

Cabinet – 18 December 2019

Revenue Budget and Draft Capital Programme 2019/20 to 2022/23

Portfolio: Councillor M. Bird – Leader of the Council (Lead Portfolio)

Related Portfolios: All

Service: Finance – council wide

Wards: All

Key decision: No

Forward plan: No

1. Aim

- 1.1 For Cabinet to agree to a balanced draft capital programme for 2020/21 and future years, along with consideration of feedback from Scrutiny Overview Committee on the draft revenue budget reported to Cabinet on 23 October 2019. Both to inform the final budget to be presented to Council in February 2020.

2. Summary

- 2.1 Cabinet on 23 October 2019 received the outline process for the setting of a four-year revenue budget, along with known assumptions, and referred this to Scrutiny Overview Committee on 25 November 2019 for consultation and feedback, to allow Cabinet to then consider this feedback in setting their final budget in February 2020.
- 2.2 This report covers the period to 2022/23, including:
 - Feedback from Scrutiny Overview on 25 November 2019.
 - A draft capital programme for 2019/20 to 2022/23.
- 2.3 The Council is legally obliged to set a one year balanced budget (2020/21), however a medium term approach is beneficial to allow for sound financial planning and to support future financial stability.
- 2.4 To ensure the budget process is informed by a clear purpose and key council priorities, the Corporate Plan and Walsall Proud Programme objectives have been used to shape the proposals contained within this report.
- 2.5 The draft capital programme for 2020/21 totals £90.36m. It sets out new capital investment funded from the council's own resources of £23.32m (funded by capital receipts and borrowing) and externally funded schemes of £67.04m (funded by capital grants) and represents a balanced programme for 2020/21. In addition, the report sets out a further two years of indicative proposals to 2022/23.

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

We would normally include reference to announcements made in the Chancellors Autumn Budget. This was postponed from 6 November 2019 due to the pending Parliamentary Election, which is expected to delay our Provisional Grant Settlement potentially until the new year. As part of this Settlement, we were expecting further details on conditions expected to apply in relation to a further Adult Social Care precept. In advance of receiving this, it is proposed to undertake consultation on including this precept of 2% within the final February 2020 budget report.

- 2.7 The final budget, including any changes arising from consultation arrangements, tax base changes and the final allocation of direct Government funding and other specific grants will be presented to Cabinet on 12 February 2020 for recommendation to Council, and this will be considered by full Council on 27 February 2020.

3. Recommendations

Cabinet are requested to:

- 3.1 Note the feedback from Scrutiny Overview Committee on 25 November 2019, and consider this feedback in preparation for final budget recommendations in February 2020.
- 3.2 Note the delay in the Chancellors Budget announcement, and expected delay in the Provisional Grant Settlement for 2020/21, and that any financial implications arising will be included in the budget report to Cabinet on 12 February 2020.
- 3.3 Approve consultation on a potential Adult Social Care precept for 2020/21, subject to any conditions awaited in the draft Settlement, which has been delayed.
- 3.4 Approve as a basis for consultation the current draft capital programme of £90.36m for 2020/21, and refer the draft capital programme to Scrutiny Overview Committee for consultation to enable comments to be considered by Cabinet on 12 February 2020.
- 3.5 Delegate authority to the Executive Director of Resources and Transformation, in consultation with the Leader as Finance Portfolio Holder, to allocate capital resources to Proud Programme activity as it develops, whilst ensuring compliance with procurement regulations, and contract procedure rules in the council's Constitution.

4. Know - Context

Draft Revenue Budget 2019/20 to 2022/23 – Consultation

- 4.1 The outline process to the draft revenue budget was reported to Cabinet on 23 October 2019. This was referred to Scrutiny Overview Committee, and the feedback and recommendations summarised at **Appendix 1**. Cabinet are requested to note these and consider the recommendations and any changes Cabinet may wish to

make, arising from these, in making their final budget recommendations to Council in February.

- 4.2 A further year of the Adults Social Care precept was announced during Spending Round 2019 in September, with Government expected to release any conditions attached with the draft Settlement. As the Settlement date has now been delayed due to the General Election, it is proposed to undertake statutory consultation on including this precept of 2% within the final February 2020 budget report.

Draft Capital Programme 2019/20 to 2022/23

- 4.3 The key objective of the Capital Strategy is to deliver a capital programme that:
- Ensures the council's capital assets are used to support the delivery of priorities within the Corporate Plan and the council's vision,
 - Links with the council's Asset Management Plan,
 - Is affordable, financially prudent and sustainable,
 - Ensures the most cost effective use is made of existing assets and new capital investment, and;
 - Supports other Walsall service specific plans and strategies

The approach to capital planning includes:

- the need to match priority capital investment decisions against the council's limited internal resources;
- to maximise external funding sources;
- to optimise borrowing where there is an agreed deliverable pay back mechanism;
- to ensure the council's health and safety, etc. commitments are adequately covered;
- and to minimise the call on revenue resources.

In practical terms the basic approach is to:

- Maintain existing assets to meet the needs of the services and people that use them,
- Evaluate options for disposal of surplus assets,
- Develop sustainable, cost effective new assets in response to the council's priorities.

