

Cabinet

Wednesday 12 February 2025 at 6:00 p.m.

Meeting venue: Conference Room 2, Council House, Lichfield Street, Walsall.

[Livestream Link](#)

Portfolios

Councillor G. Perry,
Leader of the
Council



Councillor A.
Andrew,
Associate Leader
Economic Growth
and Regeneration



Councillor M.
Statham, Deputy
Leader and Finance



Councillor G.
Flint,
Health and
Wellbeing



Councillor K.
Pedley, Adult Social
Care



Councillor E. Lee,
Internal Services



Councillor S. Elson,
Children and Young
People



Councillor P.
Kaur,
Education and
Skills



Councillor K.
Murphy, Street
Pride



Councillor A.
Garcha, Resident
Access and
Housing Support



Quorum 4 members

Democratic Services, The Council House, Walsall, WS1 1TW
Contact name: Craig Goodall Telephone: 01922 654765 Email:

craig.goodall@walsall.gov.uk

[Walsall Council Website](#)

**If you are disabled and require help to and from the meeting room,
please contact the person above**

The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

Specified pecuniary interests

The pecuniary interests which are specified for the purposes of Chapter 7 of Part 1 of the Localism Act 2011 are the interests specified in the second column of the following:

Subject	Prescribed description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by a member in carrying out duties as a member, or towards the election expenses of a member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Regulations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority:</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to a member's knowledge):</p> <p>(a) the landlord is the relevant authority;</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where:</p> <p>(a) that body (to a member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either:</p> <p>(i) the total nominal value of the securities</p>

	<p>exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>
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Schedule 12A to the Local Government Act, 1972 (as amended)

Access to information: Exempt information

Part 1

Descriptions of exempt information: England

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes:
 - (a) to give any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.
8. Information being disclosed during a meeting of a Scrutiny and Performance Panel when considering flood risk management functions which:
 - (a) Constitutes a trades secret;
 - (b) Its disclosure would, or would be likely to, prejudice the commercial interests of any person (including the risk management authority);
 - (c) It was obtained by a risk management authority from any other person and its disclosure to the public by the risk management authority would constitute a breach of confidence actionable by that other person.

Part 1 – Public session

1. **Apologies**

2. **Minutes – 15 January 2025**

(Enclosed)

3. **Declarations of interest**

4. **Local Government (Access to Information) Act, 1985 (as amended):**

To agree that the public be excluded from the private session during consideration of the agenda items indicated for the reasons shown on the agenda.

5. **Petitions**

(Note: For advice on how to submit petitions, contact Democratic Services. Contact details on the front page of the agenda).

6. **Questions**

(30 minutes will be allowed for pre-submitted questions from non-executive members and the public. All questions will have been submitted at least 7 clear days before the meeting. Answers will be provided at the meeting - no supplementary questions will be allowed.)

7. **Forward Plan**

(Enclosed)

Associate Leader, Economic Growth and Regeneration: Councillor Andrew

Key Decision

8. Provision of Operational Technical Advisors for Capital Construction Projects

(Enclosed)

Deputy Leader and Finance: Councillor Statham

Key Decision

9. Corporate Budget Plan 2025/26 – 2028/29, incorporating the Capital Strategy and the Treasury Management and investment Strategy 2025/26

(Enclosed)

Non-key Decision

10. Corporate Financial Performance 2024/25

(Enclosed)

Health and Wellbeing: Councillor Flint

Key Decision

11. Walsall Net-Zero Climate Change Strategy

(Enclosed)

12. Playing Pitch and Outdoor Sport Strategy

(To Follow)

Resident Access and Housing Support: Councillor Garcha

Key Decision

13. Walsall Housing Allocations Policy

(Enclosed)

Education and Skills: Councillor Kaur

Key Decisions

14. Determination of the Scheme for coordinated admissions and the Arrangements for Community and Voluntary Controlled Primary Schools for the 2026/27 academic year

(Enclosed)

15. Early Years Funding Formula 2025/26

(Enclosed)

Adult Social Care: Councillor Pedley

Key Decision

16. All Age Carers Strategy 2024-2027

(Enclosed)

Feedback from Overview and Scrutiny

17. Recommendations from the Economy and Environment Overview and Scrutiny Committee regarding the utilisation of Council assets
(Enclosed)
18. Recommendations from the Economy and Environment Overview and Scrutiny Committee regarding grass cutting.
(Enclosed)

Part II – Private Session

Resident Access and Housing Support: Councillor Garcha

Key Decisions

19. Private Rented Sector Offer to Landlords
(Enclosed)
(Exempt Information under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended)

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Cabinet

Wednesday 15 January 2025

Minutes of the meeting held in Conference Room 2 at the Council House, Lichfield Street, Walsall at 6pm.

Present

Councillor Perry	Leader of the Council
Councillor Andrew	Associate Leader – Economic Development and Regeneration
Councillor M. Statham	Deputy Leader – Finance
Councillor Elson	Children and Young People
Councillor Flint	Health and Wellbeing
Councillor Garcha	Resident Access and Housing Support
Councillor Kaur	Education and Skills
Councillor Lee	Internal Services
Councillor Murphy	Street Pride
Councillor Pedley	Adult Social Care

In attendance

E. Bennett	Chief Executive
K. Allward	Executive Director – Adult Social Care
D. Brown	Executive Director – Economy, Environment and Communities
J. Greenhalgh	Executive Director – Resources and Transformation
C. Male	Executive Director – Children’s Services
S. Darcy	Director – Finance and Assurance
S. Portman	Head of Law
E. Cook	Democratic Services Officer
I. Halford	Assistant Democratic Services Officer

Part 1 – Public Session

4317 Welcome

Councillor Perry opened the meeting by welcoming everyone and explaining that the Cabinet was meeting that evening in person and that the agenda and reports for this meeting were available on the Council’s website. He explained that voting would be by way of a show of hands which would be witnessed and recorded by the Democratic Services officer in attendance.

4318 Apologies

No apologies were received.

4319 Minutes

The minutes of the meeting held on 11 December 2024 were submitted.

Resolved

That the minutes of the meeting held on 11 December 2024, a copy having been sent to each member of the Cabinet, be approved and signed as a correct record.

4320 Declarations of interest

No declarations of interest were received.

4321 Local Government (Access to Information) Act, 1985

Resolved

That the public be excluded from the meeting during consideration of the items set out in the private part of the agenda for the reasons set out therein and Section 100A of the Local Government Act, 1972

4322 Petitions

No petitions were received.

4323 Questions

No questions were received.

4324 Forward Plan

The forward plan as of December 2024 was submitted:

(annexed)

Resolved

That the forward plan be noted.

4325 Draft Revenue Budget and Draft Capital Programme 2025/26 to 2028/29 - Update

Councillor Statham presented a report which provided an updated medium term financial outlook in relation to the draft revenue budget and capital programme for 2025/26 to 2028/29, including analyses of the Autumn Statement 2024, the

Local Government Finance Policy Statement 2025 and the Provisional Local Government Settlement published on 18 December 2024.

Members discussed achievements and shared updates within their portfolios.

It was **moved** by Councillor Statham and **seconded** by Councillor Flint and it was;

Resolved (unanimously)

That Cabinet:

1. **Note the main implications from the Chancellor's Autumn Statement announcement on 30 October 2024 as detailed at section 4.3 and 4.4, the Local Government Finance Policy Statement published on 28 November 2024 as detailed in section 4.5 and the Provisional Local Government Finance Settlement published on 18 December 2024 as detailed at section 4.6 and 4.8.**
2. **Note the changes to the Medium-Term Financial Outlook (MTFO), to close the revenue funding gap of £11.05m reported to Cabinet in October 2024, as detailed at section 4.9 to 4.11.**
3. **Note the changes to the Draft Capital Programme 2025/26 to 2028/29 as detailed at section 4.12.**
4. **Note the risk to the MTFO projection from April 2025 as outlined in section 4.8 and 4.14 to 4.18.**
5. **Note the feedback from Overview and Scrutiny Committees at Appendix 1 and consider this feedback in preparation for the final budget recommendations in February 2025.**
6. **Note the update on public consultation and equality impact assessments outlined in section 4.28 to 4.37 and appendix 2 and 3.**

There being no further business, the meeting terminated at 7:04pm.

Chair:

Date:



Walsall Council

FORWARD PLAN OF KEY DECISIONS

**Council House,
Lichfield Street,
Walsall, WS1 1TW**
www.walsall.gov.uk

4 February 2025

FORWARD PLAN

The forward plan sets out decisions that are termed as “key decisions” at least 28 calendar days before they are due to be taken by the Executive (Cabinet). Also included on the plan are other decisions to be taken by the Cabinet (“non-key decisions”). Preparation of the forward plan helps the Council to programme its work. The purpose of the forward plan is to give plenty of notice and an opportunity for consultation on the issues to be discussed. The plan is updated each month with the period of the plan being rolled forward by one month and republished. Copies of the plan can be obtained from Democratic Services, Walsall MBC, Council House, Walsall, WS1 1TW Craig.Goodall@walsall.gov.uk and can also be accessed from the Council’s website at www.walsall.gov.uk. The Cabinet is allowed to make urgent decisions which do not appear in the forward plan, however, a notice will be included on the agenda for the relevant Cabinet meeting which explains the reasons why.

Please note that the decision dates are indicative and are subject to change. Please contact the above addressee if you wish to check the date for a particular item.

The Cabinet agenda and reports are available for inspection by the public 7 days prior to the meeting of the Cabinet on the Council’s website. Background papers are listed on each report submitted to the Cabinet and members of the public are entitled to see these documents unless they are confidential. The report also contains the name and telephone number of a contact officer. These details can also be found in the forward plan.

Meetings of the Cabinet are open to the public. Occasionally there are items included on the agenda which are confidential and for those items the public will be asked to leave the meeting. The forward plan will show where this is intended and the reason why the reports are confidential. Enquiries regarding these reasons should be directed to Democratic Services (Craig.Goodall@walsall.gov.uk).

“Key decisions” are those decisions which have a significant effect within the community or which involve considerable expenditure or savings. With regard to key decisions the Council’s Constitution states:

- (1) A key decision is:
 - (i) any decision in relation to an executive function which results in the Council incurring expenditure which is, or the making of savings which are, significant, having regard to the Council’s budget for the service or function to which the decision relates or
 - (ii) any decision that is likely to have significant impact on two or more wards within the borough.
- (2) The threshold for “significant” expenditure/savings is £500,000.
- (3) A decision taker may only make a key decision in accordance with the requirements of the Executive Procedure Rules set out in Part 4 of this Constitution.

**FORWARD PLAN OF KEY DECISIONS
MARCH 2025 TO JUNE 2025 (04.02.2025)**

1	2	3	4	5	6	7
Reference No./ Date first entered in Plan	Decision to be considered (to provide adequate details for those both in and outside the Council)	Decision maker	Background papers (if any) and Contact Officer	Main consultees	Contact Member (All Members can be written to at Civic Centre, Walsall)	Date item to be considered
2/25 (6.1.25)	Operational Technical Advisors (Construction Projects): To appoint operational technical advisors for building contracts. The advisors' supply operational support for technical disciplines, such as architects, quantity surveyor, mechanical and electrical engineers. They do not provide strategic advice.	Cabinet Key Decision	Simon Tranter Simon.Tranter@walsall.gov.uk	Internal Services	Cllr Andrew	12 February 2025
66/24 (7.10.24)	Corporate Budget Plan 2025/26 – 2028/29, incorporating the Capital Strategy and the Treasury Management and investment Strategy 2025/26: To recommend the final budget and council tax for approval by Council.	Cabinet Council Key Decision	Shaun Darcy Shaun.Darcy@walsall.gov.uk	Council tax payers, business rate payers, voluntary and community organisations Internal Services	Cllr Statham	Cabinet 12 February 2025 / Council 27 February 2025
67/24 (7.10.24)	Corporate Financial Performance 2024/25: To report the financial position based on 9 months to December 2024.	Cabinet Non-key Decision	Shaun Darcy Shaun.Darcy@walsall.gov.uk	Internal Services	Cllr Statham	12 February 2025

77/24 (2.12.24)	All Age Carers Strategy 2024-2027: To approve the All-Age Carers Strategy, which highlights the role of Carers and outlines plans for improving the wellbeing of Carers living in the borough.	Cabinet	Andrew Osborn Andrew.Osborn@walsall.gov.uk	Internal Services External Partners	Cllr Pedley Cllr Elson	12 February 2025
71/24 (7.10.24)	Net-Zero 2041 Strategy: To approve the draft Net-Zero 2041 Strategy and the establishment of a 'Walsall Net Zero Partnership' to deliver the borough-wide elements of the Strategy.	Cabinet Key Decision	Kathryn Moreton Kathryn.Moreton@walsall.gov.uk	Internal Services	Cllr Flint	12 February 2025
62/24 (7.10.24)	Adoption of the new Playing Pitch and Outdoor Sports Strategy: To approve the new Playing Pitch and Outdoor Sports Strategy and establish a council-led steering group to undertake ongoing monitoring.	Cabinet Key Decision	Black Country PPOSS - Overarching Strategic Framework Kathryn Moreton Kathryn.Moreton@walsall.gov.uk	Internal Services	Cllr Flint	12 February 2025
35/24 (4.6.24)	Walsall Housing Allocations Policy: To approve Walsall's Housing Allocations Policy which details how the Council will prioritise applicants for nomination to housing association properties.	Cabinet Key Decision	Elise Hopkins Elise.Hopkins@walsall.gov.uk	Public Consultation Internal Services Housing Associations	Cllr Garcha	12 February 2025
1/25 (6.1.25)	Private Rented Sector offer to landlords: To approve the Council's policy detailing actions aimed at increasing	Cabinet Key Decision	Elise Hopkins Elise.Hopkins@walsall.gov.uk	Internal Services	Cllr Garcha	12 February 2025

	access to private rented sector properties for homeless households. <i>This will be a private session report containing commercially sensitive information.</i>					
68/24 (7.10.24)	Determination of School Admission Arrangements 2026-27: To set out the proposed scheme for co-ordinated secondary and primary admissions and mid-year admissions for the 2026/27 academic year and the proposed admission arrangements for primary community and voluntary controlled schools for the 2026/27 academic year.	Cabinet Key Decision	Sharon Kelly Sharon.Kelly@walsall.gov.uk	Internal Services Schools Forum	Cllr Kaur	12 February 2025
73/24 (4.11.24)	Early Years Funding Formula 2025/26: To approve the proposed Early Year Funding Formula for 2025/26.	Cabinet Decision	Sharon Kelly Sharon.Kelly@walsall.gov.uk	Internal Services Schools Forum	Cllr Kaur	12 February 2025
46/24 (5.8.24)	Planning Obligations Supplementary Planning Document (SPD): To seek approval of a draft Planning Obligations SPD for consultation with key partners, stakeholders, infrastructure providers and the general public. The document will be consulted on a 6-week consultation.	Cabinet Key Decision	Simon Tranter Simon.Tranter@walsall.gov.uk	Internal Services	Cllr Andrew	19 March 2025
3/25 (6.1.25)	West Midlands Local Transport Plan Settlement and Transport Capital Programme 2025/26:	Cabinet Key Decision	Kathryn Moreton Kathryn.Moreton@walsall.gov.uk	Internal Services	Cllr Andrew	19 March 2025

	To seek approval of the West Midlands Local Transport Plan Settlement and Transport Capital Programme 2025/26, to support the delivery of transport capital projects including the West Midlands Local Transport Plan (LTP).					
74/24 (4.11.24)	High Needs Funding Formula 2025/26: To approve the proposed High Needs Funding Formula for 2025/26.	Cabinet Decision	Sharon Kelly Sharon.Kelly@walsall.gov.uk	Internal Services Schools Forum	Cllr Kaur	19 March 2025
5/25 (6.1.25)	Public Sector Equality Duty Report 2024/25: To note the Public Sector Equality Duty annual report which will be published in March 2025 in accordance with our obligations with the Equality Act 2010.	Cabinet Non-key Decision	Keith Beech Keith.Beech@walsall.gov.uk	Internal Services Corporate Equality Group	Cllr Lee	19 March 2025
75/24 (4.11.24)	Adult Social Care and Children's Services Case Management System: To approve the renewal of the contract for Mosaic. The current contract ends on 31/07/2025.	Cabinet Key Decision	Andrew Osborn Andrew.Osborn@walsall.gov.uk	Internal Services External Stakeholders	Cllr Pedley Cllr Elson	19 March 2025
70/24 (7.10.24)	Gasholders - Black Country Enterprise Zone: To approve entering a Funding Agreement with City of Wolverhampton Council for site preparation works and the approach to progressing project delivery.	Cabinet Key Decision	Simon Tranter Simon.Tranter@walsall.gov.uk	Internal Services	Cllr Andrew	16 April 2025

	<i>This will be a private session report containing commercially sensitive information.</i>					
4/25 (6.1.25)	Planning Obligations Supplementary Planning Document: To approve the final version of the Supplementary Planning Document for adoption.	Cabinet Key Decision	Simon Tranter Simon.Tranter@walsall.gov.uk	Internal Services	Cllr Andrew	16 April 2025
78/24 (2.12.24)	Waste Management Strategy, Fryers Road Household Waste Recycling Centre (HWRC) redevelopment: To approve the pre-tender budget for the redevelopment of a larger Fryers Road HWRC and agree to the use of the Pagabo framework (design and build stages) for the procurement of Fryers Road HWRC.	Cabinet Key Decision	Kathryn Moreton Kathryn.Moreton@walsall.gov.uk	Internal Services	Cllr Andrew Cllr Murphy	16 April 2025
6/25 (6.1.25)	Provision of HWRC Skips and Associated Plant Equipment: To award a contract for the provision of skips and associated equipment for the Middlemore Lane HWRC.	Cabinet Key Decision	Kathryn Moreton Kathryn.Moreton@walsall.gov.uk	Internal Services	Cllr Murphy	16 April 2025

Cabinet – 12 February 2025

Appointment of Operational Technical Advisors for Capital Construction Projects

Portfolio: Councillor Andrew - Associate Leader, Economic Growth & Regeneration

Related portfolios: All

Service: Corporate Landlord

Wards: NA

Key decision: Yes

Forward plan: Yes

1. Aim

To provide the council with sufficient and competent technical resources commensurate with the provision of a wide-ranging scope of construction projects with diverse and complex technical specialism's. This diverse range of technical support cannot be provided in-house due to the high cost of maintaining such a provision.

