

Council meeting 18th July 2022 – Leader's report

I am proud to present my Leaders report to the first ordinary meeting of Walsall Council in 2022.

Following on from our success at the election in May and as we begin a new municipal year, I am pleased to report three substantial areas to Council tonight.

1. What this administration has delivered against its previous manifesto pledges and priorities within my portfolio. [This portfolio includes the overall responsibility for Council strategy; the Council Plan; Proud transformation and change; communications, marketing and brand; emergency planning; government relations and liaison with local MPs and West Midlands leaders, the West Midlands Combined Authority, Association of Black Country Authorities and Black Country Joint Committee; Transformation and digital (including Information Governance) . Finance including payroll and pensions, insurance, risk management, financial reporting, policy led budgeting and financial strategy, Financial Regulations, Audit, Counter Fraud and Corruption, Treasury Management, financial systems, external funding, programme delivery ; Legal and Democratic Services; Performance; Member Development and governance]
2. How this council will deliver its vision and our pledges to the residents of the Borough, during the coming year in the context of the economic and financial challenges that we face.
- 3 The key areas of focus, pledges and priorities for the medium term. These activities cover a broad range of improved outcomes for the residents of Walsall and a stronger link between finance, outcomes and activity.

1a.This administration has delivered its pledges from last year: -

We have strengthened the communities of Walsall through our pandemic recovery plan. The vaccination programme has been a great success and we continue to work together with our NHS partners to deliver vaccinations to all of our eligible residents including booster vaccinations and vaccinations for children.

Tragically, families lost loved ones during the pandemic and others have struggled with mental ill health This Council has invested an additional one million pounds over the next three years to support mental wellbeing in the community. We have agreed to create a Garden of Reflection, a memorial to remember those who have lost their lives during the pandemic and to honour all of this Borough's front line workers.

We have focused on making our communities safer. We will tackle crime hotspots with additional CCTV cameras and have agreed an action plan at Cabinet for resilient communities and Safer Streets

We have delivered a Transit Site, which will make it easier for us to evict unauthorised traveller camps from our parks and our open spaces.

I am sure that all councillors will agree with me that we want to continue to keep this borough clean and tidy. We have encouraged more litter picking and supported enforcement against fly tipping. We have kept our 'Three for a Tenner' bulky waste collections and we continue to collect brown bins fortnightly, free until at least December.

We have recently secured £21.3 million pounds from the Government for Walsall town centre and for Bloxwich. Plans for this are in development and enabling activity is in progress. We are committed to delivering new railway stations in Willenhall, Darlaston and Aldridge. We continue to tackle derelict sites - like Ravenscourt in Brownhills and pledged to build back better to create vibrant towns and communities. We have made policy proposals on building new homes on brownfield land first to save our Green Belt from development and are consulting on this via the Black Country Plan.

We have promoted Walsall regionally and nationally through our recently launched "We Are Walsall" campaign. We have agreed a procurement strategy that promotes purchasing locally and securing social value.

Through our Green Spaces Strategy, we have agreed to provide more outdoor fitness equipment at additional sites across the Borough and to upgrade our children's playgrounds.

Protecting our environment and green spaces remains a priority for this administration. We will plant more trees and we will install electric vehicle charging points with free parking wherever possible. These proposals will be built into the Council's climate change action plan, street scene strategy and budget as necessary.

We have successfully paid 14,771 grants worth £81.9m to Walsall businesses during the pandemic.

1b This administration has delivered against my portfolio priorities

Digital and Technology

Technology and digital services are fundamental to the success of our transformation at Walsall Council. Through ongoing investment in technology, staff have the best tools, software and systems to be able to carry out their job effectively ultimately helping to serve our residents and businesses. This includes ensuring that staff can work effectively from different locations and supporting them to collaborate and communicate. Our Digital and Technology services and the technology this team supports has been instrumental in ensuring council services were delivered during the pandemic.