However there will be an increasing emphasis on:

- Investing in activity that unlocks external investment in the borough,
- Investing in service redesign to drive out long term revenue savings,
- Investing in the creation of an efficient and effective operational estate,
- Investing in assets that support the strengthening of the borough's economy,
- Investing in assets to grow future income streams for the council.

- 4.4 Capital programme resources are limited. The financing for capital investment is heavily reliant on grants and funding received from the Government. 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.

- 4.5 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.
- 4.6 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.
- 4.7 Despite the above difficulties, significant investment is planned and funded over the four years 2019/20 to 2022/23. The council is able to fund 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, linked to the Walsall Proud Programme.
- 4.8 Cabinet determine the projects to be included within the capital programme in the light of the relative priorities and the overall impact on the revenue budget. Schemes that require use of the council's own capital resources (such as through borrowing or capital receipts), are categorized according to the following, in order to assist the decision making process:
- Level One Priority – relates to schemes that are unavoidable to meet statutory and legislative requirements in the provision of services. This includes items such as health and safety, new legislation etc. By their nature, these schemes are a first call on available resources. It also includes supported borrowing allocations which are ring fenced to a specific programme of activity. This category also includes prior year approved/rolling programme schemes.
 - Level Two Priority – relates to schemes that unlock external investment in the borough; drives out long-term revenue savings; support the strengthening of the borough's economy; delivers an efficient and effective operational estate; and invests in assets to grow future income streams for the council.
- 4.9 The list of schemes included in the draft capital programme for 2020/21 to 2022/23 are shown at **Appendix 2** (council funded) and **Appendix 3** (externally funded), and summarised by directorate in **table 1** below. **Table 2** overleaf shows the draft capital programme against predicted available resources:

Table 1: Draft Capital Programme by Directorate				
Directorate	<u>2019/20</u> <u>£m</u>	<u>2020/21</u> <u>£m</u>	<u>2021/22</u> <u>£m</u>	<u>2022/23</u> <u>£m</u>
Adult Social Care	0	0	0	0
Children's Services	15.79	4.48	4.44	4.44
Economy and Environment	47.72	67.78	23.51	18.67
Resources and Transformation	9.22	7.15	8.39	7.58
Centrally Held budgets*	0.75	10.95	0.75	0.75
Total draft capital programme	73.48	90.36	37.09	31.44

**Centrally held relates to funding to support essential works, including health and safety e.g. LSVT retained housing land, asbestos removal, statutory testing, legionella, fire risk, demolition of redundant buildings, planned maintenance, risk management and self-insured property damage.*

Table 2 : Draft Capital Programme				
<u>Anticipated Capital Resources</u>	<u>2019/20</u> <u>£m</u>	<u>2020/21</u> <u>£m</u>	<u>2021/22</u> <u>£m</u>	<u>2022/23</u> <u>£m</u>
Capital Receipts	1.50	1.50	1.50	1.50
Earmarked Capital Receipts	0.29	0.15	0.00	0.00
General Borrowing	7.87	7.55	9.49	9.52
Prior year underspends	3.38	1.00	1.00	0.00
Revenue contribution to capital	0.17	0.04	0.02	0.02
Borrowing for ICT schemes / public realm	3.18	0.00	0.00	0.00
Borrowing for Regional Materials Recycling Facility approved by Cabinet 4 September 2019	0.00	2.43	4.76	2.72
Borrowing/Capital Receipts for Proud Investment	0.00	10.20	0.00	0.00
Use of business rates – Enterprise Zone*	0.00	0.45	0.91	1.38
External funding - grants	57.09	67.04	19.41	16.30
<i>Total Estimated Resources</i>	<i>73.48</i>	<i>90.36</i>	<i>37.09</i>	<i>31.44</i>
<u>Capital Schemes</u>				
Rolling Programme Schemes	3.86	4.06	4.04	4.04
Prior Year Approvals	12.53	7.69	11.39	7.20
Proud investment	0.00	10.20	0.00	0.00
New Capital Schemes – Health & Safety	0.00	0.01	0.00	0.00
New Capital Schemes – Council Priority	0.00	0.51	0.20	0.00
New Capital Schemes – Infrastructure	0.00	0.85	2.05	3.90
<i>Total Council Funded Schemes – Appendix 2</i>	<i>16.39</i>	<i>23.32</i>	<i>17.68</i>	<i>15.14</i>
External Funded schemes – Appendix 3	57.09	67.04	19.41	16.30
Total Draft Capital Programme	73.48	90.36	37.09	31.44
Funding shortfall (surplus)	0.00	0.00	0.00	0.00

*Requirement to cash flow prior to generation of business rates

- 4.10 Council funded schemes identified in **Appendix 2** are a refresh of the draft programme reported to Council in February 2019, along with additional schemes deemed as being high priority based on three categories (health & safety, council priority and unavoidable infrastructure). For 2021/22 onwards, the full impact of these projects will be reviewed, and funding revisited as part of the rolling annual budget process. There may be a number of schemes that will require match funding in year to secure external resources, which will be reviewed in year and funds drawn down as projects are confirmed.
- 4.11 Capital receipts projections are based on professional estimates of property colleagues. Any additional receipts received in year (excluding those earmarked for specific schemes) will be considered to fund those projects on the reserve list at **Appendix 4**, subject to approval.