2. Summary

- 2.1 The Council proposes to enter into a contract with a single service provider AtkinsRealis Limited (AtkinsRealis) through the PAGABO Professional Services Framework, a national framework for the supply of a full range of professional services, including but not limited to, civil & structural engineering, architectural design services, landscape design services and sustainability & environmental consultancy related to the technical delivery of construction projects. The PAGABO Professional Services Framework Lot 1 is compliant with all procurement regulations and directives and open to public sector organisations.
- 2.2 AtkinsRealis is currently the appointed supplier on the PAGABO Professional Services Framework Lot 1 and act as project manager for all multi-disciplinary projects to ensure consistency of procedures and reporting and will provide other technical teams either directly or utilising sub-contractors under the terms of the PAGABO Framework.

3. Recommendations

That Cabinet:

- 3.1 Approve the appointment of AtkinsRealis Limited, via the Pagabo Framework as the Professional Services Provider for Capital Construction Projects for a maximum period of up to 3 years (2+1) subject to satisfactory performance and delivery.
- 3.2 Delegate authority to the Executive Director for Economy Environment and Communities to enter into the contract, and to subsequently authorise the sealing, signing or variation of any deeds, contracts or other related documents for such services

4. Report detail - know

Context

- 4.1 Under the previous contractual arrangement, AtkinsRealis was appointed via the PAGABO Framework, following consultation with the procurement team, which considered all appropriate frameworks that were available at the time.
- 4.2 The previous contract has reduced the cost of services for larger contracts from 16% for professional fees and 11% internal charge to 11-15% for professional fees dependant on the complexity of the contract, and 1.5% internal charge. AtkinsRealis has also agreed to a further reduction on PAGABO rates equating to an average reduction over all disciplines of 2%.
- 4.3 The contract renewal will be for an initial period of 2 (two) years with the option to extend for a further 1 (one) year, subject to satisfactory performance
- 4.4 Over the life of the previous contract £5.6m was expended on a range of projects and it is predicted that spend will reduce over the life of the proposed new contract. Accordingly, a total 3 year spend of £4.5m is requested. This is a maximum value that can be awarded and there is no guarantee to the supplier of projects to this value being placed.
- 4.5 When considering options for the new arrangements a review of the known capital programme for the next 3 years was undertaken and the volume of works already issued to AtkinsRealis was noted.
- 4.6 Throughout the last 3 years the corporate landlord service has used this model for the provision of professional technical advisors to manage construction projects ranging from small minor works to large complex schemes. This has avoided the need for a separate procurement for each project requiring a technical team. Previously each new project required a separate procurement exercise to appoint technical advisors which had proved time consuming and extended lead times for commencement of projects.

- 4.7 The appointment of a single source arrangement was explored with reference to the current projects underway with the current supplier AtkinsRealis under the previous appointment via PAGABO Framework. This included the majority of the school expansion programmes, and the complexities and costs involved in transferring to a potential new supplier and the due diligence from new technical teams the works already undertaken with client departments and client department relationship management.
- 4.8 This cost of due diligence for any new supplier in assuming designs and specifications, delays to programmes, unfamiliarity with existing systems and potentially having to onboard technical teams if they did not exist on another framework would potentially result in a cost increase, in this case given many stakeholder meetings have taken place re-forging the current relationships would be time consuming.
- 4.9 It was considered that moving works already commenced to a new supplier would not be appropriate due to programmed delays that would be inevitable therefore AtkinsRealis will complete all works issued under the previous framework.
- 4.10 Although an open tender process could be pursued it would require the development of a detailed specification and due to the time required, uncertainty of the level of throughput and exact nature of some of the services that may be required going forward there is a risk that not all of the future requirements will be accounted for and therefore there is a possibility that not all of the Council's needs could be delivered through this contract.
- 4.11 Having considered the above options in conjunction with procurement, it is considered that the most appropriate route to market for this service is the PAGABO Professional Services Framework Lot 1. PAGABO undertook a PCR 2015 compliant procurement process and have selected the single provider who offered the best value solution based on 40% Price/60% Quality criteria. The Framework can accommodate all the disciplines needed, it can be engaged quickly, it has the benefit of flexibility around the use of specialist sub-contractors and local SMEs which widens the opportunity of expenditure and safeguarding employment within the borough of Walsall.
- 4.12 Current efficiencies will be maintained due to consistency of supply, established processes and a reduction in the need for meetings with multiple suppliers.
- 4.13 KPIs for performance elements will be further developed in line with the enhanced offer from AtkinsRealis and used for each project to include but not limited to task completion within agreed time frame, variance from cost estimates (both increases and decreases), engagement of local suppliers, added social value, work experience, etc.
- 4.14 AtkinsRealis has produced a social value commitment (see Appendix i). This includes targets for use of small to medium enterprises, work with local

economy, staff levels living within the borough, training placements engagement with schools.

- 4.15 This contract will ensure the project managers understand the council's policies and procedures, applying them and ensuring compliance for all client departments. This will also provide added governance for the programme management, monitoring, and reporting of pipeline projects.
- 4.16 All services and departments across the council who have commissioning requirements for programme and project works will be invited, engaged, and involved in the procurement of technical teams for their specific works or projects and will be invited to input into quality questions and evaluation scoring.

Council Plan priorities

- 4.17 The recommended actions support the ambition of "continuously improving" by ensuring that the council can deliver efficient and effective services. By appointing a single service provider through the PAGABO Professional Services Framework, the council can streamline processes, reduce procurement times, and maintain consistency in project management. This approach not only enhances the quality of service delivery but also ensures value for money, which is a core principle of the council plan.
- 4.18 The recommended actions contribute to the ambition of "prosperous and innovative" by facilitating the timely and cost-effective delivery of construction projects. The appointment of AtkinsRealis, with its comprehensive range of services including civil and structural engineering, architectural design, and environmental consultancy, ensures that the council can support business growth and infrastructure development. This is essential for creating a thriving local economy and attracting investment.
- 4.19 Additionally, the report aligns with the principle of "acting sustainably". The inclusion of sustainability and environmental consultancy services ensures that all construction projects consider carbon reduction and environmental impact. This supports the council's commitment to achieving net zero carbon emissions by 2041 and promotes the development of sustainable infrastructure, which is vital for the long-term wellbeing of the borough.

Risk management

- 4.20 The appointment is based on an initial period of two years with an option to extend for one making a total of three years. The option to extend will be subject to a strict performance and delivery review before any extension on the initial period is entered into.
- 4.21 The proposed arrangement is non-exclusive and Corporate Landlord Service can choose to deliver works via alternative arrangements should it be felt that this would provide better value for money or legislation requires it.

- 4.22 To accurately evaluate the value for money a baseline cost for similar projects undertaken in the past, for each service area, will be used for a comparison on overall costs.
- 4.23 All projects will be reported to the relevant service capital boards and will not proceed without their approval.

Financial implications

- 4.24 The costs of the advisors will be accommodated from the approved capital or revenue budget for each scheme.
- 4.25 There is no fixed capital expenditure for the next 3 (three) years, the total proposed length of the contract. Based on previous project history, it is anticipated with the average cost of engagement of consultants in the range of 10-15% of construction cost, dependant on complexity and value of the scheme, assuming all RIBA stages are used.
- 4.26 AtkinsRealis has also agreed a reduction in maximum hourly rates that will be charged under the contract giving a further reduction in cost.

Legal implications

- 4.27 The PAGABO Framework is compliant with the Public Contract Regulations 2015.
- 4.28 The Council will use the Framework terms and conditions which form part of the requirements of PAGABO to use the framework.

Procurement Implications/Social Value

- 4.29 The award of this contract is in accordance the Council's Contract Rules and is fully compliant with the Public Contracts Regulations.
- 4.30 Since 2016 PAGABO Framework projects have generated over £2.83bn of construction projects improving the social, economic and environmental well-being of the areas in which they have been delivered. Throughout the contract and by use of the Social Profit Calculator, PAGABO Framework can forecast the social value for client's projects at design stage, evaluate social value objectively using desired KPIs during tender stage, and monitor this throughout construction and post-completion.
- 4.31 AtkinsRealis has produced a Social Value commitment, Appendix i. This includes targets for use of Small to Medium Enterprises, work with local economy, staff levels living within the borough, training placements engagement with schools.

Property implications

- 4.32 The corporate landlord service will undertake a consistent project delivery approach across the estate, for school and non-school assets; adopt best practice business case methodologies (Full Business Case) and align gateways with RIBA Plan of Work.
- 4.33 The service will adopt a clearly defined governance process, setting out the responsibilities of the relevant stakeholders and the steps in the process where their engagement will be required.
- 4.34 The programme management function will take the lead on the delivery of capital projects across the estate from feasibility stage onwards, engaging with relevant stakeholders as appropriate, based on the brief provided by the client department.

Health and wellbeing implications

- 4.35 Compliance with health and safety legislation related to construction projects to ensure safe working sites and members of the public are not at risk from construction works
- 4.36 The proposal supports the principles of Walsall's Health and Wellbeing Plan and its priorities to increase economic prosperity through increased growth, and to create healthy and sustainable places and communities. The proposal will aid the delivery of strategic plan by facilitating timely and cost-effective access to a range of professionals and experts. Thereby supporting the objectives in the Health and Wellbeing Plan to build a strong business environment and develop a strong and sustainable infrastructures.

Reducing Inequalities

- 4.37 The AtkinsRealis have detailed their approach, quantifiable and reportable outcomes for the duration of the contract. Appendix i.
- 4.38 Each project will be subject to an equalities impact assessment as part of the procurement process and AtkinsRealis will assist in ensuring best practice is used for each project.

Staffing implications

- 4.39 There is no staffing implications related to the recommendations in this report. The development, delivery, monitoring and reporting of this projects will be undertaken by existing staff (and budgets) within Corporate Landlord and Programme Management teams.

Climate Impact

- 4.40 All projects will be considered for carbon reduction with regard to the Corporate Climate Change Action Plan

- 4.41 All projects will consider a wide range of carbon reduction principles, from low energy lighting, alternative heating provision, solar PV and emerging technologies as they develop.
- 4.42 All procurements utilising this appointment will ensure that all procurements of contractors include sections on carbon reduction both directly and via the contractor's supply chain.
- 4.43 There is no way to quantify the reduction of carbon for this procurement as it is for the provision of technical services, however each project will report on the measures adopted as part of the technical solution.

Consultation

- 4.44 Consultation has been undertaken with, EE&C, Finance, and Procurement and legal services.
- 4.45 Each project undertaken by this appointment will be subject to further consultation and approval for such project from the client department via their established capital boards and reporting mechanisms.

5. Decide

- 5.1 The recommended option is the appointment of Atkinsrealis as the Construction Project Technical Advisor for a maximum period of up to 3 years (2+1) subject to satisfactory performance and delivery. This will aid with consistency of supply of services, facilitate rapid, compliant route for technical supplier commensurate with the project.
- 5.2 An alternative approach would be to procure a technical appointment for each individual project. This is not recommended as it will increase the delivery period of the projects and will increase the workload of all departments involved in the delivery.
- 5.3 Another alternative is to undertake an open tender approach to the procurement of operational technical support. This would involve significant officer time and is likely to result in a more expensive contract, due to the inherent economies of scale of using a framework.

6. Respond

- 6.1 Subject to Cabinet approval a contract will be made with Atkinsrealis via the PAGABO Framework

7. Review

- 7.1 Monitoring of the performance will be via a set of KPI's designed to capture both quality and delivery performance and will be reported to each Directorate via their capital boards.
- 7.2 An annual review of contract performance will be undertaken by Corporate Landlord, and a report to be compiled with a recommendation to continue the contract or terminate and reappoint a new supplier to the Executive Director of Environment, Economy and Communities.
- 7.3 Cost of the providing the services will be reported against the established averages previously achieved. This will be reported on an ongoing basis to the contracting department and annually across all projects to the Executive Director of Environment, Economy and Communities.

Appendices

Appendix A: Atkinsrealis Social Value Professional Service Walsall MBC 2024-25

Background papers

None

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David Brown
Executive Director
31 January 2025



Councillor Andrew
Portfolio holder
31 January 2025

Cabinet – 12 February 2025

Corporate Budget Plan 2025/26 to 2028/29, incorporating the Capital Strategy; and the Treasury Management and Investment Strategy 2025/26

Portfolio: Councillor M. Statham – Deputy Leader of the Council (Finance)

Related Portfolios: All

Service: Finance – council wide

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 To provide the revenue and capital resource envelope for delivery of the council's aims and objectives and ensure that the statutory framework is met by recommending the statutory determinations (gross expenditure and income and council tax requirement for the year) and council tax bands, the capital programme, the Capital Strategy, and the Treasury Management and Investment Strategy to Full Council for approval.

2. Summary

- 2.1 The report contains several sections as follows:

- The Revenue Corporate Budget Plan and Capital Programme; comprising the final revenue and capital budget following consideration of consultation feedback and equality impact assessment by Cabinet. This also includes the Capital Strategy and the Flexible Use of Capital Receipts Strategy.
- Treasury Management and Investment Strategy as required by the Treasury Management Code of Practice (2017). It includes details on the Prudential Code Indicators (PCIs) for the next three years and asks Cabinet to approve them and recommend adoption of these to full Council. The Strategy both complies with the Local Government Act 2003 and also provides an additional framework over and above the statutory minimum for monitoring performance.
- Treasury Management Policy Statement as required by the Treasury Management Code of Practice (2017).

3. Recommendations

3.1 That Cabinet note:

- a. That at the time of dispatch of this report, the final local government settlement for 2025/26 is awaiting the final parliamentary debate and vote to take place on 5 February. Any changes arising from this, will be included within the final papers to Council on 26 February 2025.
- b. That at the time of despatch of this report, the precepting authorities (fire and police) had not formally notified the authority of their final council tax precept levels for 2025/26. Draft figures have been included. Final figures will therefore be provided prior to or at the Council meeting of 26 February 2025 should they change.
- c. That at the time of despatch of this report, the levy authorities, (Environment Agency and West Midlands Combined Authority - Transport Levy) had not formally notified the authority of their final demand for 2025/26. Estimates have been used for the Transport Levy based on informal communication. (The final Transport Levy is expected to be approved early February and will be included within the final papers to Council).
- d. That the council tax base, set by the S151 Officer under officer delegations, is 74,375.36 for 2025/26.
- e. The amendments to the revenue budget arising from the provisional settlement, including changes to savings and investment proposals identified since the October Cabinet report, as set out in section 4.25 and Table 1.
- f. That Members must have due regard to consultation feedback and the public sector equality duty (Section 149 of the Equality Act 2010) when making budget decisions.

3.2 That Cabinet approve:

- a. That delegated authority be given to the S151 Officer to make any necessary amendments, after consultation with the Leader of the Council, to take account of the final local government settlement, final levies and precepts, final grant allocations and final technical guidance or legislation on the budget; and to make any necessary amendments to the statutory determinations and council tax bands to take account of those changes and the resulting final analysis of the budget and for these amendments to be submitted and therefore recommended to Council at its meeting on 26 February 2025.
- b. Approve the policy service changes as set out in Appendix 3 Section A of this report.

- c. That delegated authority be given to the S151 Officer, after consultation with the Leader of the Council and Chief Executive, to agree the council's final contribution to the West Midlands Combined Authority.

3.3 **That Cabinet approve and recommend to Council**, subject to receipt of the final local government settlement, final precepts and levies, receipt of and final changes arising from final grant allocations, technical/legislative guidance and final specific grant allocations (substitute figures and resolution to be provided to Council by the S151 Officer to take account of any changes arising from these) the following:

3.3.1 Revenue

- a. The financial envelope of resources for 2025/26 as set out in **Part 1** "The Revenue Corporate Budget Plan and Capital Programme".
- b. A Walsall Council net council tax requirement for 2025/26 of £162.78m and a 2.99% increase in council tax, plus a further 2% increase for Adult Social Care precept (total council tax increase of 4.99%).
- c. That the recommendations of the S151 Officer in respect of the robustness of the estimates made for the purposes of the budget calculations and the adequacy of reserves **be approved**, including the levels of central contingency and reserves and an opening general reserve of not less than £24.12m, as set out in the S151 Officer Section 25 statement in **Annex 12** of the Budget Plan.
- d. The (estimated) levies below for outside bodies and Cabinet approve that the final figures **be substituted** for these provisional ones once they are available at the Council meeting on 26 February 2025. (An estimate has been used within this report based on informal notification from the authorities).

LEVY	AMOUNT (£)
West Midlands Combined Authority Transport Levy	12,138,685
Environment Agency	87,443

- e. The following statutory determinations (references are to the Local Government Finance Act, 1992 as amended), and subject to any final changes arising from receipt of final precepts and levies, receipt of final grant allocations, technical/legislative guidance and final specific grant allocations, **and Cabinet approve that these will be substituted** at the Council meeting on 26 February 2025 for the final figures once received:
 - I. £847,301,134 being the aggregate gross expenditure, which the council estimates for the items set out in Section 31A(2) (a) to (f) of the Act.
 - II. £684,524,743 being the aggregate income which the council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.

