> benefits take-up & assoc. sign posting makes it easier to access local services <b>8:</b> increased benefits take-up strengthens local economy. Each £1 of additional benefit paid generates £4 of local economic activity (through multiplier effect) <b>10:</b> max of benefits has positive impact on local tax collection rates, key BVPI's, thereby contributing to overall excellence.	Redeployment (and/or) redundancy costs for 7 staff whose funding expires on 31/03/05. Lost productive output from these staff who would otherwise undertake surveys of 2,500 properties, 4,500 residents and generate approx. £1.5m of new benefit payments from central government.
<b>94</b>	<b>Schools Catering</b> Investment needed to resolve the under funded position of the service - particularly the schools catering service. A recent consultant report recognised the budget targets for the service were unrealistic & for the service to be sustainable a council subsidy is req'd. It will also enable the council to meet properly its responsibilities to delegate the costs of providing school meals to individual school budgets.	371	321	300	300	300	Improvements in schools catering will assist in making our schools great. This will assist in healthy eating. This could be crucial to improving health outcomes for children and young people especially our goal to reduce obesity.	The council is required to delegate the actual costs of providing school meals to schools budgets. Continuing failure to do this will impact upon the schools view of the local authority and risk serious criticism under the fair funding legislation.
<b>Total Central Items</b>		<b>1,216</b>	<b>1,226</b>	<b>1,027</b>	<b>1,027</b>	<b>1,027</b>		
<b>TOTAL ALL DIRECTORATES</b>		<b>3,972</b>	<b>5,782</b>	<b>6,240</b>	<b>6,249</b>	<b>6,264</b>		

**DRAFT****DRAFT COUNCIL TAX LEVELS****1. DRAFT COUNCIL TAX EXCLUDING PRECEPTS (WALSALL MBC ONLY)****A. LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (68% of Properties)**

BAND	WEIGHT	2004/5 C.TAX	2005/6 C.TAX	ANNUAL CHANGE	ANNUAL INCREASE
		£	£	£	%
A	6/9	742.44	771.68	29.24	3.94%
B	7/9	866.18	900.29	34.11	3.94%
C	8/9	989.92	1,028.90	38.98	3.94%
D	9/9	1,113.66	1,157.52	43.86	3.94%
E	11/9	1,361.14	1,414.74	53.60	3.94%
F	13/9	1,608.61	1,671.97	63.36	3.94%
G	15/9	1,856.09	1,929.20	73.11	3.94%
H	18/9	2,227.31	2,315.03	87.72	3.94%

**2. DRAFT OVERALL COUNCIL TAX INCLUSIVE OF PRECEPTS****A. DRAFT LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (68% of Properties)**

BAND	WEIGHT	2004/5 TOTAL C.TAX	2005/6 WMBC C.TAX	2005/6 FIRE PRECEPT	2005/6 POLICE PRECEPT	OVERALL (INC PRECEPTS)		
						2005/6 TOTAL C.TAX	ANNUAL C.TAX INCREASE	ANNUAL C.TAX INCREASE
		£	£	£	£	£	£	%
A	6/9	742.44	771.68	TBA	TBA	771.68	29.24	3.94%
B	7/9	866.18	900.29	TBA	TBA	900.29	34.11	3.94%
C	8/9	989.92	1,028.90	TBA	TBA	1,028.90	38.98	3.94%
D	9/9	1,113.66	1,157.52	TBA	TBA	1,157.52	43.86	3.94%
E	11/9	1,361.14	1,414.74	TBA	TBA	1,414.74	53.60	3.94%
F	13/9	1,608.61	1,671.97	TBA	TBA	1,671.97	63.36	3.94%
G	15/9	1,856.09	1,929.20	TBA	TBA	1,929.20	73.11	3.94%
H	18/9	2,227.31	2,315.03	TBA	TBA	2,315.03	87.72	3.94%

**B. DRAFT LEVELS FOR PROPERTIES WITH ONE RESIDENT (25% DISCOUNT) (32% of Properties)**

BAND	WEIGHT	2004/5 TOTAL C.TAX	2005/6 WMBC C.TAX	2005/6 FIRE PRECEPT	2005/6 POLICE PRECEPT	2005/6 TOTAL C.TAX	ANNUAL C.TAX INCREASE	ANNUAL C.TAX INCREASE
		£		£	£	£	£	%
A	6/9	556.83	578.76	TBA	TBA	578.76	21.93	3.94%
B	7/9	649.63	675.22	TBA	TBA	675.22	25.59	3.94%
C	8/9	742.44	771.68	TBA	TBA	771.68	29.24	3.94%
D	9/9	835.24	868.14	TBA	TBA	868.14	32.90	3.94%
E	11/9	1,020.85	1,061.06	TBA	TBA	1,061.06	40.21	3.94%
F	13/9	1,206.46	1,253.98	TBA	TBA	1,253.98	47.52	3.94%
G	15/9	1,392.07	1,446.90	TBA	TBA	1,446.90	54.83	3.94%
H	18/9	1,670.48	1,736.27	TBA	TBA	1,736.27	65.79	3.94%

**3. SPREAD OF PROPERTIES**

The proportion of properties within Walsall MBC within each Council Tax band is as follows:

BAND	A	B	C	D	E	F	G	H	TOTAL
PROPERTIES (No)	49,428	24,036	16,279	9,342	5,221	2,199	709	54	107,268
PROPERTIES (%)	46.08	22.41	15.18	8.71	4.87	2.05	0.66	0.05	100
CUMULATIVE TOTALS	68.49%								
	83.66%								
	92.37%								

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

BAND	A	B	C	D	E	F	G	H
£	0.56	0.65	0.75	0.84	1.03	1.22	1.40	1.68