- 4.12 Borrowing is funded from the council's own resources – generated through savings, and/or paid for via council tax. Councils are allowed to borrow in accordance with the Treasury Management Code of Practice.
- 4.13 The draft programme also includes £10.20m of forecast capital investment to support delivery of Walsall Proud Programme benefits. It is also proposed to consider the use of the Government's 'flexible use of capital receipts' regulations to fund elements of the Walsall Proud Programme. This may provide some flexibility to fund revenue investment costs, which directly lead to delivery of financial savings, from capital rather than revenue resources. This is subject to the Council's ability to raise those receipts and work is ongoing on this – the February Budget report to Cabinet and Council will contain the Council's final position on this matter.
- 4.14 As well as those in the draft programme, there are a number of large capital schemes that are in development or planning stages. It is expected that as individual business cases are developed and considered by Cabinet and/or Council, they are then included in the latest update of the capital programme if they are deemed to be a high priority and affordable. Funding for these will need to be identified and may be through a combination of borrowing and/or other contributions. Where practical, a payback agreement will be implemented, whereby projects should, wherever possible be self-funded over the life of the project and beyond.
- 4.15 For externally funded schemes, where a bidding process is required, it is assumed the full cost of the project is met from external grant and/or third party contributions. If it becomes clear during the process that this is not the case, the project cannot proceed if the external funds cannot be sourced.

Draft Leasing Programme

- 4.16 The 2020/21 leasing programme totals £4.4m, summarised in **Table 3** below. Leasing minimises the call on capital resources by spreading the acquisition cost over a number of years. Revenue funds are required to finance operating leases, and are included in the revenue budget.

Table 3: Leasing Programme 2020/21		
Directorate	Asset cost	Revenue Leasing
	£m	£m
Economy and Environment		
Refuse Vehicles	1.860	0.362
Light Commercial Vehicles	1.892	0.288
Tractors & Agricultural Machinery	0.156	0.293
Welfare Vehicles	0.496	0.006
Equipment	0.000	0.138
Total draft leasing programme	4.404	1.087

Council Corporate Plan priorities

- 4.17 Resource allocation is an annual cycle aiming to support delivery of council priorities within 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.
- 4.18 In order to meet the council's purpose and vision, the council will be focussing its' energy over the next four years on the following key priorities, recognising that it must do so with decreased and decreasing resources and concentrating efforts on those most in need:
- Economic growth for all people, communities and businesses.
 - People have increased independence, improved health and can positively contribute to their communities.
 - Internal Focus – all council services are efficient and effective.
 - Children have the best possible start and are safe from harm, happy, healthy and learning well.
 - Communities are prospering and resilient with all housing needs met in safe and healthy places that build a strong sense of belonging and cohesion.

Risk management

- 4.19 The council reviews capital planning and budget principles in accordance with the medium term financial strategy (MTFS) and Capital Strategy.
- 4.20 There is still uncertainty around Government funding for 2020/21 and beyond. The full details of the Governments Provisional Settlement will be assessed when received, and the final Settlement in the new year, and any implications on the budget and medium term financial outlook will be reported as they become clear. There is a risk that funding will reduce more than anticipated or that further pressures will emerge, which will require the council to make changes prior to setting the budget in February 2020.
- 4.21 The budget is risk assessed and this is used to formulate the recommended level of contingencies and reserves. The outcome of this will be reported to Cabinet and Council in the final budget report.

Financial implications

- 4.22 The Council must set a balanced revenue budget and capital programme to meet its legal requirements. A four year plan provides for sounder financial planning and management of financial risk.

Legal implications

- 4.23 Under the Local Government Act, 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 S151 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.

Procurement Implications / Social Value

- 4.24 None directly arising from this report. Any proposed changes arising from the Proud Programme will be considered alongside proposed changes to service provision.

Property implications

- 4.25 None directly arising from this report. Any proposed changes arising from the Proud Programme will be considered alongside proposed changes to service provision.

Health and Wellbeing implications

- 4.26 The health and wellbeing of communities in Walsall have direct implications on the resources required within the council and the wider public sector, and how resources are allocated. Any proposed changes arising from the Proud Programme will be considered alongside proposed changes to service provision.

Staffing implications

- 4.27 None directly arising from this report.

Reducing Inequalities

- 4.28 The council uses an Equality Impact Assessment (EqIA) to check the lawfulness of council decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. An EqIA must contain relevant data and sufficient analysis to enable Members to understand the equality implications of a proposal and any alternative options before any decisions are arrived at. Whilst there are no directly equalities implications arising from this report, equality impact assessments will be undertaken on service and organisational change options as they develop and arise from the Proud Programme and any implications reported, to allow Cabinet to consider and make any revisions required.
- 4.29 Assessing the impact of proposed organisational changes and changes to policies, procedures and services is a positive opportunity for the council to ensure good decisions are made, based on robust evidence. It is clear that the decisions taken by individual services do not operate in isolation. Thus, when making policy changes, it is important not just to look at the potential impact of individual measures, but also to ensure that their interaction is properly understood and that the cumulative impact is taken into account. Understanding the cumulative impact on protected groups should be a pre-requisite of any policy making process.