- III. £162,776,391 being the amount, by which the aggregate at (e) (I) above exceeds the aggregate at (e) (II), calculated by the council in accordance with Section 31A(4) of the Act, as its council tax requirement for the year.
- IV. £2,188.58 being the amount at (e) (III) above, divided by the council tax base of 74,375.36, calculated by the council in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (average council tax at band D).
- V. Valuation bands
Being amounts given by multiplying the amount at (e) (IV) above by the number which, in the proportion set out in Section 5 (1) of the Local Government Act 1992, is applicable to dwellings listed in valuation band D, calculated by the council in accordance with Section 30 and 36 of the Act as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

A	B	C	D
1,459.05	1,702.23	1,945.40	2,188.58
E	F	G	H
2,674.93	3,161.28	3,647.63	4,377.16

- f. The draft precept from the Fire and Rescue Authority and the Police and Crime Commissioner, issued to the Council in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwelling shown below and Cabinet **approve** that the final figures **be substituted** once they are available at the Council meeting on 26 February 2025.

PRECEPTING AUTHORITY	VALUATION BANDS			
Police And Crime Commissioner	A	B	C	D
	153.00	178.50	204.00	229.50
	E	F	G	H
	280.50	331.50	382.50	459.00
Fire & Rescue	A	B	C	D
	53.46	62.37	71.28	80.19
	E	F	G	H
	98.01	115.83	133.65	160.38

- g. That having calculated the aggregate in each case of the amounts at (e) (v) and (f) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts of council tax for 2025/26 for each of the categories of dwellings shown below and Cabinet **approve** that the final figures **be substituted** once the final precepts are available at the Council meeting on 26 February 2025.

A	B	C	D
1,665.51	1,943.10	2,220.68	2,498.27

E	F	G	H
3,053.44	3,608.61	4,163.78	4,996.54

- h. That notice **be given** of the council tax within twenty one days of it being set by publishing details of the same in the “Express and Star” newspaper circulating in the Authority’s area.
- i. That the S151 Officer **be instructed** to take all necessary action in relation to council tax, and national non-domestic rates, including, where appropriate, the signing of all documents, billing, the giving of notices and the taking of necessary steps to ensure collection thereof.
- j. That the S151 Officer **be given delegated authority** to make transfers to and from reserves in order to ensure that reserves are maintained as necessary and in particular, adjusted when reserves are no longer required, or need to be replenished.
- k. That, pursuant to Section 52ZB and 52ZC of the Local Government Finance Act 1992, the relevant basic amount of council tax for the Council is not excessive in relation to determining whether a referendum is required.

3.3.2 Capital

- a. The allocation of capital expenditure plans as set out in **Part 1** “The Revenue Corporate Budget Plan and Capital Programme” and that the capital and leasing programme as set out in **Annex 10 be approved**. Schemes funded from grant will commence when final allocations are published.
- b. That the S151 Officer be **given delegated authority** to determine how each source of finance is used to fund the overall capital programme and to alter the overall mix of financing as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the council.
- c. That the S151 Officer, after consultation with the Deputy Leader of the Council (Portfolio Holder for Finance), be **given delegated authority** to release capital resources held back for any contingent items that may arise (earmarked capital receipts for essential or emergency spend), and also for any match funding requirements that may be required of the council in order to secure additional external capital funding (e.g. bids for government or other funding).
- d. That the S151 Officer be **given delegated authority** to determine the use of capital receipts in relation to the Flexible Use of Capital Receipts to ensure that they meet the requirements set out by the Secretary of State.
- e. The Capital and Investment Strategy set out in **Annex 7** of the Budget Plan **be approved**.

- f. The Flexible Use of Capital Receipts Strategy set out in **Annex 11** of the Budget Plan **be approved**.

3.2.3 Treasury Management

- a. **Part 2A** – The Treasury Management and Investment Strategy 2025/26 onwards, including the council's borrowing requirement, borrowing limits, and the adoption of prudential indicators, **be approved**.
- b. That decisions to effect movements between conventional borrowing and other long term liabilities, such as leases, **be delegated** to the S151 Officer.
- c. That decisions to use capital receipts or borrowing within the framework of approved prudential indicators **be delegated** to the S151 Officer.
- d. **Part 2B** – Treasury Management Policies, **be approved**.

4. **Report detail – Know**

- 4.1 The council's budget is a financial representation of the organisation's plans. It is constructed as an integral part of the council's planning processes and aligned to its priorities and objectives. The attached Budget Plan at **Part 1** sets out the revenue and capital plans for service delivery for 2025/26 and beyond.

Council Corporate Plan priorities

- 4.2 The budget is the financial plan supporting delivery of the organisation's key objectives and priorities. The budget process is a four yearly cycle, updated annually, aiming to support delivery of council priorities and outcomes within the available resources. It aims to achieve this through the delivery of efficiencies, commercialisation and service reviews and redesign to redirect existing and reducing resources to areas of high priority in order to deliver the council's outcomes. This budget has been prepared to align resources to the delivery of the new Council Plan 2025-2029.

Risk management

- 4.3 The council reviews corporate financial planning and budget principles in accordance with the medium-term financial framework (MTFF). The budget setting process includes a comprehensive financial risk assessment to determine key risks and their potential impact on the budget. Services undertake risk assessments of their services and budgets by identifying risk factors, potential changes to service delivery and funding streams. This ensures that adequate budgetary provision is available to cover unforeseen future events. This successful approach is now embedded and is used to inform the level of earmarked and general reserves.
- 4.4 The identification of risks, and recommended level of reserves, is referred to in the Chief Finance Officer (S151 Officer) **Section 25 statement** at **Annex 12** of the Budget Plan.

The Council continues to operate in a challenging financial environment with uncertainty over funding beyond 2025/26. To ensure long term financial sustainability it is critical that the Council has an appropriate level of earmarked reserves and general reserve to be able to mitigate any risks that appear in year which cannot be contained within Directorate budgets. It is unlikely that all risks identified will arise, however new risks are likely to emerge. The level of reserves should be sufficient to cover all but the most unusual of events. Any in-year use of general reserves may require replenishment to ensure the opening level of reserves is as recommended by the MTF.

- 4.5 A number of our programmes and projects are heavily influenced and dependent upon process and governance at the West Midlands Combined Authority (WMCA), for example our named projects in the City Region Sustainable Transport Settlement (CRSTS) and UK Shared Prosperity Fund (UKSPF). Such risk will be continually monitored by transport officers and via the WMCA S151 Finance Director group.

Financial implications

- 4.6 The council must set a balanced budget to meet its legal requirements as set out under 'legal implications'. This report fulfils that duty and proposes cash limits for services to enable them to deliver the council's key priorities.

Legal implications

- 4.7 The legal duty for a council's finances falls within S151 of the Local Government Act 1972. Arrangements for the proper administration of the council's affairs are secured by the S151 Officer.
- 4.8 Cabinet recommends the revenue budget and capital programme envelope to Council. Councils are responsible for making a calculation in accordance with sections 31A to 37 of the Local Government Finance Act 1992 (as amended). This includes the statutory determinations (aggregate gross expenditure, gross income, council tax requirement for the year) and setting the council tax for a financial year.
- 4.9 Under the Local Government Act 2003 (s25), an authority must set a council tax and balanced budget, giving 14 days' notice of the council tax level prior to the date of billing. The Council must set a budget before 11 March of each year. This will include the S151 Officer's Section 25 statement that deals with the robustness of the budget estimates and the adequacy of the reserves for which the budget provides, together with an assessment of risk. This is provided at **Annex 12** of the Budget Plan. The Council must have regard to this in setting the budget envelope.
- 4.10 The Local Government Act 2003 and supporting Regulations require the Council to have regard to the Prudential Code and to set prudential indicators for the next three years to ensure that the council's capital investment plans are affordable, prudent and sustainable. The Act requires the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy (as required by investment guidance issued subsequent to the Act); this sets out the council's policies for managing its

investments and for giving priority to the security and liquidity of those investments. This is provided at **Part 2** of the Budget Plan.

- 4.11 In recent years Central Government has capped the level of council tax rises. For 2025/26, the Government have announced that local authorities will need to seek approval of their electorate via a local referendum if they propose to increase council tax levels by 5% or above as confirmed as part of the provisional local government settlement on 18 December 2024, inclusive of the 2% ring-fenced for Adult Social Care. This report proposes a 4.99% increase.
- 4.12 Section 138 of the Local Government and Public Involvement in Health Act 2007 placed a general duty on every local authority in England to take such steps as it considers appropriate to secure that representatives of local persons (or of local persons of a particular description) are involved in the exercise of any of its functions, among other things by being consulted about the exercise of the function. The duty to consult that is imposed on councils comes from two other sources:
- Specific legislation, such as the education act duties to consult on certain services etc., and,
 - The common law duty, which is well established in law.

The approach to consultation was reported to Cabinet on 15 January 2025 as well as full details and feedback.

- 4.13 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. As a public body, the council is required to comply with the Public Sector Equality Duty (PSED), as set out in the Equality Act, 2010. The PSED requires the council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. Failure to meet these requirements may result in the council being exposed to costly, time-consuming and reputation-damaging legal challenges.
- 4.14 An Equality and Health Impact Assessment (EHIA) is the chosen procedure, by the council, for checking the lawfulness of decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. Equality and Health Impact Assessment of the budget proposals was reported to Cabinet in January 2025.
- 4.15 Saving plans, prior to implementation, will include consideration of equality and health impact, legislative and other requirements, duties or obligations imposed by statute, secondary legislation or guidance upon the council, specifically in the context of proposals which involve changes to service provision.

Procurement Implications / Social Value

- 4.16 There are no direct implications arising from this report. Any procurement implications as a result of the budget and the development of service redesign benefits will be set out within the relevant proposals as they are developed.

Property implications

- 4.17 There are no direct implications arising from this report. Any direct property implications as a result of service redesign will be set out within the relevant proposals as they are developed.

Health and Wellbeing implications

- 4.18 There are no direct implications arising from this report. Any direct health and wellbeing implications as a result of service redesign will be set out within the relevant proposal as they are developed.

Staffing implications

- 4.19 There will be some staffing implications arising from this report. The contribution of the trade unions is important to the council achieving its key aims and objectives, particularly in these challenging times. Officers will consult widely with them on the employee implications of service redesign and delivery.
- 4.20 Staff affected by proposals included in the budget will be supported as appropriate throughout the process and the number of redundancies will be minimised wherever possible.

Reducing Inequalities

- 4.21 Equality and Health Impact Assessment (EHIA) are undertaken on proposals as they are developed and reported to Cabinet to allow them to consider any revisions required to the final budget for recommendation to Council. Assessing the impact of proposed changes to policies, procedures, services and organisational change is not just something the law requires; it is a positive opportunity for the council to ensure it makes better decisions, based on robust evidence. Equality and Health Impact Assessment analysis was reported to Cabinet in January 2025.

Climate Change

- 4.22 This report is prepared with consideration of the council's Climate Change Action Plan where applicable. Directors are required to ensure proposals are assessed, as appropriate, against the six key areas of the plan: strategy, energy, waste, transport, nature, resilience and adaptation.

Consultation

- 4.23 For our services to meet the needs of local residents, and of the community at large, it is essential that our plans and policies take into account the views of local people and others who use our services. We use a broad range of consultation methods to ensure as far as possible that people have sufficient information to comment, as well as the time and any necessary support they require to enable them to have their say. All feedback gathered is collated and carefully considered, along with other information, as part of the decision making process.
- 4.24 Stakeholder consultation has been undertaken with elected councillors through Overview and Scrutiny Committees, with trade unions via the council's Employee Relations Forum (ERF), national non-domestic ratepayers and voluntary and community organisations on the budget and draft council tax increases. Budget consultation has also been undertaken with residents and other stakeholders. Full details of the consultation process and findings were presented to Cabinet in January 2025.

Amendments to the Revenue Budget

- 4.25 Since the draft revenue budget was presented to Cabinet on 16 October 2024, with an update reported to Cabinet on 15 January 2025, there have been a number of funding announcements and technical and other changes to the budget; these can be summarised as follows:
- The provisional 2025/26 Settlement was received on 18 December 2024. This confirmed referendum principles for the increase in council tax of 2.99% along with a further 2% precept for social care authorities in 2025/26. A council tax increase of 4.99% is included in the proposed budget for 2025/26.
 - The Settlement also confirmed changes to other specific grants. The net impact of the settlement was a £14.19m net increase in funding compared to 2025/26 MTFO assumptions.
 - Additional investment in services, including; additional investment to support demand within adult social care following a review of existing and future forecasts; investment to fund shortfalls in income projections, impact of revised pay changes including changes to national insurance contributions and new grant allocations.
 - Finalisation and approval by the S151 Officer, under delegations, of the council tax base and NNDR1 (business rates) return in January 2025;
 - Details on the above are provided within the Budget Plan.

The changes resulted in a balanced budget for 2025/26, subject to the successful delivery of £29.04m of identified savings, as referred to in **Annex 3** of the Budget Plan. **Table 1** summarises the changes made to the MTFO reported to Cabinet in October 2024, full details are shown in **Annex 4**.

Table 1: Movement in MTFO since draft budget update report to Cabinet on 16 October 2024					
	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
Gap as per report to Cabinet 16 October 2024	11.05	7.47	0.00	0.00	18.52
Total changes to investments	15.55	(1.46)	0.63	4.26	18.98
Total changes to savings	(0.18)	(2.73)	2.13	(0.80)	(1.58)
Total service adjustments	(9.27)	0.00	0.00	0.00	(9.27)
Total central adjustments	(17.15)	0.72	1.79	(0.08)	(14.72)
Revised savings to be identified	0.00	4.00	4.55	3.38	11.93

Note: Figures in brackets refer to a reduction in expenditure; increase in savings or grant; or use of reserves.

Amendments to the Capital Programme

4.26 The revised draft capital programme was set out in the report to Cabinet on 16 October 2024, totalling £80.14m for 2025/26 and £207.16 across the four years to 2028/29. The programme has increased by £12.44m to £92.58m in 2025/26 (£63.57 across the four years to 2028/29) with the following additions:

- Inclusion of a number of proposed carry forward schemes from 2024/25 totalling £56.75m (£8.28m council funded and £48.63m external funded), now shown in a separate column on the capital programme at Annex 8 and Annex 9 of the budget plan. All carry forwards will be reported to Cabinet for approval alongside the outturn position for 2024/25 once finalised.
- Reprofiting of capital grant funded schemes, most significantly £10.00m of basic needs funding to be spent on schools and £1.72m of High Needs funding for the provision of facilities for children with special education needs and disabilities.

Details of the changes are shown in Annex 5.

Treasury Management and Investment Strategy for 2025/26 Onwards, and Capital Strategy

4.27 The Treasury Management Code of Practice requires regular reporting of treasury management performance and practice and sets out the minimum reporting requirements.

4.28 This report provides two of these requirements, in the form of the annual Treasury Management and Investment Strategy at **Part 2A** and Treasury Management Policies at **Part 2B**. It also meets the requirement for the authority to produce and publish a Capital Strategy each year, which demonstrates how capital expenditure, capital financing and treasury management activity contribute to the provision of desired outcomes and takes account of stewardship, value for money, prudence, sustainability and affordability.

- 4.29 Borrowing and investment objectives have been updated to reflect both the current interest rate environment and the projected financial position for each year that the strategy covers.

5 Decide

- 5.1 As set out in the legal section, Councils are required to set a legal budget. This report is the final stage in that process and Cabinet are asked to approve the recommendations as set out and recommend the budget to Council on 26 February 2025 for formal approval of the 2025/26 statutory determinations and council tax bands.**

6 Respond

- 6.1 Following recommendation by Cabinet, this budget report and plan will be forwarded on for formal approval by Council on 26 February 2025.**

7 Review

- 7.1 Following approval by Council on 26 February 2025, the 2025/26 budget will be formally set and monitored throughout the year. Council tax bandings will be set and bills formally produced and distributed in accordance with approved guidance.**

Background papers

Various financial and working papers.

Corporate Budget Plan 2024/25 to 2027/28, incorporating the Capital Strategy; and the Treasury Management and Investment Strategy 2024/25 – Council 22 February 2024.

Corporate Financial Performance 2024/25 and approach to Budget Setting for 2025/26 - Cabinet 17 July 2024.

Draft Revenue Budget and Draft Capital Programme 2025/26 to 2028/29 - Cabinet 16 October 2024.

Draft Revenue Budget and Draft Capital Programme 2025/26 to 2028/29 Update - Cabinet 15 January 2025.

Local Government Finance Settlement data.

Equality Impact and Health Assessments.

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Judith Greenhalgh
Executive Director – Resources & Transformation

12 February 2025



Shaun Darcy
Director – Finance, Procurement and Assurance / S151 Officer

12 February 2025



Councillor M Statham
Deputy Leader – Finance

12 February 2025

For Approval by Cabinet and Recommendation to Council:

Part 1 - Corporate Budget Plan 2026/27 – 2028/29, incorporating

- Budget and statutory determinations for 2025/26;
- Medium Term Financial Outlook for 2026/27 – 2028/29;
- Capital Strategy;
- Flexible Use of Capital Receipts Strategy;
- Treasury Management and Investment Strategy;
- Treasury Management Policy Statement

February 2025

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Corporate Budget Plan 2025/26 – 2028/29

1. Financial planning and management: matching resources to our vision and delivering outcomes

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

The council's budget is a financial representation of the organisation's plans for the forthcoming financial year and beyond. In times of economic uncertainty, it is imperative that the council plans over the medium term. This budget for 2025/26 and the financial framework set out in this report for the following three financial year ensures we have a clear financial strategy that underpins the delivery of the outcomes we set out in our Council Plan. The decisions proposed in this budget will ensure Walsall's finances are robust and sustainable whilst being ambitious to provide the best possible services to our communities.