Work continues to ensure the council's systems are protected and are resilient, greater customer reliance on self-service access means that the systems we provide must be available and functioning 24x7 . We have invested in a new Digital and Technology service with increased capability in cyber security, technical skills, and business collaborating and contract management. We have increased resilience of the IT infrastructure and network through further transition of business systems to cloud based technologies and promoted the use of Bring Your Own Devices to minimise costs to the council

By exploiting the benefits of the technology we have already acquired, we are improving how we share information and manage our documents. We have started a council wide data cleanse of paper records for the Digital Records Management (DRM) project

We have acknowledged the successful delivery of the council's previous 4 year ICT Strategy, and have now developed this into a Digital Strategy for 2022-25. The digital strategy supports the priorities and outcomes of the Council Plan to address areas of digital equality and easier access to online services.

We have delivered Enabling Technology capability through new technology features supporting improved customer service delivery i.e. the introduction of MS Teams Telephony, a new Customer Platform including Customer Experience Centre Telephony system, Web Site content management refresh, CRM and systems integration capability to connect self-service with back office systems to enable book, apply, pay, report functions automatically.

Transformation

As stewards of public funds, it is our responsibility and commitment to transform Walsall into a place where employees are Proud to work, where residents are Proud to live and where businesses are Proud to operate.

Walsall's Proud transformation continues to change the council's ways of thinking, and the ways of working to achieve a better customer experience, increased employee satisfaction and engagement, and improved service efficiency and performance. Using digital and technology opportunities, the council is streamlining processes and improving service delivery to make it easier for customers to engage and access services quickly and effectively.

To support the transformation journey, over the last two years we have made changes to our leadership and worked closely with a strategic partner to enable our Proud transformation. The core strategic partnership contract ended in March and we are now using our own capability to drive and enable transformation.

Our Proud transformation activity continues and is split across several workstreams of activity that focus on specific areas of improvement across the council as well as enabling changes in culture and improving communication.

The Customer Access Management workstream is modernising and improving the way our customers can access council services to make information, reporting and access to service deliver readily available through online means.

Back office support services such as HR, Finance, Corporate Landlord, Legal and ICT are also transforming and adapting their services to better meet the business needs of their internal customers as well as the needs of our residents. The transformation activity continues to focus on how the council spends its budgets and generates income, the Third Party Spend workstream is reviewing existing, and future supplier contracts to ensure appropriateness and value for money with the Income Generation workstream seeking to identify opportunities to deliver savings for the council and deliver new services that generate income.

We have established an effective corporate Programme Management Office and recruited skilled project and change management staff - delivering programme, project and change management expertise to support the planning and successful delivery of key benefits outlined in these workstreams. There is a coherent and consistent communications plan for Proud, through improvement of the information posted regularly on the intranet site, regular messages from the Chief Executive, the Story of Proud and case studies of good practice

Transformation and Change has contributed to the improvement of the key measures against the Proud Promises through project planning and resource management. There was a full proud update to cabinet in March, which included some key outcome improvements.

- Customer satisfaction has increased by 6% from April 2019
- Employee satisfaction has increased by 4% from 57% in 2017
- Efficiencies from 2019/20 include £57.4m of savings that have been defined of which £54.7m have been included in the council's medium term financial plan. These savings have been identified through – design and delivery of efficiencies from new proud ways of working, capitalising on income generating activities, managing monitoring and reducing third party spend.

Communications Marketing and Brand

The Council has shaped a new team that will focus on Communications Marketing & Brand. A team that will bring together expertise and proactively tell the story of the Council and the story of Walsall.

The staff and members intranet site Inside Walsall has been updated to make it clearer for users and to help increase engagement. Similar work is ongoing to build on the success of our existing Council website.

A major campaign to promote Walsall has been launched. "We are Walsall" is a campaign that displays Walsall through its people and its vibrant communities. Although Walsall town centre will be the focus, other district centres will be promoted during the campaign.

A “Meet the Team” approach was developed to enable Members to have access to key teams and knowledge about who to contact.

Council Policy, Strategy and Business Insights

The 2022/25 Council Plan was agreed In February 2022. The plan presents the councils continued focus on five (5) priorities - Economic growth, People, Internal focus, Children, and Communities. To ensure we are transparent and accountable on performance, 10 outcomes and 20 Markers of Success underpin these priorities. Performance against the previous plan has been reported quarterly to Cabinet tracking the level of progress throughout the year.