Consultation

- 4.30 Section 138 of the Local Government and Public Involvement in Health Act 2007 places 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. 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.

- 4.31 Consultation is an integral part of the budget process and arrangements are in hand to consult with a range of stakeholders as appropriate (councillors, business rate payers, voluntary and community organisations, etc.).
- 4.32 Consultation will be undertaken on proposals as they develop from the Proud Programme and findings presented to Cabinet. Findings along with equality impact assessments will be reported to Cabinet for their consideration and to inform Cabinet's final budget recommendations to Council in February 2020.
- 4.33 This report was prepared following capital submissions from service managers, with a review undertaken by the corporate asset review group, Asset Strategy Group and CMT.

5. Decide

- 5.1 As set out in the legal section, Councils are required to set a legal budget. This report is the second stage in that process and Cabinet are asked to approve the recommendations as set out.

6. Respond

- 6.1 The final revenue budget and capital programme will be presented to Cabinet on 12 February 2020, along with any feedback from the final settlement and stakeholder consultation.

7. Review

- 7.1 The final budget report to Cabinet in February 2020 will be recommended to Full Council on 27 February 2020, where the 2020/21 budget and council tax levels will be approved.

Background papers:

Various financial working papers.

Draft Revenue Budget 2019/20 – 2022/23 as approved by Cabinet on 23 October 2019.

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James Walsh
Executive Director –
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9 December 2019



Councillor M. Bird
Leader of the Council
9 December 2019

Appendices: -

- 1** Feedback from Scrutiny Overview Committee 25 November 2019.
- 2** Draft Capital Programme 2020/21 to 2022/23 – Council Funded.
- 3** Draft Capital Programme 2020/21 to 2022/23 – Externally Funded.
- 4** Draft Capital Programme 2020/21 to 2022/23 – Council Funded Reserve List approved allocations.

Draft Revenue Budget and Capital Programme 2019/20 – 2022/23

Recommendations of the Scrutiny Overview Committee following Budget Consultation

Summary of report

This report presents the comments and recommendations from the Scrutiny Overview Committee following consideration of the draft revenue budget for consultation for 2019/20 to 2022/23 at the committee's meeting on 25 November 2019. This will enable consideration by Cabinet on 18 December 2019.

The budget process approach for 2020/21 and onwards is significantly different from that adopted in previous years and focuses on transformation through delivery of the Walsall Proud Programme, with 3 key benefits: Improve outcomes and customer experience, Improve employee satisfaction and engagement, and Improve service efficiency and performance. It is expected that the financial savings delivered through the latter benefit will meet the MTFO / budget gap.

Previous budget rounds have involved reporting individual lists of savings on a directorate/portfolio basis to Cabinet and onwards to each Scrutiny Committee for individual consultation. The new approach will set the overall financial savings expected to be delivered via Proud, rather than specify how those will be delivered. Proud work streams will deliver the required savings. Regular Proud programme updates will be provided to Cabinet and Overview Scrutiny and the S151 Officer will report throughout the budget process on the robustness of budget estimates to ensure that a legally balanced 2020/21 budget is set in February 2020.

Any changes to the revenue budget, and draft capital programme, will be included in the budget report to Cabinet on 18 December 2019, and reported to a future meeting of the Committee, providing an opportunity to make further recommendations to Cabinet. Cabinet are requested to consider the feedback contained within this report in formulating their draft budget proposals.

Response to the draft revenue budget

The Scrutiny Overview Committee were provided with an overview of the draft revenue budget for 2020/21. The challenges presented to setting a multi-year budget by the delay of the announcement of the Government settlement due to the upcoming General Election were noted. This meant that the draft funding for local government had only been announced for 2020/21.

With regard to 2020/21 draft revenue budget Members sought to understand if the £10.6m additional finance for the year would be ongoing. Members were informed that, prior to the outcome of the next spending review, the assumption for financial planning purposes, had to be that it was a 'one off'.

Members made queries of the 2019/20 financial position and action taking place to mitigate existing overspends.

The Panel Resolved: That the draft revenue budget 2020/21 be noted.