This budget will tackle the financial challenges we continue to face as demand for services continue to increase much more quickly than our resources. It addresses the demographic growth in adult social care, the increasing number of children and families needing support, home to school transport and delivers on our commitments set out in the new Council Plan. We will do this by resourcing the additional costs we face now whilst retaining sufficient capacity to invest to be more efficient and effective in the future. We will drive cost reductions through investment in digital technologies and data, reducing demand through targeted prevention activity, adopting more commercial approaches setting financial returns and payback periods for our investments and continuing to support investment that provides for a buoyant taxbase.

This budget has been prepared using the council's high-level purpose and priorities as outlined in Our Council Plan 2025-2029. This sets out our vision and priorities for the next four years, where our resources will be prioritised, and how we will deliver against the We Are Walsall 2040 vision.

Our Ambitions



We have adopted the We Are Walsall 2040 ambitions as the overarching framework for our council priorities.

We have also identified cross-cutting principles that apply across everything that we do to enable us to deliver all our priorities more effectively.

Embedding these principles across all our services will support our future success.

The budget is aligned to the outcomes of the Council Plan:

- A clean and green future
- A quality experience for all
- A skilled and engaged workforce
- Accessible services and connected places
- Celebrating our culture and heritage
- Child Friendly Borough
- Homes for All
- Living active healthy lives
- Resilient and empowered communities
- Safer streets, safer people
- Skills and jobs for all
- Supported and cared for
- Supporting business and inclusive growth
- Value for money services
- Vibrant towns

Our budget proposals will recognise that we need to retain flexibility in what is an uncertain and rapidly changing economic and political environment. We continue to be dominated by fundamental financial uncertainties and our economic situation remains hugely challenging over both the short and medium term. In addition, global conflict is increasing economic uncertainty. We are faced with continuing inflationary risk and relatively high interest rates, predictions of low levels of economic growth alongside the uncertain timing and impacts of key national policy choices including adult and children's social care reform, DSG, the fair funding review of central government support for local authorities. We continue to see the emergence of long-term societal impacts of the global pandemic and rising demand for our services as households and communities struggle with the rising costs of living.

To ensure the finances of the Council are robust and sustainable we will invest:

- £25.21m in adult social care to protect our elderly citizens and vulnerable adults to fund additional demand and manage the cost of placements whilst continuing to make progress on our demand management initiatives.
- £13.95m in our Children's Services and Education including £3.55m in Home to School transport and £4.50m to support children in care.
- Up to £2.31m in waste management and recycling to deliver our commitment to a clean and green future for our communities.

We will build on the success of the Proud Transformation journey in recent years and use our short-term resources to deliver the next stage of transformation focusing on adult and children's social care and digital opportunities. We will make sure we make the best use of the funding available, ensuring investments are supported by business cases and realise benefits and help to address the long term issues of growing demand for the services we provide to vulnerable residents and the structural failures in the market for these services. Our transformation activities will be re-focused to support the organisation with evidence based decision-making through which we are looking to maximise impact without detriment to our medium-term financial sustainability. We will put in place even more rigorous prioritisation and evaluation process before funding allocations are confirmed, encompassing all allocations including both capital and revenue.

We will deliver £29.04m of budget reductions in 2025/26, increasing to £73.86m by 2029, through better procurement, improvements in efficiencies, increased income and delivering reductions in demand. We will ensure the services provided by the council deliver value for money for the taxpayers of Walsall.

We acknowledge the need for an increase in local council tax, which now amounts to 19.21% of our budget, and is necessary to fund statutory duties in the main demand driven service areas like social care and home to school transport. In the absence of other funding options, we will use the opportunity provided by the Government to levy additional council tax of 4.99% (2.99% core council tax plus up to 2% adult social care levy), to provide resources to fund rising costs and demand for our services. This is equivalent to an increase of £1.99 per week for a Band D dwelling.

2 The Medium Term Financial Framework (MTFF)

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

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

Best practice financial management requires that the MTFF is regularly updated to take into account the changing environment within which we work. The last MTFF was updated and approved by Cabinet on 20 October 2021, which is currently being thoroughly reviewed and will be reported back to Cabinet for approval in due course.

Figure 1 shows the relationship between the various components of the financial framework. The MTFF is the overarching corporate financial policy sitting below the Council Plan and above the other elements of the financial cycle. It is the driver for all other financial activity. Below the MTFF sit the other financial strategies; the Capital Strategy and the Treasury Management and Investment Strategy.

Figure 1: THE FINANCIAL FRAMEWORK					
CATEGORY	OVERALL	REVENUE	CAPITAL	TREASURY MANAGEMENT	RISK MANAGEMENT
Strategies	Medium Term Financial Framework				
		Tax Strategy	Capital Strategy	Treasury Management (TM) Strategy	Risk Management Strategy
Guidance	CIPFA and technical guidance	Budget Guidelines	Capital Guidelines	CIPFA Code of Practice for TM	Risk Management Toolkit
Plans	MTFO	Annual Budget	Capital Programme and Asset Management Plan	Treasury Policy Statements	Risk Management Action Plans
Governance	Constitution	Budget Management and Control Manual and the Annual Governance Statement		Prudential Indicators & Annual Report	Risk Register reporting and regular review
	Contract and Finance Rules				Audit Committee Reports and Annual Report
	Internal and External Audit Plans and our response to inspection and audit				

The council adopts a policy-led, medium term approach to financial planning, seeking to ensure our budgets are clearly linked to our vision, aims and objectives. We are committed to maintaining financial stability and delivering value for money through effective and efficient services.

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

How we will achieve this is through:

- Financial Governance and Leadership
- Financial Planning
- Finance for Decision making
- Financial Forecasting and Monitoring
- Financial Reporting

Financial governance and leadership

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

Financial planning

1. Our financial planning will be inextricably linked to the council's strategic and corporate planning process. Our financial plans will reflect the council's key strategic priorities.
2. An annual medium term financial framework, covering a four-year time horizon, will integrate current expenditure plans and investment programmes, with cash-flow and

balance sheet projections, developed in the context of a longer-term strategy, which supports the council's strategic plan.

Finance for decision making

1. In developing our strategic and council plan we will consider the value for money achieved by allocating resources to different activities.
2. We will understand the financial implications of current and potential alternative policies, programmes, and activities.
3. We will analyse our cost profiles and cost drivers and how they will behave under different circumstances.
4. We will understand the whole-life costs associated with capital investment.
5. We will consider all tax related implications, as outlined in the council's tax strategy, in all decisions made.

Financial monitoring and forecasting

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

Financial reporting

1. To run the organisation effectively, management will have up-to-date financial and non-financial performance information on a timely basis.
2. Reports will be presented in a form that is tailored to user needs, are easy to understand and highlight the key financial issues that they need to be aware of.
3. For its part, management needs to provide timely, accurate and balanced information about its stewardship and use of resources and its non-financial performance to the organisation's different stakeholders. Such information will be presented in a form tailored to meet their needs

3. Summary of the 2025/26 Revenue Budget

DIRECTORATE	2024/25 REVISED FORECAST £	BASE BUDGET ADJUSTMENTS £	PAY CHANGES £	GROWTH AND DEMAND PRESSURES (Annex 2) £	INDICATIVE SAVINGS (Annex 3) £	2025/26 FORECAST BUDGET £
Adult Social Care & Public Health	92,503,798	(1,152,006)	900,001	25,208,416	(8,709,812)	108,750,397
Children's Services & Education	98,198,162	(3,098,372)	1,739,185	13,946,633	(7,621,214)	103,164,394
Economy, Environment & Communities	53,547,825	(5,705,560)	2,602,419	6,153,763	(3,749,535)	52,848,912
Resources & Transformation	47,110,929	(546,490)	2,683,214	2,065,591	(2,054,962)	49,258,282
TOTAL SERVICES	291,360,714	(10,502,428)	7,924,819	47,374,403	(22,135,523)	314,021,985
Non-service specific prudence/central items/capital financing	(135,283,847)	(30,989,772)	0	16,466,333	(6,909,276)	(156,716,562)
Levies:						
West Midlands Combined Authority Transport Levy	11,560,655	0	0	578,030	0	12,138,685
Environment Agency	87,443	0	0	0	0	87,443
NET REVENUE EXPENDITURE	167,724,965	(41,492,200)	7,924,819	64,418,766	(29,044,799)	169,531,551
(Use of) / contribution to reserves	(15,692,541)	8,937,381	0	0	0	(6,755,160)
TOTAL COUNCIL TAX REQUIREMENT	152,032,424	(32,554,819)	7,924,819	64,418,766	(29,044,799)	162,776,391

3.1 2025/26 Revenue Budget Headlines

To reflect the significant pressures on communities and the increasing demand for services we are responsible for, whilst ensuring we continue to develop so we can deliver the public services expected for the future, we are making allocations totalling £64.42m.

We will allocate £11.21m for the estimated cost of pay inflation, pension and national insurance increases in 2025/26.

In addition to meeting the estimated cost of pay increases we will also provide £53.21m to meet additional spending needs. Details of the allocations and how we expect the funding to be used are also detailed in Annex 2.

Allocations for future years, as listed in Annex 2, are indicative at this stage. They are detailed as part of ensuring that our budget proposals are robust and sustainable over the medium-term. We require the need for, and level of, all these allocations to be reviewed as part of the 2026/27 budget refresh.

Our plan for budget reductions will generate savings of £29.04m in 2025/26 and a further £44.82m over the period of the Medium Term Financial Outlook. Approval is given to the plans for the delivery of these savings detailed in Annex 3. If during 2025/26 any of the budget reductions do not materialise to the degree shown, the Director in conjunction with their Executive Director and Portfolio Holder should identify alternative proposals to ensure the required reductions in expenditure are delivered. We will report on this as part of quarterly monitoring reports to Cabinet.

We will use £478.70m of government grants to support the budget as shown in Annex 6. Any variations to the levels of funding received will be matched by an equivalent adjustment in the budget for the respective service.

We will use business rates funding of £84.25m to support the overall budget of the council. We recognise that the level of income we will receive from business rates remains a material financial risk. In the event of business rates funding being above or below this level the s151 Officer is authorised to make an adjustment to the Business Rates Reserve during the 2025/26 financial year.

We will use £6.75m of reserves in 2025/26 to fund time-limited costs and budget allocations. We recognise that the budget inherently includes financial risks that may materialise during the financial year, especially relating to the estimates used to forecast expenditure for demand led services and the assessment of timely and full delivery of budget reductions. To mitigate these risks specific earmarked reserves have been identified and the s151 is authorised to draw on these during the 2025/26 financial year if it becomes necessary. These reserves are in addition to the general reserve considered in the s25 statement in Annex 12.

The council tax will increase by 4.99% in 2025/26, comprising 2.99% core council tax and 2% adult social care levy. With the other funding resources identified above, this will fund the proposals contained within this resolution.

3.2 Government funding

The local government finance settlement is the annual determination of funding to local government from central government. The provisional local government finance settlement for 2025/26 was announced on 18 December 2024. We expect the final 2025/26 settlement to be laid before the House of Commons, for its approval, in early February 2025. Any material change in the final settlement will be included in the final budget proposals to Council on 26 February 2025.

The provisional settlement has been favourable for Walsall compared to the planning assumptions used when developing the budget for 2025/26. Details of the Provisional Settlement has been presented to Cabinet on 15 January 2025 and can be accessed [here](#). Details of government grants are available in Annex 6.

3.3 Council Tax – Referendum principles

In recent years Central Government has capped the level of council tax rises. Capping principles are determined on a year-by-year basis. Since 2012/13, each authority has been required to determine whether their council tax increase requires a referendum, which would require the seeking of support from the local electorate. Schedule 5 of the Localism Act introduced a new chapter into the Local Government Finance Act 1992, making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding a set of principles determined by the Secretary of State and agreed by the House of Commons.

The provisional local government settlement for 2025/26, as announced on 18 December 2024, confirmed the council tax referendum limit of up to 5%, inclusive of 2% for the social care precept. This would mean that if a local authority seeks to raise its relevant basic amount of council tax by 5% or more for 2025/26, local people would have the right to vote to keep council tax bills down through a binding referendum veto. Given the scale of the challenge in 2025/26, Walsall proposes to increase the council tax by the full 4.99% permitted.

This increase equates to a council tax increase of £1.99 per week or 28p a day for a band D property or a £1.33 increase per week (19p per day) for a band A. 67.39% of residents are in band A and B increasing to 83.44% including band C.

It is recognised that the above may have an impact on residents' income. Where residents are on low incomes, they may be entitled to council tax reduction, may be offered welfare benefits and/or money management advice. The council also has a discretionary scheme in place to help those who need support.

3.4 Levies and Precepts

Table 1 shows the levy to be made on Walsall Council by the West Midlands Combined Authority for transport, and the levy by the Environment Agency.

Table 1: Levies 2025/26				
Levy	2024/25 £	2025/26 £	Increase / (Decrease) £	Increase / (Decrease) %
West Midlands Combined Authority Levy (Transport)	11,560,655	12,138,685	578,030	5.00
Environment Agency	87,443	87,443	0	0

Walsall's precepting authorities are the West Midlands Police and Crime Commissioner, and West Midlands Fire and Rescue Authorities, as shown in Table 2 below.

Table 2: Precepts 2025/26				
Precepting Authority	2025/26 Amount £	Band D 2025/26 £	Band D 2024/25 £	Band D Increase %
WM Police and Crime Commissioner	16,031,609	299.50	215.55	6.47
WM Fire and Rescue	5,964,282	80.19	75.20	7.97

Table 3 shows the council tax calculation at Band D.

Table 3: Net Council Tax Requirement and Council Tax Levels 2025/26		
Element of budget	2025/26 budget £	Council Tax Band D £
WMBC element - required from council tax	162,776,391	2,188.58
Police & Crime Commissioner precept	16,031,609	229.50
Fire & Rescue precept	5,964,282	80.19
Total from council tax	184,772,282	2,498.27

3.5 Net Council Tax Requirement

The gross revenue expenditure budget for 2025/26 will be **£847.30m**, and gross income will be **£684.52m**, resulting in a net council tax requirement of **£162.78m**.

The council tax requirement for the period 2025/26 to 2028/29 is shown in Table 4. The council tax requirement for 2026/27 to 2028/29 will be reviewed and updated as part of the budget setting process for each year, the figures presented here are estimates based on the best information currently available.

Table 4: Council Tax requirement				
	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Council tax Requirement	152.03	162.78	172.05	181.84
Cost Pressures:				
Growth and Demand Pressures (Annex 2)	64.42	29.17	25.43	28.98
Savings / efficiencies identified (Annex 3)	(29.04)	(21.69)	(10.23)	(12.90)
Other savings to be identified	0.00	(4.00)	(4.55)	(3.38)
Other movements / funding changes:				
Other changes including base budget adjustments, grants, income	(23.20)	(0.89)	0.94	(0.77)
Core Funding changes	(10.09)	1.05	(2.74)	(3.04)
Collection fund (surplus) / deficit	(0.12)	0.47	0.00	0.00
Transfer to / (from) reserves	8.79	5.16	0.94	1.45
Revised Council Tax Requirement	162.78	172.05	181.84	192.18
Council Tax Increase – General	2.99%	2.99%	2.99%	2.99%
Council Tax Increase – Adult Social Care precept	2.00%	2.00%	2.00%	2.00%

3.6 Collection Fund

The collection fund is accounted for separately to the general fund and accounts for income collected from council tax and business rates. In January of each financial year, an in-depth appraisal is undertaken to assess the estimated level of collection (as aggregated to include that relating to the current and previous years) and the likely balance of the fund as at year end. This advises Walsall Council and the precepting authorities (Fire and Police) of their share of the surplus/deficit to enable them to take this into account in budget calculations for the following year. Any difference between the January forecast and the actual year end position then reconciles the following year.

Business Rates Estimates

The assessment undertaken in January 2025 for Business rates predicts a cumulative surplus of £1.90m (£1.88m for Walsall) which is carried forward into the 2025/26 budget setting process. This has been calculated as detailed in Table 5 below.

Table 5: Collection Fund Estimates – Business Rates			
	Walsall Council £m	Preceptors £m	Total £m
Brought forward deficit	2.60	0.02	2.62
Payments to collection fund	(5.22)	(0.05)	(5.27)
Estimated in year deficit	0.74	0.01	0.75
Cumulative carry forward surplus	(1.88)	(0.02)	(1.90)

Council Tax Estimates

The assessment undertaken in January 2025 for Council Tax predicts a cumulative surplus of £0.54m (£0.47m for Walsall) which will be carried forward into the 2025/26 budget setting process. This has been calculated as detailed in Table 6 below.

Table 6: Collection Fund Estimates – Council Tax			
	Walsall Council £m	Preceptors £m	Total £m
Brought forward deficit	1.04	0.14	1.18
Payments from collection fund	0.34	0.05	0.39
Estimated in year surplus	(1.85)	(0.26)	(2.11)
Cumulative carry forward surplus	(0.47)	(0.07)	(0.54)

Changes to council tax base

The Council tax base is to be set at 74,375.36 Band D equivalents (72,932.78 in 2024/25). The council tax base (which measures the number of Band D equivalent properties) has increased mainly due to the estimated number of new build properties in the borough.