To build in our ability to put Walsall at the forefront regionally, we are developing new Policy and Strategy and Business Insights teams. These will be central teams within the new corporate hub that will develop corporate strategy whilst supporting consistent policy development, ensuring there is a golden thread throughout the Council that supports our ambition to meet the outcomes for our residents.

This will give us the capability and capacity to more efficiently drive our aspirations for improved outcomes for residents built on better understanding about what is important to our residents. We are keen to learn from others; where best practice can be applied to how we do things and learn from colleagues elsewhere where they have significantly improved at pace. We also have good practice to share that highlights Walsall as a Borough of choice and these teams will provide the opportunity for us to have a wider voice in the region.

Together these two new services will enable us to plan and prioritise more effectively and assure ourselves that all service areas are working towards a shared outcome and reflect the values of the organisation, as we continue on our transformation journey.

Finance, Coporate Landlord and Assurance

We have again set a balanced budget for the new financial year and delivered a balanced outturn for 21/22 despite significant financial pressures – delivering efficiencies and new ways of working rather than cuts in services.

We have agreed new strategies for counter fraud, anti-money laundering, Treasury Management and Capital, as well as a new Performance Management framework.

Our accounts remain unqualified and were one of the first in the country to be settled with an excellent Value for Money report by our external auditors

We have agreed a new Strategic Asset Plan and implemented the Corporate Landlord model, developing a more strategic approach to capital investment

We have continued to successfully deliver the Single Accountable Body Functions for the Black Country Local Enterprise Partnership, including EZ, Growth Deal, LPIF and core funding, estimated at almost £400 million over its lifetime

We are working on the Towns Fund bid Submission and subsequent Accountable Body; Governance, Contracting and Funding Arrangements post award having secured the connected gateway scheme.

The External Funding team are supporting / leading on the drafting of bids for the authority and have in the past year secured £11m in external Funding. They have also supported the development of key strategies (e.g. Heritage / Climate Change / Crowd Funding) that support corporate priorities.

Legal and Democratic Services

The team ran a lawful and safe election, reviewed and refreshed the Elected Member Code of Conduct and members' training needs, ensured that the council acts lawfully in continuing to facilitate lawful meetings during the Covid 19 pandemic; including delivering school appeals in a virtual setting. The team secured successful Walsall positions in a number of high profile court cases and legal matters eg Court of Appeal case in relation to injunctions against unnamed persons, successful applications for ASB closure orders, successful litigation in relation to housing benefit payments; implementation of enforcement notices.

2. This Council is focused on the delivery of the Councils Vision so that we are proud of our past, our present and for the future.

Our aim is to ensure that we reduce inequalities and maximise all potential. We are committed to developing a healthier, cleaner and safer Walsall and creating an environment that provides opportunities for all residents, communities and businesses to fulfil their potential and thrive including the five areas of focus as set out in the Council Plan:

- Economic - Enabling greater local opportunities for all people, communities and businesses
- People - Encouraging our residents to lead more active, fulfilling and independent lives to maintain or improve their health and wellbeing
- Internal focus - Council services are customer focused effective, efficient and equitable
- Children - Have the best possible start and are safe from harm, happy, healthy and learning well
- Communities - Empowering our communities so that they feel they are connected and belong in Walsall, creating safe and healthy places whilst building a strong sense of community.

This administration will task Council officers to work with partners to make sure that these priorities are delivered effectively and on time.

I expect my officers and members to operate to the Councils Values in that they are - Professional, show Leadership, Accountability, Transparent, and Ethical

Economic Context

Walsall Council, as with all local authorities, continues to experience significant financial challenges and I present this report against a backdrop of continuing economic uncertainty, at local and national level.

We face continued economic pressures due to increasing inflation and the ongoing effects of Covid on our residents and our businesses. Covid has significantly affected the retail sector in particular, on top of the pre-Covid shifting patterns to more of an 'online' presence, and is changing the traditional shopping experience, with the closure of a number of retail outlets in the town centre affecting business viability and resident experience.