Appendix 2: Draft Capital Programme 2020/21 to 2022/23 – Council Funded Schemes

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
Rolling Programme Schemes				
Memorial Safety Management in Cemeteries (Economy and Environment)	The continued inspection and making safe of memorials in Walsall cemeteries and to discharge the council's duty of care within the cemeteries. Increased safety of memorials benefits the residents of Walsall by delivering a safer environment within Walsall cemeteries.	40,000	20,000	20,000
Highways Maintenance Programme (Economy and Environment)	As Highway Authority the Council has a legal responsibility to maintain the highway network. Failure to do so inevitably leads to a deterioration of our roads, increasing the likelihood of accidents and would ultimately expose the council to increased risk of third party claims.	2,800,000	2,800,000	2,800,000
Aids and Adaptations / Preventative Adaptations/ Supporting Independence (Resources)	This project directly supports the council's: 1. Statutory requirement to provide disabled facility grants (DFGs) this includes enabling the council to provide a continuous service rather than as some councils do in terms of stock-piling enquiries till new grant allocations are made to them. 2. Provision of maintenance of lifts and hoists. 3. Minor adaptation works.	400,000	400,000	400,000
Health Through Warmth - Tackling Fuel Poverty (Resources)	To help provide a safety net for those who cannot access other funding sources and is available as a loan charged on the individuals' property that is repaid upon sale or relevant transfer of their home. For this sum per year, it could offer 28 new boiler systems and 25 boiler repairs. The fund also helps secure continued investment from external agencies in tackling fuel poverty and excess winter deaths in the borough.	75,000	75,000	75,000
Funding to support essential works including health and safety, and other projects that cannot be programmed at start of year (Council Wide)	1: Asbestos removal - the authority is required by legislation to manage asbestos within its properties and to remove to comply with health & safety legislation. 2: Statutory testing of gas and electrical systems in buildings. 3: Control of Legionella - statutory requirement to test all water systems and undertake upgrades and improvements as required. 4: Fire Risk Assessment - statutory requirement to ensure compliance with health & safety. 5: Demolition of redundant buildings to provide saleable assets and increase market value of sites. 6: General repair & maintenance of buildings, historic buildings, aiding relocations. 7: Self-insured property damage – insurance excess. 8: Risk Management - unforeseeable events.	750,000	750,000	750,000
Total Rolling Programme Schemes		4,065,000	4,045,000	4,045,000
Prior Year Approvals				
Looked after children out of borough placements (Children's)	A three year rolling capital fund to increase in borough bed capacity within existing approved Walsall's fostering households to place older children and sibling groups through provisions of funds for extensions and loft/garage conversions. Year 3 of 3.	150,000	0	0
Traffic Signals Infrastructure (Economy and Env)	The Council has a statutory duty to maintain all its traffic signal infrastructure. This programme of planned pedestrian crossing replacements will ensure the safe and efficient movement of pedestrians across the borough (Traffic Mgt Act 2004). Also supports delivery of councils CO2 reduction targets. Year 5 of 6.	200,000	200,000	200,000
Provision of Community Dropped Crossings (Economy and Env)	These are dropped kerbs at strategic points along footways which permit access for wheelchairs, pushchairs, mobility scooters etc. to cross roads. The investment will allow the Council to provide a rolling programme of community crossing points. Year 4 of 5.	20,000	20,000	0

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
Promotion of Community Health and Road Safety (Economy and Environment)	To fund road safety schemes, to address local community concerns, which fail to achieve the strategic priorities associated with the Local Transport Plan funding in terms of casualty reduction. In supporting the delivery of these local schemes it is possible to improve local quality of life and safety creating safer communities. Year 3 of 4.	120,000	120,000	0
Open Water Safety Schemes - Signage etc. (Economy and Env)	Health and safety upgrades to Council owned open water sites per the Council's proposed open water policy following a recent death on private land. Year 3 of 4.	5,000	2,000	0
M6 Junction 10 - Widening of Bridges (Economy and Environment)	Walsall Council is working in partnership with Highways England to improve Junction 10 of the M6 motorway. The scheme will include the widening of the existing bridges over the motorway to improve traffic flow and reduce congestion. In addition improvements will be made to the junction of A454 Wolverhampton Road/Bloxwich Lane/Tempus Drive and the A454 Black Country Route.	0	0	650,000
Walsall Arboretum Extension and County Park - Infrastructure Improvements (Economy and Env)	To widen and resurface the main footpath running from the Grange Car Park to the children's play area and historic core of the park, to replace the currently used wheelie bins and to improve access into and around the country park area.	0	190,000	0
New Rail Stations at Willenhall, Darlaston and Aldridge - local 10% contribution (Economy and Environment)	The new rail stations at Darlaston and Willenhall are promoted by WMCA/TfWM and WMRE at an estimated total package cost of £50m based on the preliminary design. However, a local contribution of 10% is required at the request of WMCA, which currently amounts to circa £4.93m. The Council has made provision for an element of this contribution and is negotiating with other strategic stakeholders, such as the Black Country LEP, to match fund.	0	1,500,000	1,500,000
Yorks Bridge (Top Up) (Economy and Environment)	Yorks Bridge has suffered over recent decades and the bridge is currently the subject of a 7.5 tonne weight limit. The replacement scheme will be funded using a combination of WMBC capital funding and the Department for Transport Maintenance Block.	0	750,000	750,000
Willenhall Lawn Cemetery Extension / Development of Land for Burials in Walsall (Economy and Env)	To fund professional services to develop land to the east of the existing cemetery to provide facilities to continue to inter the deceased at Willenhall Lawn Cemetery. There is no other borough cemetery in the west of the Borough offering new full adult graves. Year 2 of 2.	525,600	0	0
Town Centre Strategic Acquisition for Third Sector Hub (Economy and Environment)	Purchase of accommodation in Walsall Town Centre to support the formation of a third sector co-located hub and provide additional office accommodation for the Council to support its ongoing rationalisation of its operational estate. Year 3 of 3. As approved by Cabinet March 2019.	1,845,550	219,373	0
Regional Materials Recycling Facility Project (Economy and Environment)	Cabinet on 4 September 2019 approved for the council to enter into a Joint Working Arrangement with 5 partner councils in order to facilitate the delivery stage of a local authority owned Materials Recycling Facility.	2,429,000	4,758,000	2,722,000