Changes to collection rates

In year collection for council tax is expected to be 92.5% in 2024/25, this is a slight improvement on the 2023/24 collection rate of 92.3%. Collection rates remain slightly below pre Covid-19 levels of approximately 94.0%. Over the longer period 98.0% of debt is still expected to be collected, in line with budgeted expectations.

In year collection for business rates is expected to be 97.5% in 2024/25, up from 96.9% in 2023/24.

3.7 Growth and Demand Pressures

The following key financial planning assumptions are based on best professional estimates. The budget 2025/26 – 2028/29 includes provision for growth and demand pressures of £64.42m in 2025/26 and £148.00m across the four years as shown in **Annex 2** and summarised below.

Primarily, growth and demand pressures cover:

1. Provision for pay and pensions and contractual inflation:

- Annual pay increase of 3% for 2025/26 and provision for pay increments;
- Impact of pension auto-enrolment and tri-annual employer pensions contributions based on the latest valuation information;
- Provision for contractual increases of between 1.4% to 7.29%, depending on the individual contract;
- Social Care uplifts - based on average 7.29% across care types reduced for market management of new client rates for 2025/26, 3% for 2026/27 and 2.5% from 2027/28 onwards;
- Housing 21 – 2.5% for 2025/26 and then 2.5% from 2026/27 onwards;
- Intermediate Care - 4% for 2025/26 and then 4% from 2026/27 onwards;

- Internal carers and special guardians allowances – 6.88% (as per DfE guidance)
- External residential and Independent Fostering Agency framework placements – 4%
- Spot placements – 2%
- Waste, Traffic Control, Highways Maintenance and Coroners – 2.7% in 2025/26, 1.4% in 2026/27, 2% 2027/28 and 2% 2028/29.
- Managing the cost of energy and fuel price changes as a result of the cost-of-living impact.

2. Demand, demographic changes and managing market conditions within Services:

- Increases in placements/costs for children in care.
- Increased care packages/costs within Adult Social Care arising from an increased ageing population with more complex care needs.
- Investment to vulnerable residents in crisis.
- Support to the adult social care market.
- Increase in the number of clients requiring home to school transport.
- Increases in fostering and Special Guardianship Orders fees.

3. Other service-based growth and demand pressures:

- Reinstatement of some 2024/25 approved savings: Reduction in opening hours for Fryers Road and Merchants Way household waste recycling centres (£150k), Third Party Spend (£2.5m), Triple Value Impact (£2.7m), Integrated Care Board joint arrangements (£1.41m);
- Reductions in grants such as housing benefit administration grant;
- Increased property related costs including water, caretaking, cleaning and energy costs due to an increase in local buildings and deregulation;
- Increased costs within waste management as result of co-mingled waste and additional staffing costs;
- To fund reduced demand on cremations income due to a new local competitor;
- Recruitment and retention, particularly within adults and children's services;
- Review of Digital and Technology infrastructure requirements, Cloud/ licences, One Source and associated resources.

4. Other central provisions:

- Review of the capital financing, treasury debt and investment portfolio.
- Revenue implications of the capital programme.

Table 7 summarises growth and demand pressures identified for 2025/26 to 2028/29 by directorate.

Table 7: Growth and Demand Pressures by directorate					
Directorate	2025/ 26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
Adult Social Care and Public Health	25.21	12.01	11.58	12.34	61.14
Children's & Education	13.95	6.40	5.71	5.40	31.46
Economy, Environment & Communities	6.15	0.24	(0.81)	2.11	7.69
Resources and Transformation	2.07	0.44	(0.32)	(0.14)	2.05
Central / Capital Financing	17.04	10.08	9.27	9.27	45.66
Total	64.42	29.17	25.43	28.98	148.00

3.8 Savings requirement

For 2025/26 and future years, the council's medium term financial outlook has been updated to reflect the predicted changes to government funding, the collection fund and known growth and demand pressures set out in the previous sections of this report, resulting in a revised requirement to make changes to service delivery to meet a four-year funding shortfall of £85.58m as follows:

- 2025/26 - £29.04m savings have been identified and these are included within Annex 3 of this report. As stated above, £3.91m of 2024/25 savings will be carried forward for delivery in 2025/26, resulting in total savings to be delivered of £32.95m.
- 2026/27 – 2028/29 - £56.76m savings required of which £44.82m of savings have been identified, leaving a potential balance of £11.93m to identify.

The £29.04m identified for 2025/26 have been split into the following two categories;

- A. Policy Proposals** - which require an Executive (Cabinet) decision to proceed, and which has been referred for public consultation and equality and health impact assessment prior to any decision being made to include these in Cabinet's final budget proposals. These total £460k in 2025/26 only.
- B. Operational Proposals** – savings which officers have delegations to implement; examples include restructures, back office savings, operational efficiencies. These total £28.58m in 2025/26 (£73.40m over the four years).

Table 8 summarises savings identified for 2025/26 to 2028/29 by directorate.

Table 8: Summary of savings by directorate					
Directorate	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
Adult Social Care and Public Health	(8.71)	(7.94)	(7.40)	(7.48)	(31.53)
Children's & Education	(7.62)	(6.30)	(5.50)	(4.85)	(24.27)
Economy, Environment and Communities	(3.75)	(1.50)	0.28	(0.57)	(5.54)
Resources and Transformation	(2.05)	(0.11)	(0.11)	0.00	(2.27)
Central / Capital Financing	(6.91)	(5.84)	2.50	0.00	(10.25)
Total	(29.04)	(21.69)	(10.23)	(12.90)	(73.86)

Table 9 shows net investment (investment less savings) for each directorate indicating significant net investment overall of £35m in 2025/26, specifically into the key priority areas of Adult Social Care and Children's Services. Central investment includes £11.21m of additional pay and pension costs which will be allocated to services following a detailed review of salary budget requirements.

Table 9: Summary of net investment by directorate 2025/26			
Directorate	Growth and Demand Pressures - Annex 2	Savings - Annex 3	Net growth and demand pressures
	£m	£m	£m
Adult Social Care and Public Health	25.21	(8.71)	16.50
Children's & Education	13.95	(7.62)	6.33
Economy, Environment and Communities	6.15	(3.75)	2.40
Resources and Transformation	2.07	(2.05)	0.02
Central / Capital Financing	17.04	(6.91)	10.13
Total	64.42	(29.04)	35.38

Annex 1 outlines indicative cash limits by directorate over the four-year period to 2028/29, which will be amended following the identification of how ongoing savings are to be made to balance the budget in each year.

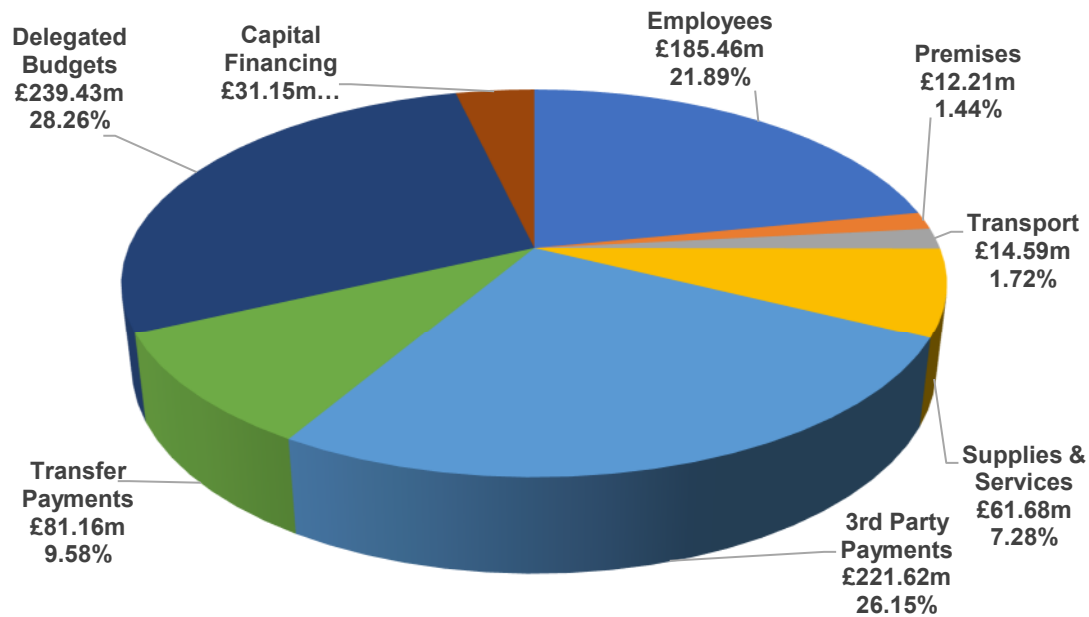
3.9 Expenditure and Income

Expenditure analysis

The council analyses its expenditure by category, as referred to in Table 10, and illustrated in figure 2.

Table 10: Expenditure by Category of Spend	
Type of Expenditure	£m
Employees	185.46
Premises and Transport	26.80
Supplies and Services	61.68
Third Party Payments	221.62
Delegated Budgets	239.43
Leasing and Capital Financing	31.15
Transfer Payments	81.16
Total Expenditure (excluding Internal Recharges)	847.30

Figure 2 – Spend by Type of Expenditure



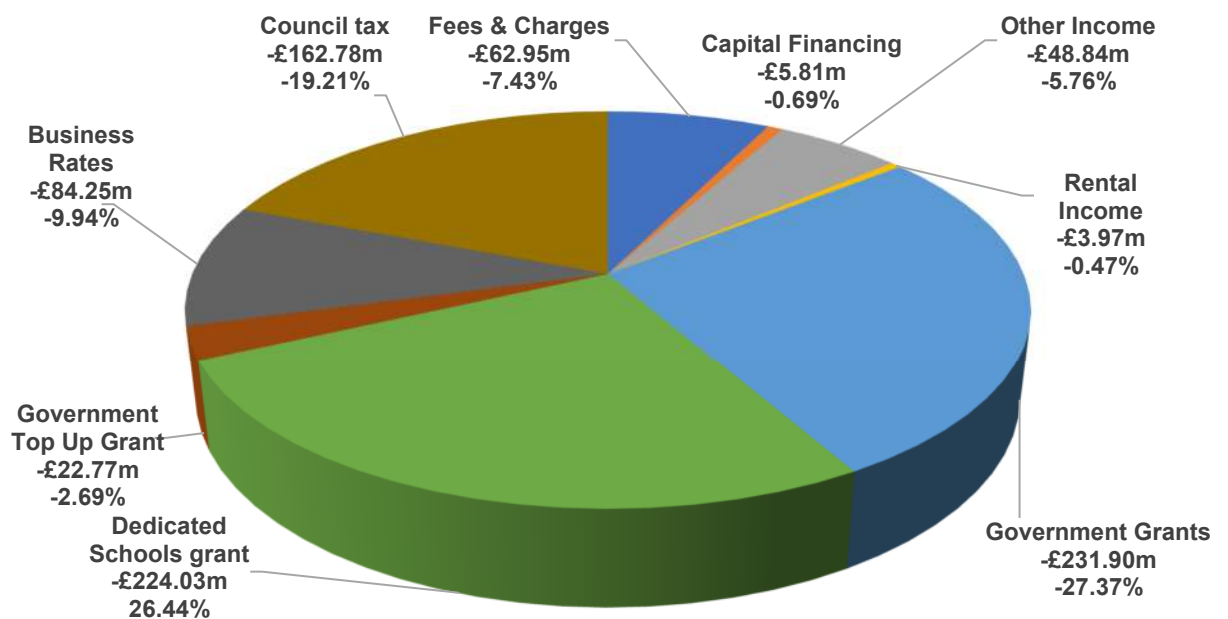
Notes

- *Transfer payments include expenditure such as housing benefits, rent allowances and social services direct payments – for example payments for which no goods or services are received in return by the local authority.*
- *Delegated budgets include budgets for schools, community associations and allotments.*
- *Third Party Payments include payments to external contractors.*

Income analysis

The council receives income from a number of sources including council tax, government grant and specific grants. The council also charges for some services, such as parking, use of leisure facilities, etc. In 2025/26 council tax will account for c19% of total income. Figure 3 shows all the main sources of income.

Figure 3 – Sources of income



As illustrated above, revenue grants total £478.70m (£224.03m Dedicated Schools Grant, £254.67m Government Grants), and are summarised at Annex 6.

Council services are required to annually review their fees and charges to ensure they remain relevant, competitive, and recover appropriate costs of running the service (where applicable). The fees and charges register for 2024/25 is a key document and can be accessed by the following link – [Schedule of Fees and Charges 2024-25 \(walsall.gov.uk\)](https://www.walsall.gov.uk/schedule-of-fees-and-charges-2024-25)

This document will be updated for 2025/26 charges once they have been finalised following approval of the 2025/26 budget.

3.10 General / Earmarked Reserves and Contingencies

The council's MTFF sets out how the council will structure and manage its finances now and in the future to ensure it continues to demonstrate financial stability and to ensure this facilitates delivery of the council plan objectives.

The council's S151 Officer produces the Framework and advises on the level of reserves, in accordance with statute, best practice, professional opinion and the council's MTFF. In accordance with Section 25 of the Local Government Act 2003 and to comply with CIPFA guidance on local authority reserves and balances, the S151 Officer is required to formally consider and report to members upon the adequacy of reserves in respect of the 2025/26 budget, as outlined in **Annex 12**. Additionally, this requirement covers reporting on the robustness of the estimates used for the purpose of calculating the budget. In accordance with statute and best practice, the level and nature of reserves have been reviewed as part of the budget process.

4 Summary of the 2025/26 Capital Budget

The council has an asset portfolio of £590m as at 31 March 2024. Each year we need to spend money to ensure these assets are still suitable for use in the provision of services and to invest in new assets to meet our changing needs and requirements and deliver the Council's vision.

Our Capital and Investment Strategy as set out at **Annex 7** and not only meets the requirements of the Prudential Code for Capital Finance in Local Authorities 2017 but also sets out how we aim to use our capital resources and deliver our priorities.

The Capital Programme has been constructed within the principles outlined in our Capital Strategy. A strategic review of assets is currently being undertaken which will inform the revision of the Capital Strategy and formulation of future years capital programmes.

The 2025/26 capital programme totals £92.56m, as detailed in **Annexes 8 and 9**, and is presented below:

Table 11: Capital Programme by Outcome					
Outcome	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
Accessible services & connected places	10.39	6.95	8.45	8.45	34.24
Celebrating our culture and heritage	0.28	0.15	0.15	0.15	0.73
A quality experience for all	4.36	4.62	4.01	2.57	15.56
Homes for all	11.19	11.24	6.15	6.15	34.73
Vibrant towns	32.91	21.20	0.47	0.33	54.91
Safer streets, safer people	1.12	1.12	1.15	1.21	4.60
Supporting business and inclusive growth	2.18	0.00	0.00	0.00	2.18
Living active & healthy lives	0.00	0.00	0.00	0.00	0.00
Child-friendly borough	19.54	15.93	9.60	9.31	54.38
A clean and green future	10.61	0.68	0.68	0.68	12.65
Capital Programme by Outcome	92.59	61.89	30.66	28.85	213.98

The capital programme will be financed by a mixture of capital grants, capital receipts, revenue and self-financed and corporate borrowing as detailed in Table 12.

Table 12: Financing of the Capital Programme					
	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
Capital grants and contributions	43.96	28.90	19.36	19.08	11.30
Capital receipts	1.50	1.50	1.50	1.50	6.00
Revenue contributions	0.02	0.02	0.02	0.02	0.08
Borrowing	47.11	31.47	9.77	8.25	96.60
Total capital financing	92.59	61.89	30.66	28.85	213.98

We recognise that the expansion of our investment programme in recent years will result in additional borrowing costs, and we have made full provision for this within our revenue budget resolution.

Our modelling of future debt levels leaves the Council with sufficient headroom against its Operational Boundary and Affordable Limit, two of the key indicators within the Prudential Framework.

Our approach of determining borrowing affordability from the position of ongoing revenue resource availability ensures that we will not commit the Council to future costs it cannot afford.

The Affordable Borrowing Limit and other Prudential Indicators consistent with the capital programme for 2025/26 are agreed as part of the Treasury Management and Investment Strategies.

In the appendixes of this report the capital programme is presented in the following structure:

A. Council funded programme - funded through borrowing and capital receipts (**Table 13**).

B. Non-council funded programme - funded from capital grants and other external contributions (**Table 14**).

In addition, the council's leasing programme for 2025/26 is £4.39m, the revenue costs of which are included in the revenue budget (**Table 15**).

4.1 Council Funded Programme: Funded from Walsall's own resources

Funding

The council funded element of the capital programme is normally financed from new borrowing, revenue contribution, capital receipts and the carry forward of unspent allocations from previous years.

Borrowing is required to be 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. The current capital financing / services cash limit is forecast to be able to support £47.11m of additional borrowing to fund high priority items in 2025/26 (excluding carry forwards from 2024/25).

Annex 11 sets out the council's Flexible Use of Capital Receipts Strategy, which will utilise eligible new receipts to fund elements of the qualifying revenue costs that enables the generation of on-going savings. The provisional local government settlement on 18 December 2024 announced an extension to the current flexibility from March 2025 to March 2030 and included a wider set of eligible costs.

Carry forwards from 2024/25 are estimated based on the forecast position at December 2025, which are included in the capital programme at **Annexes 8 and 9**. All carry forwards will be reported to Cabinet for approval alongside the outturn position for 2024/25 once finalised.