Since 2010/11, the council has had to reduce its spending and increase its income by £249m per year up to and including 2022/23. This includes plans in place to deliver £18.86m of savings in 2022/23. The agreed budget in February included the need to identify further savings of at least c£5m, c£10m and c£10m for 2023/24, 2024/25 and 2025/26 respectively. Given the inflationary pressures on pay and prices and funding uncertainty, these gaps will almost certainly increase during the year as we review the Medium Term Financial Strategy.

The future financial environment continues to be challenging. We are uncertain on the direct funding implications for the years beyond 2022/23, so assumptions have had to be made in our medium term financial outlook around predicted changes to Government spending and Local Authority grant levels. The promised Local Government Fair Funding review has been delayed again and financial uncertainty remains a key concern. The uncertainty around income is compounded by the increase in uncertainty around costs of living and increases in inflation.

The Bank of England is forecasting inflation rates of up to 10% this year. They explain that in 21/22 this is largely due to the economy recovering from the Covid crisis - economies around the world, including in the UK, opened up after Covid restrictions eased; then people naturally wanted to start buying things again- but businesses selling some of those things couldn't get enough of them to their customers in the UK. This caused prices to rise - especially for goods coming from abroad. More recently, Russia's invasion of Ukraine has led to more large increases in the price of things like energy and food. The lockdowns in China (due to Covid) are also making it harder to import some goods to the UK. Therefore, that is also pushing up prices. At home, unemployment is low and the labour market strong, which has led to a general increase in wages – a major element of the costs of service-sector businesses and so the price of services in the UK has gone up too. And there are further forecast increases in energy costs from October when the energy price cap is removed.

The Bank of England does not expect these factors to last, so whilst inflation is high this year in the medium term, they expect inflation to reduce and be back closer to 2% in around two years - so potentially a short-term problem. However, they also say that the prices of some things may stay at a high level compared with the past. This will affect our residents and businesses ability to pay their council tax and business rates bills as well as increasing our own costs eg energy

costs, wage increases, loss of staff supplier contract costs, build costs and debt financing costs of capital investment. Financial pressures on the council over the coming years are significant and increasing - without funding to match. Examples include increases in demand for services, the impact of increasing poverty, increasing pay and prices the impact of legislative reform, and integration with health.

We do not have capacity in our mainstream budgets to fund significant inflationary costs. For every 1% on our pay bill it will cost us £1.2 million each and every year on top of increasing costs from our staff heavy suppliers. In all we are facing a more difficult and complex economic environment. In the absence of any increases in funding then these costs will need to be met through further savings and increases in income above and beyond those already planned. This will require some focused scenario planning and difficult decisions as we set the strategy for the medium term.

3. So what are we doing about this? Future priorities and Areas of Focus.

I plan to continue my programme of delivery and am setting out in this report the priorities for my portfolio and for my administration over the next period.

My administration is aiming to secure a balanced three-year budget and financial strategy in February 2023. We will continue to deliver proud transformation that improves on customer experience and staff satisfaction whilst delivering efficiencies in how we deliver those services. Where we do need to reduce services in the future because of our funding position, then we will link all our services to the council Plan outcomes in the first instance and proactively determine where we need to spend our money and explain why we are doing so.

Future prospects for our residents and local businesses are being improved by the delivery of a set of employment, skills and business support programmes, which are vital to strengthen our workforce and business base to meet the ongoing challenges, driving success in our local economy.

My administration is taking forward the Walsall Town Centre Masterplan, Future High Streets Connected Gateway Programme and the Town Deal Programmes for Walsall and Bloxwich. These will secure a brighter and more prosperous future for our town and Borough as a whole. Work also continues to bring forward important employment sites such as Phoenix 10, further setting the pace for recovery.

We continue to work closely with the region including the Black Country and the West Midlands combined Authority. The Association of Black Country Authorities (ABCA) continues to provide the forum for Council Leaders and Chief Executives to co-ordinate political and managerial activity of common interest. Walsall Council accepted the role of Single Accountable Body for the Black Country LEP back in October 2018; so far, we have successfully administered £282m across the Black Country, with £104m directly benefitting the borough of Walsall.