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
DFT Highway Challenge Fund Bid (Economy and Environment)	In July 2019, the Government announced that £198 million is being made available between 2019/20 and 2020/21 for local highway authorities to bid for funding to improve the quality of roads. Walsall is currently formulating a bid in collaboration with the West Midlands Authorities which is being led by the Combined Authority, with report expected to be presented to Cabinet on 11 December 2019	260,000	260,000	0
Enterprise Zones (Economy and Environment)	Required for the Council to cash-flow borrowing costs associated with capital investment into the Enterprise Zone. Financial modelling forecasts that these costs are expected to be recovered from future business rates generated from within the zone, although the Black Country LEP are the decision making body in relation to where business rates within the zone are invested. Therefore on the basis that the BCLEP approve that costs on Walsall sites can be recovered through the business rates mechanism, then the Council will only be required to cash-flow these costs.	451,000	908,000	1,378,000
Willenhall Lane Traveller Site (Resources)	Pumping station pump replacement - System expected to be at end of life	44,400	0	0
Telephony - cloud based system (Resources)	Replacement of elements of Cisco phone system before they become end of life in December 2020, transfer all of our incoming phone lines to new technology, potentially replace desk phones with headsets and implement microsoft telephony.	500,000	0	0
Council House windows (Resources)	Replace aged windows within the council house	0	1,307,025	0
Civic Centre Plumbing - non heating related (Resources)	Essential works of planned / programme maintenance given age of existing supply / parts	0	66,600	0
Council House general heating (Resources)	Upgrading of council house heating systems. £50k allocated in 2019/20 for initial design phase	1,085,000	1,085,000	0
Council House Internal Decoration (Resources)	Internal Maintenance of council house as is in poor condition - painting and decorating, new internal decorations	55,500	0	0
Total Prior Year Approvals		7,691,050	11,385,998	7,200,000
Proud investment				
Walsall Proud Programme (Central)	Cabinet approved a total investment cost to benefit ratio of 1:3 for Proud (for every one off £1 invested, this will deliver at least £3 recurring benefit which can be used to support the council's financial position or be reinvested into services). This allocation is for Enabling Technology to support delivery of the benefits.	10,200,000	0	0
Total Proud investment		10,200,000	0	0
New Capital Schemes – Health and Safety				
Darlaston Pool - H&S Fall arrest system (Economy & Env)	Lots of plant equipment is site on the roof, will provide safe access to roof	11,000	0	0
Total Capital Schemes – Health and Safety		11,000	0	0

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
New Capital Schemes – Council Priority				
Children's Locality Model (Children's Services)	The Children's Services Right 4 Children Transformation Programme is looking to connect services and professionals by integrating staff into the communities using a locality model of working to help develop a stronger approach in helping young children, young people and their families in partnership with the voluntary and community sector. The intention is to move Social workers within Children's Social Care into locality areas across the borough with Early Help Services already based in 4 well established localities. Wherever possible, the aim is to use current operational buildings in order to keep costs to a minimum.	73,000	0	0
Upgrade of CCTV Cameras (Resources)	Upgrade of cameras in Bloxwich, Leamore, Willenhall, Darlaston, Palfrey, and Caldmore. 10 x New Redeployable Cameras plus costs for 5 years	432,000	200,000	0
Total Capital Schemes – Council Priority		505,000	200,000	0
New Capital Schemes – Council Infrastructure				
School Estate Condition Survey (Children's)	Ongoing provision to cover school conditions. Allocation in 2019/20 to be used in 2020/21 so new allocation required for following years only	0	250,000	250,000
School Temporary Classrooms (Children's)	Ongoing provision for improving / replacing permanent mobile classrooms when they reach a state of disrepair. This has been held corporately to fund emergency costs arising. Allocation in 2019/20 to be used in 2020/21.	0	250,000	250,000
Rolling capital mtnce (Resources)	To fund essential maintenance to council owned buildings. Maintenance costs are increasing as the council's estate is ageing.	250,000	0	0
Council House Roof Repairs (Resources)	Replace roof as it is at the end of its life, plus timber repairs	0	750,000	750,000
Replacement of 'tablet' technology (Resources)	A 'tablet rollout' programme was completed during 2019 enabling agile working and the adoption of Office 365, with replacement starting in 2022	0	0	2,250,000
Smartphones (Resources)	Current mobile phone devices will require replacement beginning in 2021/22. Out of life devices will not receive security patches nor upgrades to the android operating system - will result in 'apps' not being updated, including 'outlook app' used to receive email	0	200,000	200,000
Proud card payments, digital website etc) (Resources)	To ensure council remains PCI compliant and allows for citizens to pay for services on line	500,000	500,000	0
Maintaining a safe and secure environment (Resources)	Hardware & software upgrades to maintain compliance for current standards e.g. BACS software & open banking compliance	100,000	100,000	200,000
Total Capital Schemes – Council Infrastructure		850,000	2,050,000	3,900,000
Total Draft Capital Programme – Council Funded Schemes		23,322,050	17,680,998	15,145,000