Table 13: Capital Programme by Directorate (Council funded)				
Directorate	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Adult Social Care and Public Health	0.25	0.00	0.00	0.00
Children's Services & Education	1.21	0.20	0.20	0.20
Economy, Environment and Communities	31.59	25.33	4.21	4.07
Resources and Transformation	14.08	5.96	5.38	4.00
Centrally held budgets	1.50	1.50	1.50	1.50
Total Council Funded Capital	48.63	32.99	11.29	9.77

Capital schemes funded from the council's own resources are recommended to go ahead for a number of reasons:

- Address policy including;
 - Accessible services & connected places
 - Celebrating our culture and heritage
 - A quality experience for all

- Homes for all
- Vibrant towns
- Safer streets, safer people
- Supporting business and inclusive growth
- Living active & healthy lives
- Child-friendly borough
- A clean and green future
- Return on investment / asset management - schemes that unlock external investment in the borough; drive out long term revenue savings; support the strengthening of the borough's economy; deliver an efficient and effective operational estate; and invests in assets to grow future income streams for the council;
- Supports the delivery of ongoing revenue savings;
- Priority schemes for which external funding can be drawn down and which may require a contribution from the council's own resources.

All capital schemes were reviewed by the Executive Leadership Team prior to formal consideration by Cabinet for recommendation to Council. The draft capital programme was also scrutinised by Overview and Scrutiny Committees. Whilst the overall demand for resources usually exceeds those available, schemes deemed to be a high priority in terms of reflecting the council's priorities can be funded, representing a balanced programme for 2025/26 with indicative allocations which are subject to further review for 2026/27 onwards.

4.2 Externally Funded Programme

Full details of externally funded schemes are found at **Annex 9** and are summarised in **Table 14** below for 2025/26. Many of these are indicative allocations pending formal notification from the respective funding bodies, and the capital programme will be adjusted in year to reflect final allocations. Grant funded schemes will only commence once confirmation of the funding is received.

Table 14: Capital Programme by Directorate (Externally funded)				
Directorate	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Adult Social Care and Public Health	0.89	0.89	0.89	0.89
Children's & Education	18.33	15.73	9.40	9.11
Economy, Environment and Communities	5.13	8.33	5.13	5.13
Resources and Transformation	19.61	3.95	3.95	3.95
Centrally held budgets	0.00	0.00	0.00	0.00
Total Council Funded Capital	43.96	28.90	19.36	19.08

4.3 Leasing Programme

The 2025/26 leasing programme totals £1.42m, summarised in **Table 15** 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 15: Leasing Programme	Capital £m	Revenue £m
Equipment	0.00	0.01
Light Commercial vehicles	3.07	0.38
Refuse Vehicles	0.00	0.71
Tractors and Agricultural Implements	1.24	0.31
Welfare vehicles	0.08	0.01
Total	4.39	1.42

5 Medium term financial outlook – 2025/26 onwards

5.1 Revenue

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

We continue to await the governments fundamental review of local authority funding.

The new government set out plans to reform local government funding in December 2024. These will reset the funding model based on the latest data and redistribute resources to those authorities with the greatest need. The last reset of the local government funding system was in 2013/14 so these reforms are long overdue and much welcome by Walsall. Our expectation is that the review will have a favourable outcome for Walsall by increasing the available resources, it also introduces significant risk into the financial planning process until further details of the new proposals emerge.

The next Spending Review is on-going and we are expecting its results to be announced in Summer 2025. The Spending Review will set out the economic forecast and departmental budgets for a three year period 2026/27 to 2028/29 and recent comments from the Treasury indicated an expectation of a 5% efficiency target across all government departments. This would not only impact the council via the reduction in core funding from MHCLG but potentially through reduction in other specific grants from other departments too as they pass on the reduction in funding. Furthermore, reduced government spending could contribute to increased demand from individuals and communities for Council services.

Government also indicated a reset of the business rates system. The current system has been in place since 2013/24 and Walsall currently part of 100% rate retention agreement. Consultation on the parameters of the reset are expected to be launched in the Spring of 2025 with the new system in place by the provisional settlement in December 2025.

With regards to government grants, the assumption is that they will flatline in cash terms, this assumption will be revisited once more information becomes available.

The balanced budget for 2025/26 includes the delivery of savings of £29.04m with further saving requirement of £56.53m over the period 2026/27 to 2028/29, of which

indicative savings of c£44.82m has been identified leaving a further £11.71m to be found.

The management team continue to work on the delivery plans for future opportunities, along with identifying further options for Members consideration, including the implementation of the new transformation programme focusing on adult and children social care and digital opportunities. Further options to balance the budget beyond 2025/26 will be presented to members as part of the 2026/27 planning process.

5.2 Capital

Resources to fund the capital programme are limited. The financing for capital expenditure on new investment is heavily reliant on external funding, largely government grants. Walsall has a strong track record of attracting external capital funding for key regeneration and infrastructure projects, however the availability of government funding is expected to be constrained over the medium term.

Alternative funding sources include capital receipts and borrowing. Capital receipts are generated from the sale of council owned assets. Earmarking of capital receipts beyond what we are statutorily obliged to do is not recommended without overall strategic consideration of the entire capital programme.

The use of borrowing incurs ongoing revenue cost and impacts on council taxpayers. An in-depth review of the council's ability to take on additional debt to fund new capital schemes has been carried out as part of the budget setting process and identified the limits within which we must operate in order to remain within statutory requirements and prudential guidelines.

Despite the constraints, significant investment is planned and funded over the four years 2025/26 to 2028/29. The council is able to fund all existing commitments and has, through prioritisation of bids and resources and sound treasury management, been able to support new investment into key services, and areas of capital investment need.

Annex 1: Revenue Cash Limit 2025/26 to 2028/29 by Directorate

This annex outlines the indicative cash limits by directorate, including portfolio responsibilities. These will be updated in year to reflect any movement in directorate/portfolio responsibilities. Savings plans for 2025/26 onwards will be realigned to services when agreed.

1. Adult Social Care and Public Health Directorate

- **Adult Social Care Portfolio**

Social Care services for older people and people with learning disabilities, physical disabilities and mental health needs. Supporting people. Health partnerships, ICB health interface lead, protection for vulnerable adults, transition arrangements between Children's and Adult Social Care, early intervention and prevention, Ofsted and CQC and transformation and reform. Adult social care commissioning, brokerage, market shaping and management.

- **Health and Wellbeing Portfolio**

Public Health functions and activities including commissioning services that affect the long-term health of residents including: Health visiting & school nursing, Alcohol and drug services, wellbeing services, Health protection services for local outbreak and incident management, screening and immunisation and mental and emotional wellbeing.

	2025/26 £	2026/27 £	2027/28 £	2028/29 £
Opening cash limit	92,503,798	108,750,397	111,949,108	115,255,977
Base budget adjustments				
- Increase in grant income - Public Health	(275,901)	(261,300)	(264,745)	(269,040)
- Increase in income - Better Care Fund	(624,785)	(608,058)	(608,058)	(608,058)
- Fall out of one of investment - single handed review	(137,000)	0	0	0
- Fall out of grant income - Supplementary drugs and alcohol	1,183,710	0	0	0
- Fall out of grant expenditure - Supplementary drugs and alcohol	(1,183,710)	0	0	0
- Transfer of staff budget to EE&C	(13,542)	0	0	0
- Transfer of staff budget to R&T	(56,200)	0	0	0
- Business rates budget returned to corporate	(44,578)	0	0	0
Pay Changes	900,001	0	0	0
Growth and Demand Pressures – see Annex 2	25,208,416	12,007,024	11,582,386	12,335,078
Less Proposed Savings Plans – see Annex 3	(8,709,812)	(7,938,955)	(7,402,714)	(7,479,999)
Adult Social Care and Public Health draft cash limit	108,750,397	111,949,108	115,255,977	119,233,958

2. Children's Services and Education

- **Children's Portfolio**

Services for children in need of help and protection, children looked after and care leavers, Family Safeguarding, involvement of children and young people, transition arrangements between Children's and Adult Social Care Walsall, Safeguarding, Corporate Parenting. Ofsted and CQC inspections. Early Help, Family Hubs, Youth Justice, Children's Strategic Alliance and Performance Improvement.

- **Education and Skills Portfolio**

Admissions and school place planning, quality and performance of schools and academies, governors of schools and governance, Early Years, Home Education, Alternative Provision, Access and Inclusion, Virtual School, Home to School Transport, Services to Children with Special Needs and disabilities and their families, Safeguarding. Walsall Learning Alliance. Ofsted and CQC inspections. Adult learning and skills.

	2025/26 £	2026/27 £	2027/28 £	2028/29 £
Opening cash limit	98,198,162	103,164,394	103,110,375	103,320,182
Base budget adjustments				
- New grant income - Children's Social Care Prevention Grant	(2,884,555)	0	0	0
- Increase in grant income - Family Hubs Start for Life Programme	(90,637)	0	0	0
- Extended Rights to Home to School Transport grant income removed as rolled into general funding	78,900	0	0	0
- Removal of one off investment - placements	(181,000)	0	0	0
- Removal of one off investment - young people care costs	(198,299)	(148,894)		
- Funding of grant funded posts	188,371	0	0	0
- Pay budget returned to corporate	(11,152)	0	0	0
Pay Changes	1,739,185	0	0	0
Growth and Demand Pressures – see Annex 2	13,946,633	6,399,263	5,706,954	5,399,651
Less Proposed Savings Plans – see Annex 3	(7,621,214)	(6,304,388)	(5,497,147)	(4,846,484)
Children's Services and Education draft cash limit	103,164,394	103,110,375	103,320,182	103,873,349

3. Economy, Environment and Communities Directorate

- **Leader of the Council - Strategy, Partnerships and Communities Portfolio**

Strategic partnerships, community development and diversity, community associations, voluntary and community sectors, community cohesion, community safety, prepare and protect, emergency planning, community protection including anti-social behaviour, statutory, nuisance & environmental crime enforcement,

environmental health

- **Associate Leader - Economic Growth and Regeneration Portfolio**
Regeneration, economic development, planning policy, planning and building control service, employment growth, strategic housing, strategic use of assets, strategic transport, markets, corporate landlord.
- **Health and Wellbeing Portfolio**
Heritage, tourism and culture including New Art Gallery, Walsall Arena, museums, leisure, including Active Living Centres, bereavement and registration services, cemeteries/crematoria, healthy spaces (parks and open spaces), climate change/ net zero.
- **Education and Skills Portfolio**
Adult learning, skills, not in employment, education or training, apprenticeships and internships.
- **Resident Access and Housing Support Portfolio**
Libraries.
- **Street Pride Portfolio**
Operations - household waste collection, grounds maintenance, street cleansing, highway asset management, trees, flood risk management and fleet services. Waste infrastructure - trade waste, waste disposal, HWRCs, waste strategy and waste education. Highway network - street lighting, traffic signals, parking and moving traffic enforcement, street works permitting, permanent traffic manage and winter service. Transportation - road safety, highway structures and minor highway improvements. Environmental protection.

	2025/26 £	2026/27 £	2027/28 £	2028/29 £
Opening cash limit	53,547,825	52,848,912	51,585,035	51,064,913
Base budget adjustments				
<i>Fall out of one off investment / savings</i>				
- Loss of income - Active living centres	(40,000)	0	0	0
- Biodiversity grant	10,000	0	0	0
- Vehicle fuel costs	(75,000)	0	0	0
- Active living income	180,000	0	0	0
- Waste services	280,000	0	0	0
<i>Other changes</i>		0		
- New grant income - Extended Producer Responsibility Grant	(5,877,000)	0	0	0
- Increase in grant income - Domestic Abuse Grant	(177,114)	0	0	0
- Pay budget returned to corporate	(19,988)	0	0	0
- Transfer of staff budget from ASC	13,542	0	0	0
Pay Changes	2,602,419	0	0	0
Growth and Demand Pressures – see Annex 2	6,153,763	237,575	(805,122)	2,114,878
Less Proposed Savings Plans – see Annex 3	(3,749,535)	(1,501,452)	285,000	(575,000)
Economy, Environment and Communities draft cash limit	52,848,912	51,585,035	51,064,913	52,604,791

4. Resources and Transformation Directorate

- **Leader of the Council - Strategy, Partnerships and Communities Portfolio**
Policy and strategy including Council Plan & Walsall 2040, transformation and change.
- **Deputy Leader - Finance Portfolio**
Strategic Financial Planning including: budget and medium term financial strategy, commercial strategy, budget management & accountancy, financial & transactional services, internal audit risk & insurance, treasury management, procurement and contract management, Walsall pound.
- **Internal Resources Portfolio**
Equalities, diversity and inclusion, human resources, organisational development, administration and business support, technology strategy and delivery, information governance and digital records management, business insights, communications, marketing and brand, legal and democratic services.
- **Resident Access and Housing Support Portfolio**
Customer access management, Walsall Connected, Customer experience centre, Revenue and benefits - Council Tax, Business Rates, household support and welfare, homelessness, asylum and migrant support, housing advice.

	2025/26 £	2026/27 £	2027/28 £	2028/29 £
Opening cash limit	47,110,929	49,258,282	49,593,990	49,164,642
Base budget adjustments				
- Funding of grant funded posts	26,151	0	0	0
- Transfer of staff budget from ASC/ Corporate	129,718	0	0	0
- Removal of one off investment - Leadership training	(100,000)	0	0	0
- Removal of one off investment - Specialist services HR	(280,000)	0	0	0
- Increase in grant income - Homelessness Prevention Grant	(322,359)	0	0	0
Pay Changes	2,683,214	0	0	0
Growth and demand Pressures – see Annex 2	2,065,591	439,126	(316,165)	(139,162)
Less Proposed Savings Plans – see Annex 3	(2,054,962)	(103,418)	(113,183)	0
Resources and Transformation draft cash limit *	49,258,282	49,593,990	49,164,642	49,025,480

Annex 2 - Summary of Growth and Demand Pressures 2025/26 to 2028/29 aligned to the ambitions of the Council Plan

Directorate	Ref No	Details of Growth and Demand Pressures	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
A clean and green future							
Economy, Environment & Communities	37	Domestic and garden waste agency staffing costs	70,502	74,027	74,027	74,027	292,583
	38	Increase in disposal costs for mixed dry recycling waste	800,000	0	0	0	800,000
	41	Reduction in demand leading to income pressure on cremations income due to local competitor	680,000	(680,000)	0	0	0
	42	Reduction in opening hours for Fryers Road and Merchants Way household waste recycling centres saving in 2024/25 not being implemented - reversal of saving in 2025/26	150,000	0	0	0	150,000
	45	Vehicle lease costs for green waste previously funded by lease reserve - link to potential charge for green waste	170,000	0	0	0	170,000
	46	Greener Bloxwich - revenue impact of capital investment	80,000	40,000	20,000	0	140,000
	47	Increased rental hire for road sweepers	70,000	0	0	0	70,000
	48	Increase in landfill tax from Apr 25 (103p/tonne to 126p/tonne)	150,000	0	0	0	150,000
	NEW	Short term waste management contract	870,000	(430,000)	(440,000)	0	0
	NEW	Middlemore Lane - Equipment Lease	246,000	0	0	0	246,000
Total A clean and green future			3,286,502	(995,973)	(345,973)	74,027	2,018,583
Accessible services and connected places							
Economy, Environment & Communities	44	Traffic control - reduced income pressure	50,000	0	0	0	50,000
Resources & Transformation	52	Reduction in housing benefit administration grant	43,840	40,000	40,000	40,000	163,840
	53	One-off transformation programme investment to support savings within customer experience saving (linked to OP40)	347,662	26,091	(114,591)	(259,162)	0
	54	Additional revenue inspector post to enable property inspections to support the identification of any tax avoidance (linked to saving OP37)	47,179	0	0	0	47,179
	56	Additional posts required to meet the enhanced regulations around LA complaints handling	165,161	0	0	0	165,161
Resources & Transformation	52	Ongoing software costs following completion of Enabling technology capital project (linked to saving OP40)	0	0	0	80,000	80,000
	NEW	Continuation of Walsall Connected initiative	0	60,000	0	0	60,000
Total Accessible services and connected places			653,842	126,091	(74,591)	(139,162)	566,180
Child Friendly Borough							
Children's Services & Education	9	Children's young carers service	17,184	0	0	0	17,184
	10	Carer allowances uplifts	0	0	0	0	0

Directorate	Ref No	Details of Growth and Demand Pressures	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
	11	External framework placement uplifts	461,525	117,035	297,987	0	876,547
	12	Carer fee uplifts	78,000	81,000	84,000	0	243,000
Children's Services & Education	13	Children in care growth	2,477,099	1,507,875	1,257,611	811,947	6,054,532
	14	Children placement moves	2,019,917	2,520,942	2,604,212	2,690,814	9,835,885
	15	Home to school transport	3,551,850	883,369	859,501	1,061,369	6,356,089
	16	Increase staffing costs in education, health and care plan assessment team to meet increased demand	51,667	124,000	0	0	175,667
	17	Educational psychology service - staffing to meet demand change	(74,218)	14,658	36,947	40,000	17,387
	18	Short breaks increased costs and demand	200,000	0	0	0	200,000
	19	Independent visitor	20,000	0	0	0	20,000
	20	Family time services additional workers to meet increased demand	100,000	0	0	0	100,000
	21	Management team localities	155,000	0	0	0	155,000
	22	Transition and leaving care staffing team	72,200	0	0	0	72,200
	23	Development of a youth collaborative as part of the Children & Young People Alliance	125,993				125,993
	24	Regional adoption agency increases	50,000	0	0	0	50,000
	25	Framework placements inflation increase	38,584	37,856	39,013	344,000	459,453
	26	New adolescent service (linked to saving OP19)	5,701	0	0	0	5,701
	27	New internal residential home to open from 2026/27 (linked to saving OP23)	0	631,970	45,583	0	677,553
	28	Revenue costs for new internal residential home opened 2024/25 (linked to saving OP24)	677,553	0	0	0	677,553
	29	Internal residential career pathway to support recruitment and retention (linked to saving OP24)	61,000	0	0	0	61,000
	30	Emergency foster carer scheme (linked to saving OP 25)	121,000	4,840	5,034	5,235	136,109
	31	Housing project (linked to saving OP26)	58,000	25,000	(10,000)	0	73,000
	32	Independent fostering agency framework retender outcome	557,386	298,678	328,786	194,453	1,379,303
	33	Staying put allowance uplifts	24,000	24,960	25,958	26,997	101,915
	34	Carer fee uplifts	20,000	21,000	22,000	110,100	173,100
	35	Carer allowances uplifts	102,000	106,080	110,323	114,736	433,139
	NEW	Children's Social Care Prevention (fully funded from grant income)	2,884,555	0	0	0	2,884,555
	NEW	Family Hubs Start for Life Programme (fully funded from grant income)	90,637	0	0	0	90,637
Total Child Friendly Borough			13,946,633	6,399,263	5,706,955	5,399,651	31,452,502
Homes for all							