There is around £4m of LEP funds still to be invested across the Black Country with a further £54m Enterprise Zone surplus' forecast, we will continue to develop projects that can compete for these resources. Examples of Walsall projects currently live include; Junction 10 of the M6 being completely updated to improve current traffic flow and accommodate future demands, the nearby Walsall / Darlaston Enterprise Zone, with many sites, including Phoenix 10 now coming to life, with the capacity to create almost 160,000m² of new industrial floor space, and up to 2400 new jobs over the years to come.

We will continue to utilise our Accountable Body skills and our project delivery strengths for the Black Country LEP and locally for Walsall. This will ensure the successful administration of key Walsall programmes now being directly funded by government. These include; the Bloxwich and Walsall Town Fund applications which, together with our accelerated programme, have successfully levered in over £44m to deliver a range of exciting projects, that together with the £11m secured from the Future High Street fund for Walsall, will help to ensure their viability for years to come. We will help to ensure a successful transition of the LEP and accountable body functions to the WMCA.

I will be bringing key reports to cabinet on new policies and priorities in line with my manifesto pledges and our key areas of focus including:

- Securing a sustainable financial position and balanced medium term financial position that delivers our priorities and outcomes for residents whilst continuing to deliver the 3 Proud Promises:- improving outcomes and customer experience for our residents; improving staff satisfaction and engagement; and improving service efficiency and performance.
- Developing Our Walsall Story with partners and residents. This is a unique opportunity to engage in dialogue with residents, community groups, businesses, investors, and partners to understand their views on what matters most in the borough now and for the future. This conversation will lead into development of a strategic borough 'plan', which sets out the long-term ambitions for Walsall to be achieved by 2040.
- Review of our leisure provision a full options appraisal of the future of our role in leisure and the outcomes we are securing through a physical activity framework. This will consider the number and location of active living centres; financial cost / subsidy of our leisure service; further commercialisation opportunities; and alternative delivery models to secure agreed outcomes in a more efficient and effective way.
- Development of the Town Centre Masterplan A relentless drive to deliver the aspirations of the agreed Walsall Town Centre masterplan A programme of sequenced delivery will be drawn up after member engagement on 16/3, including any adjustments to the 2019 masterplan to consider the post-covid landscape and changed land ownership. The focus on delivery will require

substantial capital funding to secure external investment, and will link to the levelling up agenda

- Whole borough environment plan to include a whole borough approach to environmental management and sustainability – more ambitious than the current plan for the council to achieve carbon neutrality by 2050. The new plan should fit the ambition and timeframe of regional and national strategies such as the WMCA net-zero plan (2041) and the government's waste and resources strategy. The overarching plan will include a number of discrete projects (some of which are already in development) including: climate change action plan (extended scope to whole borough net-zero by 2041 rather than council only by 2050); waste management strategy (minimising waste and increasing the recycling rate from 42% to 65% by 2035, saving circa £4m per annum at current prices); biodiversity action plan; street scene strategy; local transport plan and an urban forestry strategy. This includes street trees, grass verges and road safety.

The plan will rely on hub coordination together with place & environment – how to encourage / nudge / change behaviours and strong communications campaigning.

- Embedding Walsall's approach to building and enabling community resilience across all areas of the council's work. For example how can we best secure community solutions which reduce expensive acute demand; secure stronger prevention and early intervention; smarter targeting of outcomes through use of procurement and social value; strengthen further our voluntary and community sector engagement and partnership; together with strong resident and community engagement through and after Our Walsall Story. Invest in youth services to help tackle youth unemployment and ASB issues in our neighbourhoods
- Develop new joined up housing and care models to meet the medium to longer term needs of people with a range of needs around Disability: Mental Health: Autism: Physical Disabilities and Leaving care. Through strong partnership with building developers, Council and wider Partners, we could create effective use of the existing building at Goscote to develop a Hub and spoke model of care and support; focus on crisis intervention, avoidance and enablement for younger people into adulthood and established adults into old age.
- Future education provision for the Borough and special school review Ensuring sufficiency of high quality school placements for all children including those with special educational needs across the Walsall School system. Driving up educational outcomes and ensuring all Children and Young People achieve their full potential wherever they receive their

education. This clearly links with the Walsall story – today's children will be adults in 2040.

I remain as ever committed to open and transparent governance and so during the course of the municipal year, regular reports will be made by cabinet members on the key issues outlined in this report.