Appendix 3: Draft Capital Programme 2020/21 to 2022/23 – Externally Funded Schemes

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
Growth Deal (Economy and Environment)	The Black Country Growth Deal, 'Made in the Black Country, Sold around the World', was agreed with Government in July 2014. The Growth Deal will create the skills, connections and locations for further high value manufacturing success and support growth in the Black Country's automotive, aerospace and construction sectors. To date the programme has committed c£148m and received claims c£77m. It has contracted 3,532 jobs excluding apprenticeships and over 6,000 including them (Dep't of Communities & Local Gov). In January 2019 the Black Country Joint Committee appointed Walsall Council as its Single Accountable Body, as a result the balance of the Growing Places Fund (£5.4m) was transferred from Sandwell Council, with the funds to be used to over-programme Growth Deal.	32,948,081	0	5,439,498
LTP Highway Maintenance Programme (Economy and Environment)	This capital funding, known as the maintenance block, is distributed by the Integrated Transport Authority (ITA). As the Highway Authority we have an extremely high profile duty to maintain our highway network. This money is provided, by DfT as a capital grant via the ITA with the condition that it should be spent on the classified road network. (Department for Transport via ITA)	1,943,000	1,943,000	1,943,000
West Midlands Strategic Transport Plan (STP) 'Movement for Growth' (Economy and Environment)	The Government provides each locality with grant funding to help implement the Local Transport Plan in their area. The grant is used for the implementation of small scale capital schemes; development of major capital schemes and to part fund major schemes implementation costs. The programme is designed to address road safety issues, progress the Council's major scheme aspirations; and resource the required 'local contributions' to approved major schemes. (Department for Transport / West Midlands ITA)	1,276,300	1,276,300	1,276,300
DfT Highways Maintenance Incentive Fund (Economy and Environment)	In December 2014, the Government announced that £6 billion was being made available between 2015/16 and 2020/21 for local highways maintenance capital funding via the DfT. From that funding, £578 million has been set aside for an Incentive Fund scheme, to reward councils who demonstrate they are delivering value for money in carrying out cost effective improvements. (Department for Transport)	405,000	0	0
DfT Pothole Action Fund (Economy and Environment)	The Pothole Action Fund was announced in the Budget 2015 and totals £296 million, enough to repair on average over 5 million potholes or to stop them forming in the first place. This funding is allocated by formula shared by local highway authorities in England, outside London, between 2016/17 and 2021. (Department for Transport)	154,600	0	0
Land and Property Investment Fund (Economy and Environment)	In January 2019 the Black Country Joint Committee appointed Walsall Council as its Single Accountable Body, as a result the Land and Property Investment Fund transferred from Wolverhampton Council. This is a grant which is part of the Investment Programme of the West Midlands Combined Authority for Black Country brownfield sites, and is drawn down in arrears. The Black Country LEP has agreed to deliver 1,860 new jobs, 1,600 new houses and 126,000 sqm of commercial floorspace through deployment of the first tranche (£53m) of the total fund allocated to the Black Country LEP (£150m in total).	22,348,000	8,548,000	0
Disabled Facilities Grant (Resources)	This project directly supports the council's statutory requirement to provide disabled facility grants (DFGs). It is based on the delivery of the ring fenced award of grant money from government. The project has a direct positive impact on the number and subsequent varied costs to the council from the increasing level of demand for home adaptations.	2,894,013	2,894,013	2,894,013

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
Integrated Community Equipment Store (ICES) (Resources)	Supplies equipment to people with both a social care and a health need on an assessed needs basis. This is a pooled budget between the CCG and the Council, this capital funding will be used to purchase this equipment which will enable people to return home or continue to remain at home. This now forms part of the Better Care Fund (BCF) for which the Council is host. (Department of Health)	810,000	810,000	810,000
Basic Need (Children's Services)	Paid to LAs to support the capital requirement for providing new pupil places by expanding existing maintained schools, free schools or academies, and establishing new schools.	1,322,344	1,322,344	1,322,344
Devolved Formula Capital (Children's Services)	Received by the LA then allocated out to individual schools as per allocations defined by the DfE. It is intended to provide schools with capital funding for improvement to buildings and other facilities, including ICT, or capital repairs / refurbishments and minor works. (Department for Education)	544,028	544,028	544,028
Capital Maintenance (Children's Services)	Allocated to the LA on an annual basis to improve and maintain the condition of the school estate (buildings and grounds). Investment is prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues. (Dept for Education)	2,071,685	2,071,685	2,071,685
Special Provision Fund (Children's Services)	This fund will enable LAs to invest in improving the quality and range of provision for children and young people with SEN and disabilities aged 0-25. It is intended for children and young people for whom the LA is responsible. (Department for Education).	319,229	0	0
Total Draft Capital Programme - Externally Funded Schemes		67,036,280	19,409,370	16,300,868