Directorate	Ref No	Details of Growth and Demand Pressures	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Resources & Transformation	NEW	Homelessness prevention (fully funded from grant income)	322,359	0	0	0	322,359
Total Homes for all			322,359	0	0	0	322,359
Cross Cutting							
Economy, Environment & Communities	36	Contractual inflation	530,147	373,548	440,851	440,851	1,785,397
Total Cross Cutting			530,147	373,548	440,851	440,851	1,785,397
Living active healthy lives							
Adult Social Care & Public Health	60	Public Health grant increase to meet pressures in sexual health services and the need to provide sustainable funding for the Young People's health and wellbeing service	225,901	211,300	214,745	219,040	870,986
	61	Pay award and increments for posts funded through Public Health grant	50,000	50,000	50,000	50,000	200,000
Total Living active healthy lives			275,901	261,300	264,745	269,040	1,070,986
Resilient and empowered communities							
Economy, Environment & Communities	62	Contribution to Black Country Armed Forces Covenant Officer	10,000	0	0	0	10,000
	NEW	Town Hall and events - reversal of 2024/25 saving	40,000	0	0	0	40,000
Total Resilient and empowered communities			50,000	0	0	0	50,000
Safer streets, safer people							
Economy, Environment & Communities	43	Fall out of street lighting private finance initiative grant when contract ends	0	0	0	1,600,000	1,600,000
	63	Increase in enforcement officer role to create a more effective and efficient service	60,000	0	0	0	60,000
	64	Increase in CCTV operator role to create a more effective and efficient service	50,000	0	0	0	50,000
	NEW	Domestic abuse (fully funded from grant income)	177,114	0	0	0	177,114
Total Safer streets, safer people			287,114	0	0	1,600,000	1,887,114
Supported and cared for							
Adult Social Care & Public Health	65	Additional social work capacity in localities and complex teams	298,910	0	0	0	298,910
	66	Community reablement internal team, external block contract premium, training and equipment (linked to saving OP59)	644,008	0	0	0	644,008
	67	Community reablement service (linked to saving OP59)	623,878	0	0	0	623,878
	68	Improve access and take up as part of prevention strategy (linked to saving OP65)	150,000	0	0	0	150,000
	69	Additional staffing resources in Safeguarding team	198,801	0	0	0	198,801

Directorate	Ref No	Details of Growth and Demand Pressures	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
	70	Contractual inflation for intermediate care service reablement contracts (funded through Better Care Fund)	0	412,053	412,053	412,053	1,236,159
	71	Uplift in care provider fees	8,094,314	3,253,202	2,986,472	3,283,721	17,617,709
	72	Pay award and increments for posts funded through Better Care Fund	229,456	196,005	196,005	196,005	817,471
Adult Social Care & Public Health	73	Social Care increase in existing service user placements costs following strength-based reviews	7,005,858	4,677,404	4,592,844	4,923,459	21,199,565
	74	Transforming care programme costs relating to service users care	219,254	130,357	0	0	349,611
	75	Inflationary increase for S117 Mental Health service users care costs	70,226	72,105	60,088	60,088	262,507
	76	Housing 21 - contractual uplift	164,645	295,861	303,257	310,839	1,074,602
	77	Co-production and consultation post	18,754	0	0	0	18,754
	78	Reprofiling of service development staffing resources	(88,623)	0	88,623	0	0
	79	Financial assessment & charging team	107,327	0	0	0	107,327
	80	Reduction and reprofiling of previous years staffing investments due to revised structures	(380,000)	190,000	0	0	(190,000)
	81	Adult social care management structure	49,230	0	0	0	49,230
	82	Social worker apprentice posts	42,500	0	0	0	42,500
	83	One-off staffing resources to provide support to existing teams and delivery of the adult social care continuous improvement programme	89,178	(89,178)	0	0	0
	84	Social care increase in demand pressures (inflow/attrition)	5,601,652	2,607,915	2,678,298	2,879,873	13,767,738
	85	Additional staffing for commissioning team	236,000	0	0	0	236,000
	86	Additional staff resources including debt recovery post in the adult social care client services finance team	150,000	0	0	0	150,000
	87	Income shortfall relating to Integrated Care Board joint funding arrangements	1,407,147	0	0	0	1,407,147
Total Supported and cared for			24,932,515	11,745,724	11,317,640	12,066,038	60,061,917
Supporting business and inclusive growth							
Economy, Environment & Communities	51	Saddlers Centre - regeneration project temporary impact on income generation	0	900,000	(900,000)	0	0
Resources & Transformation	55	Additional resources to support external funding team (linked to saving OP42)	122,123	(19,110)	(25,574)		77,439
Total Supporting business and inclusive growth			122,123	880,890	(925,574)	0	77,439
Value for money services							
Resources & Transformation	2	Cloud/ Microsoft licences and infrastructure costs	272,303	226,520	0	0	498,823
	4	One-off investment to fund additional resources within the procurement function	200,000	0	-200,000	0	0
	5	Administration staff in Children's locality teams to support social workers	288,964	0	0	0	288,964
	6	Contract with external company to provide 24/7 cyber security protection	110,000	0	0	0	110,000

Directorate	Ref No	Details of Growth and Demand Pressures	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
	7	Existing co-pilot licenses	110,000	0	0	0	110,000
	3	Online consultation tool	20,000	20,000	0	0	40,000
	NEW	Senior Partnership Officer to support Walsall 2040	16,000		(16,000)	0	0
	NEW	Additional HR advisory posts	0	85,625	0	0	85,625
Economy, Environment & Communities	49	Increased costs of water for corporate council buildings due to deregulation (linked to asset review)	180,000	0	0	0	180,000
	50	Energy reductions - removal of 2025/26 saving (linked to saving (OP29)	200,000	0	0	0	200,000
	39	Increase in number of local buildings and the increased cleaning and caretaking responsibilities	700,000	0	0	0	700,000
	NEW	Increase in energy costs	700,000	0	0	0	700,000
Central	8	Transport levy	578,030	606,931	637,278	669,142	2,491,381
	57	One off increase energy costs - fall out of 2024/25 investment	(1,360,000)	0	0	0	(1,360,000)
	58	Revenue implications of capital	170,000	210,000	230,000	250,000	860,000
	59	Revision to minimum revenue provision charges, Interest costs on capital programme and Interest income forecast	0	0	600,000	600,000	1,200,000
	88	Social Care Investment / Demand	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
	90	Contribution to West Midlands Growth Company	0	468,000	0	0	468,000
	NEW	Revenue implications of leasing	0	0	500,000	0	500,000
	NEW	Reprofiling of third party spend saving	2,250,000	(750,000)	(750,000)	(750,000)	0
	NEW	TVI	2,700,000	0	0	0	2,700,000
	1	Pay/pension provision	11,206,333	8,047,828	6,547,828	7,000,000	32,801,989
Total Value for money services			19,841,630	10,414,904	9,049,106	9,269,142	48,574,782
Vibrant Towns							
Economy, Environment & Communities	40	Pressure due to reduced demand for market stalls, reduction in opening days and loss of income due to reduced stall rates, (Walsall Market)	150,000	0	0	0	150,000
	89	Local Plan consultation & sustainability appraisal x 3 stages	20,000	(40,000)	0	0	(20,000)
Total Vibrant Towns			170,000	(40,000)	0	0	130,000
Total Growth and investment			64,418,766	29,165,747	25,433,159	28,979,587	147,997,259

Summary of Growth and Demand Pressures by Directorate

Directorate	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Adult Social Care and Public Health	25,208,416	12,007,024	11,582,385	12,335,078	61,132,903
Children's Services and Education	13,946,633	6,399,263	5,706,955	5,399,651	31,452,502
Economy, Environment and Communities	6,153,763	237,575	(805,122)	2,114,878	7,701,094
Resources and Transformation	2,065,591	439,126	(316,165)	(139,162)	2,049,390
Central	17,044,363	10,082,759	9,265,106	9,269,142	45,661,370
Total Growth and Demand Pressure Proposals	64,418,766	29,165,747	25,433,159	28,979,587	147,997,259

Summary of Growth and Demand Pressures by Outcome

Outcome	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
A clean and green future	3,286,502	(995,973)	(345,973)	74,027	2,018,583
A quality experience for all	0	0	0	0	0
A skilled and engaged workforce	0	0	0	0	0
Accessible services and connected places	653,842	126,091	(74,591)	(139,162)	566,180
Celebrating our culture and heritage	0	0	0	0	0
Child Friendly Borough	13,946,633	6,399,263	5,706,955	5,399,651	31,452,502
Cross Cutting	530,147	373,548	440,851	440,851	1,785,397
Homes for All	322,359	0	0	0	322,359
Living active healthy lives	275,901	261,300	264,745	269,040	1,070,986
Resilient and empowered communities	50,000	0	0	0	50,000
Safer streets, safer people	287,114	0	0	1,600,000	1,887,114
Skills and jobs for all	0	0	0	0	0
Supported and cared for	24,932,515	11,745,724	11,317,640	12,066,038	60,061,917
Supporting business and inclusive growth	122,123	880,890	(925,574)	0	77,439
Value for money services	19,841,630	10,414,904	9,049,106	9,269,142	48,574,782
Vibrant towns	170,000	(40,000)	0	0	130,000
Total Growth And Demand Pressures by Outcome	64,418,766	29,165,747	25,433,159	28,979,587	147,997,259

Annex 3 – Savings for 2025/26 to 2028/29 aligned to the ambitions of the Council Plan

A: Summary of Draft Policy Proposals by Outcome 2025/26 to 2028/29

Directorate	Ref No	Detail of Policy Proposals by Outcome	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
A Clean and Green Future							
Economy, Environment & Communities	P3	Seek sponsorship for festive decorations - part	(10,000)	0	0	0	(10,000)
Total A Clean and Green Future			(10,000)	0	0	0	(10,000)
Celebrating Culture							
Economy, Environment & Communities	P5	Relocation of the leather museum	(190,000)	0	0	0	(190,000)
Total Celebrating Culture			(190,000)	0	0	0	(190,000)
Child Friendly Borough							
Economy, Environment & Communities	P2	Phased changes to school crossing patrols	(190,000)	0	0	0	(190,000)
Total Child Friendly Borough			(190,000)	0	0	0	(190,000)
Resilient and empowered communities							
Economy, Environment & Communities	P3	Seek sponsorship for festive decorations - part	(20,000)	0	0	0	(20,000)
Total Resilient and empowered communities			(20,000)	0	0	0	(20,000)
Vibrant Towns							
Economy, Environment & Communities	P1	Charge for amendments to planning applications	(50,000)	0	0	0	(50,000)
Total Vibrant Towns			(50,000)	0	0	0	(50,000)
Total Net Policy Proposals			(460,000)	0	0	0	(460,000)

B: Summary of Draft Operational Proposals 2025/26 to 2028/29

Directorate	Ref No	Detail of Operational Proposals by Outcome	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
A clean and green future							
Economy, Environment & Communities	OP1	Income from introduction of electrical vehicle charging points	0	0	0	(500,000)	(500,000)
	OP5	Commercialisation of services - potential to develop services to be self-funding - Registrars	(1,410)	(1,452)	0	0	(2,862)
	OP8	Increase in citizenship income	(50,000)	0	0	0	(50,000)
	OP57	Increase bulky waste collection charges by 20%	(20,000)	0	0	0	(20,000)
	OP58	Reduction in costs linked to waste strategy/Sherbourne	(400,000)	(400,000)	0	0	(800,000)
	OP51	Leisure review and health initiative's part	(330,000)	0	0	0	(330,000)
Total A clean and green future			(801,410)	(401,452)	0	(500,000)	(1,702,862)
A skilled and engaged workforce							
Resources & Transformation	OP3	Employee Benefits - car leasing	(205,000)	0	0	0	(205,000)
	OP4	Employee Benefits - other salary sacrifice offers	(94,000)	0	0	0	(94,000)
	OP41	Reduction in human resources staffing resources	(108,348)	0	0	0	(108,348)
Total A skilled and engaged workforce			(407,348)	0	0	0	(407,348)
Accessible services and connected places							
Economy, Environment & Communities	OP2	Introduce an annual administration charge to facilitate free parking permits for staff	(10,000)	0	0	0	(10,000)
	OP6	Alternative delivery model for the New Art Gallery	0	(210,000)	0	0	(210,000)
	OP7	Increase parking charges by 20%	(70,000)	(20,000)	0	0	(90,000)
	NEW	Bereavement services	0	0	0	0	0
Resources & Transformation	OP37	Reduction in customer engagement vacant posts	(102,749)	0	0	0	(102,749)
	OP40	Reduction in customer engagement costs enabled by technology	(198,089)	(113,183)	(113,183)	0	(424,455)
Total Accessible services and connected places			(380,838)	(343,183)	(113,183)	0	(837,204)
Celebrating our culture and heritage							
Economy, Environment & Communities	OP9	Arts & Events income - Increased ticket sales	(10,000)	(25,000)	(25,000)	0	(60,000)
	OP55	Invest to save (capital funding) for 2025/26 to deliver a pilot partnership model for library services with savings from 2026/27	0	(600,000)	0	0	(600,000)
Total Celebrating our culture and heritage			(10,000)	(625,000)	(25,000)	0	(660,000)
Child Friendly Borough							
Children's Services & Education	OP10	Recruitment & retention of internal foster carers	(600,000)	(600,000)	(133,905)	0	(1,333,905)
	OP11	Specialist foster placements	(694,000)	(432,000)	0	0	(1,126,000)
	OP12	Extend the family safeguarding programme into corporate parenting	(698,167)	(863,605)	(863,605)	(863,605)	(3,288,982)
	OP13	Continued focus on placement step downs	(439,174)	0	0	0	(439,174)
	OP14	Adolescent service - early help	(1,724,981)	(1,724,981)	(1,724,981)	0	(5,174,943)
	OP15	Capitalise school organisational officer post	(50,000)	0	0	0	(50,000)
	OP16	Home to school transport transformation programme	(388,111)	(102,000)	(56,000)	0	(546,111)

Directorate	Ref No	Detail of Operational Proposals by Outcome	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Children's Services & Education	OP17	Reduced management costs following integration of early help into children's social care	0	(100,000)	0	0	(100,000)
	OP18	Recruitment & retention of Internal foster carers	0	0	(600,000)	(600,000)	(1,200,000)
	OP19	Adolescent service - increase existing sustainability and transformation plans linked to Family Pathfinder	(200,854)	(177,679)	(177,679)	(1,902,660)	(2,458,872)
	OP20	Families First for Children Pathfinder Programme - additional connected carers	(184,835)	(295,476)	(295,476)	(295,476)	(1,071,263)
	OP21	Families First for Children Pathfinder Programme - care avoidance	(297,525)	(550,523)	(550,523)	(550,523)	(1,949,094)
	OP22	Families First for Children Pathfinder Programme - lower cost placements	(247,467)	(634,220)	(634,220)	(634,220)	(2,150,127)
	OP23	New internal residential home to open from 2026/27 creating additional internal placements	0	(633,862)	(452,759)	0	(1,086,621)
	OP24	Placement sufficiency, an opportunity to open further internal residential homes from 2025/26	(999,078)	(87,542)	0	0	(1,086,620)
	OP25	Emergency foster carer scheme	(390,000)	0	0	0	(390,000)
	OP26	Housing project	(409,000)	(8,000)	(8,000)	0	(425,000)
	OP27	Development of a youth collaborative as part of the Children & Young People Alliance	(125,993)	0	0	0	(125,993)
	NEW	Integrate parenting offer within early help and children's social care as part of family help	(59,517)	0	0	0	(59,517)
	NEW	Deletion of quality assurance officer post	(50,000)	0	0	0	(50,000)
	NEW	Review of statutory service provision	(37,066)	0	0	0	(37,066)
	NEW	Increase in traded services income	(5,446)	0	0	0	(5,446)
	NEW	Integrate customer facing activity within HAF to the customer experience centre	(20,000)	0	0	0	(20,000)
	NEW	Review of the Family Drugs and Alcohol model and provision	0	(94,500)	0	0	(94,500)
Total Child Friendly Borough			(7,621,214)	(6,304,388)	(5,497,148)	(4,846,484)	(24,269,234)
Cross Cutting							
Economy, Environment & Communities	OP70	Increase in fees & charges	(150,000)	0	0	0	(150,000)
Total Cross Cutting			(150,000)	0	0	0	(150,000)
Living active healthy lives							
Adult Social Care & Public Health	OP49	Removal of 2024/25 investment over and above Public Health grant	(168,719)	0	0	0	(168,719)
Economy, Environment & Communities	OP50	Leisure health checks based on 5% forecast take up	(20,125)	0	0	0	(20,125)
	OP51	Leisure review and health initiatives	(220,000)	0	0	0	(220,000)
	OP52	Review of coffee shop operations	(10,000)	0	0	0	(10,000)
Total Living active healthy lives			(418,844)	0	0	0	(418,844)