Appendix 4: Draft Capital Programme 2020/21 to 2022/23 – Council funded Schemes - Reserve List Allocations

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
Aids and Adaptations / Preventative Adaptations and Supporting Independence (Resources)	This project directly supports the council's: 1. Statutory requirement to provide disabled facility grants (DFGs) this includes enabling the council to provide a continuous service rather than as some councils do in terms of stock-piling enquiries till new grant allocations are made to them. 2. Provision of maintenance of lifts and hoists. 3. Minor adaptation works.	250,000	250,000	250,000
Health Through Warmth - Tackling Fuel Poverty (Resources)	To help provide a safety net for those who can't access other funding sources and is available as a loan charged on the individuals' property that is repaid upon sale or relevant transfer of their home. For this sum per year, it could offer 28 new boiler systems and 25 boiler repairs. The fund also helps secure continued investment from external agencies in tackling fuel poverty and excess winter deaths in the borough.	75,000	75,000	75,000
Total Draft Capital Programme – Council Funded Schemes Reserve List approved allocations		325,000	325,000	325,000

Council funded Schemes – New Reserve List Allocations – Subject to funding becoming available

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
North Walsall Cemetery - Drainage improvements to solve a long-standing localised flooding on-site (Economy & Env)	There are ongoing issues with drainage at North Walsall Cemetery. Surveys have been undertaken to ascertain the source of the problem. <i>It is expected that funding will be identified for this project between now and the final budget report in February.</i>	252,000	0	0
Darlaston replacement boilers (Economy & Env)	Replacement of two boilers.	250,000	0	0
Bloxwich Leisure landing remodel - Spend to Save (Economy & Env)	Opportunity to remodel landing and vacant office area to generating income facilities.	150,000	0	0
Oak Park poolside seating - Spend to Save (Economy & Env)	To allow the centre to host local and regional swimming competitions, capitalising on the recent investment into 200 additional parking spaces. The proposal is to install 200 additional seats.	26,000	0	0
Darlaston Leisure steam room generator (Economy & Env)	19 year old unit needs replacing.	4,000	0	0
CCTV - replacement system for Darlaston Leisure (Economy & Env)	Current CCTV system needs replacement, a number of cameras not working, System is obsolete. Sprawling building with lots of secluded areas heightening risk of ASB, extremely difficult to effectively supervise.	4,000	0	0

Capital Scheme	Detail of Capital investment	2020/21 £	2021/22 £	2022/23 £
CCTV - replacement system required for Gala Baths & Oak Park overflow car park (Economy & Env)	Current Gala Baths CCTV system needs replacement (£4k) and new system to cover Oak Park car park (£8k).	12,000	0	0
Oak Park meeting room remodel - Spend to Save (Economy & Env)	Opportunity to remodel the vacant office area to income generating facilities (meeting room/party room).	0	50,000	0
Walsall Arena & Arts Centre (Economy & Env)	Creation of a new Theatre Bar and associated facilities. Income generating. "Spend to save" opportunity. Project could attract 85% funding from ACE. £10k revenue income expected to be generated per year.	15,000	0	0
Walsall Arena & Arts Centre - new tiered seating in theatre (Economy & Env)	Replacement of theatre seating. Project could attract 85% funding from ACE. £10k revenue income expected to be generated per year.	15,000	0	0
Cemetery & Crematorium - replacement roads and pathways, along with selected pothole works (Economy & Environment)	The bid is to fund the pro-active repairs of roads and pathways that have deteriorated. The council manages in excess of 125 acres of cemetery land in eight cemeteries. Wood Street, Willenhall is the oldest burial ground dating from the Wesleyan site in the 1840s. James Bridge, Bloxwich and Ryecroft were all opened in the 19th century with Bentley in 1900. The repairs would be scheduled over a period of years on a priority basis dependent on footfall and condition.	100,000	100,000	100,000
Registry Office Phase 2 - redesign to reception and ceremony areas (Economy & Environment)	Improve the external signage in the Civic Quarter to improve the customer experience.	10,000	350,000	0
Air Quality Monitoring stations. (Economy & Environment)	The council's strategic air quality monitoring network currently comprises five air quality monitoring stations. The proposal is to replace these Partisol units with Palas Fidas 200 samplers which provide real time data.	70,000	0	0
Cloud 2 - goods and services (Resources)	Further work expected following the outcome of the Walsall Proud Programme in relation to ICT transformation and cloud migration programme. Scope of work currently unknown.	500,000	500,000	0
Replacement of guillotine in Print Room (Resources)	Current machine is approaching end of life.	35,000	0	0
Purchase of UV printer for promotional materials in Print Room (Resources)	To enable promotional materials (pens, pencils, mugs etc) to be completed in house as opposed to sending to external suppliers.	25,518	0	0
Total Draft Capital Programme – Council Funded Schemes Consideration for inclusion in Reserve List		1,468,518	1,000,000	100,000