Directorate	Ref No	Detail of Operational Proposals by Outcome	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Resilient and empowered communities							
Economy, Environment & Communities	OP53	Community Cohesion and Social Integration - aim to merge a Community Safety and Enforcement and Cohesion Management resource	(13,000)	0	0	0	(13,000)
	OP56	£100k capital investment in CCTV to support revenue savings - REMOVED	0	0	0	0	0
Total Resilient and empowered communities			(13,000)	0	0	0	(13,000)
Safer streets, safer people							
Economy, Environment & Communities	OP54	Efficiencies within community safety and enforcement	(10,000)	0	0	0	(10,000)
Total Safer streets, safer people			(10,000)	0	0	0	(10,000)
Homes for all							
Resources & Transformation	OP48	Reduction in bed & breakfast costs linked to the capital investment to accelerate the acquisition of suitable self-contained accommodation for homeless families	(406,260)	0	0	0	(406,260)
Total Homes for all			(406,260)	0	0	0	(406,260)
Supported and cared for							
Adult Social Care & Public Health	OP59	Community reablement model refresh based on Impower throughput	(3,321,113)	(4,933,131)	(4,933,131)	(4,933,131)	(18,120,506)
	OP60	Enablement for Learning Disability, Mental Health and Transitions cohort	(438,702)	(258,533)	(257,137)	(237,800)	(1,192,172)
	OP61	Social care decrease in existing service user costs following strength-based reviews (Investment 73 linked to increased costs)	(984,208)	(647,087)	(664,550)	(714,566)	(3,010,411)
	OP62	Additional service user contributions based on net inflow of service users, price increases (uplifts) and benefit changes	(1,201,145)	(315,782)	(275,831)	(275,505)	(2,068,263)
	OP63	Health contributions - Section 117/ Continuing Health Care/ part health funded	(1,500,467)	(601,715)	(621,358)	(668,290)	(3,391,830)
	OP64	Review of high-cost home care packages post intermediate care services discharge	(159,542)	0	0	0	(159,542)
	OP65	Create opportunities within communities to keep people independent longer and Improve access and take up as part of prevention strategy.	(321,182)	(650,707)	(650,707)	(650,707)	(2,273,303)
	OP66	Partnership model between the council and care providers for delivery of care	0	(532,000)	0	0	(532,000)
	OP67	Reduction of Section 117 expenditure	(294,734)	0	0	0	(294,734)
	OP68	Discontinue use of Better Care Finance System	(100,000)	0	0	0	(100,000)
	OP69	Cessation of home care call monitoring service (CM2000) contract	(220,000)	0	0	0	(220,000)
Total Supported and cared for			(8,541,093)	(7,938,955)	(7,402,714)	(7,479,999)	(31,362,761)
Supporting business and inclusive growth							
Resources & Transformation	OP42	Generation of additional external funding to be used against existing costs (linked to investment 55)	(150,000)	0	0	0	(150,000)
Total Supporting business and inclusive growth			(150,000)	0	0	0	(150,000)

Directorate	Ref No	Detail of Operational Proposals by Outcome	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Value for money services							
Economy, Environment & Communities	OP28	One public estate – income from partners	(250,000)	0	0	0	(250,000)
	OP29	Energy reductions	(200,000)	0	0	0	(200,000)
	OP30	Reduction in running costs as a result of rationalising the council's property portfolio	(500,000)	(150,000)	0	0	(650,000)
	OP31	Amalgamation of facilities management	(100,000)	0	0	0	(100,000)
	OP32	20% reduction in post room costs	(50,000)	0	0	0	(50,000)
	OP51	Leisure review and health initiatives	(95,000)	(95,000)	(90,000)	(75,000)	(355,000)
	OP33	Review of caretaking and cleaning services in council buildings.	(320,000)	0	0	0	(320,000)
Resources & Transformation	OP34	Cessation of Mayrise system	(40,000)	0	0	0	(40,000)
	OP38	Reduction in storage costs by digitalisation of records	(55,000)	0	0	0	(55,000)
	NEW	Removal of system support contract	(77,000)	(108,000)	0	0	(185,000)
	NEW	Staffing efficiencies to be identified as part of OneSource phase 2 implementation subject to the business case approval	(53,750)	(161,250)	0	0	(215,000)
	OP43	Reduction in Dynamic 365 Customer Relationship Management licenses	(95,940)	0	0	0	(95,940)
	NEW	One-off reduction in elections due to a fallow year in 25/26	(327,228)	327,228	0	0	0
	OP35	Additional income from an increase in outdoor advertising & sponsorship	(17,213)	(48,213)		0	(65,426)
	OP39	Reduction in vacant posts across the Hub	(124,385)	0	0	0	(124,385)
Central	OP46	Council wide redesign	(700,000)	0	0	0	(700,000)
	OP47	Increased income from airport dividends	(733,042)	(2,500,000)	2,500,000	0	(733,042)
	OP45	Reduction in borrowing costs due to review of capital programme	(1,592,519)	(3,342,171)	0	0	(4,934,690)
	OP44	Increase vacancy management across the council	(3,883,715)	0	0	0	(3,883,715)
Total Value for money services			(9,214,792)	(6,077,406)	2,410,000	(75,000)	(12,957,198)
Vibrant Towns							
Economy, Environment & Communities	OP71	Markets review	(60,000)	0	0	0	(60,000)
	OP72	Rental income from Park Place and Lex site	(400,000)	0	400,000	0	0
Total Vibrant Towns			(460,000)	0	400,000	0	(60,000)
Total Net Operational Proposals			(28,584,799)	(21,690,384)	(10,228,045)	(12,901,483)	(73,404,711)
Total Net Savings Proposals			(29,044,799)	(21,690,384)	(10,228,045)	(12,901,483)	(73,864,711)

Net Savings Proposals Summary by Directorate

Directorate	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Adult Social Care and Public Health	(8,709,812)	(7,938,955)	(7,402,714)	(7,479,999)	(31,531,480)
Children's Services and Education	(7,621,214)	(6,304,388)	(5,497,148)	(4,846,484)	(24,269,234)
Economy, Environment and Communities	(3,749,535)	(1,501,452)	285,000	(575,000)	(5,540,987)
Resources and Transformation	(2,054,962)	(103,418)	(113,183)	0	(2,271,563)
Central	(6,909,276)	(5,842,171)	2,500,000	0	(10,251,447)
Total Savings Proposals	(29,044,799)	(21,690,384)	(10,228,045)	(12,901,483)	(73,864,711)

Net Savings Proposals Summary by Outcome

Outcome	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
A clean and green future	(811,410)	(401,452)	0	(500,000)	(1,712,862)
A quality experience for all	0	0	0	0	0
A skilled and engaged workforce	(407,348)	0	0	0	(407,348)
Accessible services and connected places	(380,838)	(343,183)	(113,183)	0	(837,204)
Celebrating our culture and heritage	(10,000)	(625,000)	(25,000)	0	(660,000)
Child Friendly Borough	(7,811,214)	(6,304,388)	(5,497,148)	(4,846,484)	(24,459,234)
Cross Cutting	(340,000)	0	0	0	(340,000)
Homes for All	(406,260)	0	0	0	(406,260)
Living active healthy lives	(418,844)	0	0	0	(418,844)
Resilient and empowered communities	(33,000)	0	0	0	(33,000)
Safer streets, safer people	(10,000)	0	0	0	(10,000)
Skills and jobs for all	0	0	0	0	0
Supported and cared for	(8,541,093)	(7,938,955)	(7,402,714)	(7,479,999)	(31,362,761)
Supporting business and inclusive growth	(150,000)	0	0	0	(150,000)
Value for money services	(9,214,792)	(6,077,406)	2,410,000	(75,000)	(12,957,198)
Vibrant towns	(510,000)	0	400,000	0	(110,000)
Total Savings Proposals	(29,044,799)	(21,690,384)	(10,228,045)	(12,901,483)	(73,864,711)

Annex 4 - MTFO movements since reported to Cabinet 16 October 2025

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
Gap as per report to Cabinet 16 October 2024	11.05	7.47	0.00	0.00	18.52
Changes to investments					
NEW – Energy cost	0.70	0.00	0.00	0.00	0.70
NEW - Remove third party spend saving	2.25	(0.75)	(0.75)	(0.75)	0.00
NEW - Remove TVI saving	2.70	0.00	0.00	0.00	2.70
NEW - Ongoing software costs following completion of Enabling technology capital project	0.00	0.00	0.00	0.08	0.08
NEW - Continuation of Walsall Connected initiative	0.00	0.06	0.00	0.00	0.06
NEW - Senior Partnership officer to support Walsall 2040	0.02	0.00	(0.02)	0.00	0.00
NEW – Additional HR advisory posts	0.00	0.09	0.00	0.00	0.09
NEW - Revenue implications of leasing	0.00	0.00	0.50	0.00	0.50
NEW - Waste short term contract	0.87	(0.43)	(0.44)	0.00	0.00
NEW - Middlemore Lane equipment lease	0.25	0.00	0.00	0.00	0.25
NEW - Children's Social Care Prevention Grant	2.88	0.00	0.00	0.00	2.88
NEW - Family Hubs Start for Life Programme Income	0.09	0.00	0.00	0.00	0.09
NEW - Domestic Abuse grant	0.18	0.00	0.00	0.00	0.18
NEW - Homelessness Prevention grant	0.32	0.00	0.00	0.00	0.32
NEW - Increase in national insurance contributions	3.30	0.00	0.00	0.00	3.30
NEW - Pay Award (1%)	1.70	0.00	0.00	0.00	1.70
NEW – Remove Town hall and events saving	0.04	0.00	0.00	0.00	0.04
No 2 Cloud/ Microsoft licences and infrastructure costs (reduce and re-profile)	(0.24)	0.20	0.00	0.00	(0.04)
No 10 Carer allowances uplifts (removed)	(0.11)	(0.12)	0.00	0.00	(0.23)
No 11 & 25 External framework placement uplifts (merged and one-off increase)	0.18	(0.18)	0.00	0.00	0.00
No 13 Children in care growth (re-profile and increase)	0.38	0.14	(0.34)	(0.11)	0.07
No 14 Children placement moves (re-profile and increase)	(0.26)	0.09	0.09	0.10	0.02
No 15 Home to school transport (increase)	0.07	0.01	0.01	0.00	0.09
No 32 Independent fostering agency framework retender outcome (increase)	0.10	0.06	0.07	0.05	0.28

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
No 53 One-off transformation programme investment to support savings within customer experience saving (re-profile)	-0.04	0.00	0.05	-0.01	0.00
No 71 Uplift in care provider fees (impact of new living wage and national insurance contributions)	2.45	0.00	0.00	0.00	2.45
No 71 Uplift in care provider fees (re-profile and reduction)	(2.14)	(4.22)	(2.10)	0.81	(7.65)
No 73 Social Care increase in existing service user placements costs following strength-based reviews (re-profile and increase)	(0.18)	3.16	3.08	3.41	9.47
No 75 Inflationary increase for S117 Mental Health service users care costs (re-profile)	0.01	0.01	(0.01)	(0.01)	0.00
No 84 Social care increase in demand pressures (inflow/attrition)	0.03	0.42	0.49	0.69	1.63
Total changes to investments	15.55	(1.46)	0.63	4.26	18.98
Changes to savings proposals					
NEW - One-off reduction in elections due to a fallow year in 25/26	(0.33)	0.33	0.00	0.00	0.00
NEW - Airport dividend – one off income	0.00	(2.50)	2.50	0.00	0.00
NEW - Review of the family drugs and alcohol model and provision.	0.00	(0.09)	0.00	0.00	(0.09)
NEW - Increased traded income with schools	(0.01)	0.00	0.00	0.00	(0.01)
NEW - Review of statutory service provision	(0.04)	0.00	0.00	0.00	(0.04)
NEW - Deletion of quality assurance officer post	(0.05)	0.00	0.00	0.00	(0.05)
NEW - Integrate parenting offer within early help and children's social care as part of family help	(0.06)	0.00	0.00	0.00	(0.06)
NEW - Integrate customer facing activity within HAF to the customer experience centre	(0.02)	0.00	0.00	0.00	(0.02)
NEW - Removal of system support contract	(0.08)	(0.11)	0.00	0.00	(0.19)
NEW - Staffing efficiencies as part of One Source phase 2 implementation	(0.05)	(0.16)	0.00	0.00	(0.21)
P4 - Introduce more rewilding	0.05	0.00	0.00	0.00	0.05
OP35 Additional income from an increase in outdoor advertising (reduced)	0.05	0.05	0.00	0.00	0.10
OP36 Remove external One Source system support by using in-house expertise (removed)	0.20	0.20	0.00	0.00	0.40

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m
OP56 £100k capital investment in CCTV to support revenue savings	0.00	0.00	0.05	0.00	0.05
OP61 ASC demand – decrease in existing service user placement costs (re-aligned)	0.10	(0.65)	(0.65)	(0.72)	(1.92)
OP62 ASC demand – additional service use contributions based (re-aligned)	(0.20)	0.14	0.18	0.19	0.31
OP63 Health contribution – Section 117/continuing health care (re-aligned)	0.26	0.06	0.05	(0.27)	0.10
Total changes to savings	(0.18)	(2.73)	2.13	(0.80)	(1.58)
Other service adjustments					
EEC - Extended producer responsibility	(5.88)	0.00	0.00	0.00	(5.88)
Children's - Extended rights to home to school transport (grant rolled into general funding)	0.08	0.00	0.00	0.00	0.08
Children's - Children's Social Care Prevention Grant (new funding)	(2.88)	0.00	0.00	0.00	(2.88)
Children's - Family Hubs Start for Life Programme Income (increase in funding)	(0.09)	0.00	0.00	0.00	(0.09)
EEC – Domestic Abuse grant (increase in funding)	(0.18)	0.00	0.00	0.00	(0.18)
R&T – Homelessness Prevention grant (increase in funding)	(0.32)	0.00	0.00	0.00	(0.32)
Total service adjustments	(9.27)	0.00	0.00	0.00	(9.27)
Central adjustments					
Increase in business rates income (funding)	(2.47)	2.42	0.15	1.66	1.76
Council tax surplus (funding)	(0.47)	0.47	0.00	0.00	0.00
Council taxbase changes (funding)	(0.85)	(0.10)	(0.11)	(0.11)	(1.17)
Reprofiling of central budget	3.53	0.43	(0.75)	(1.63)	1.58
New Homes Bonus increased income (funding)	(0.15)	0.00	0.00	0.00	(0.15)
Social Care grant increase income (funding)	(5.93)	0.00	0.00	0.00	(5.93)
Recovery Grant (funding)	(9.84)	0.00	0.00	0.00	(9.84)
National insurance contributions grant (funding)	(1.65)	0.00	0.00	0.00	(1.65)
Net use of reserves	0.68	(2.50)	2.50	0.00	0.68
Total central adjustments	(17.15)	0.72	1.79	(0.08)	(19.23)
Revised savings to be identified (Current budget shortfall)	0.00	4.00	4.55	3.38	11.93

Annex 5 – Capital Programme movements since reported to Cabinet 16 October 2025

	2025/26	2026/27	2027/28	2028/29	Total
	£m	£m	£m	£m	£m
Council Funded Schemes - Cabinet 16 October 2024	48.95	32.38	10.40	8.79	100.52
Maintaining a safe and secure environment - reduced	(0.05)	(0.05)	(0.05)	0.00	(00.15)
Telephony - removed	(0.19)	(0.19)	0.00	0.00	(00.38)
Wi-Fi – reprofiled	(0.08)	0.00	0.08	0.00	00.00
Bloxwich Town Deal –reduced	(1.44)	0.00	0.00	0.00	(01.44)
Council roof repairs – reduced	(0.08)	0.00	0.00	0.00	(00.08)
Wheeled bin stock - reduced	(0.07)	0.00	0.00	0.00	(00.07)
Aids and adaptations - increased	0.83	0.83	0.83	0.83	03.32
New children’s home 2025- new	0.85	0.00	0.00	0.00	00.85
Refurbishments to foster carer’s homes - increased	0.10	0.15	0.15	0.15	00.55
Libraries – Community association style Hub – new	0.10	0.00	0.00	0.00	00.10
Assistive technologies - new	0.25	0.00	0.00	0.00	00.25
Promotion of community health and safety - reduced	(0.04)	(0.04)	(0.06)	0.00	(00.14)
ICT Safe & Secure bring forward 2025/26 budget into 2024/25	(0.05)	0.00	0.00	0.00	(00.05)
Maintaining a Safe & Secure Environment - bring forward budget for upfront CISCO license	(0.09)	(0.09)	(0.06)	0.00	(00.24)
Allotment Boundary Improvement Works	(0.02)	0.00	0.00	0.00	(00.02)
Hatherton Road car park	(0.21)	0.00	0.00	0.00	(00.21)
Play areas & outdoor gym	(0.13)	0.00	0.00	0.00	(00.13)
Revised Council Funded Schemes	48.63	32.99	11.29	9.77	102.68
External Funded Schemes - Cabinet 16 October 2024	31.19	22.27	23.08	30.10	106.64
Family Hubs 25/26 allocation	0.09	0.00	0.00	0.00	00.09
Disable Facilities Grant additional budget	0.63	0.63	0.63	0.63	02.52
High Needs budget reprofile	1.72	0.00	0.00	0.00	01.72
Basic Needs budget re-profile	10.00	6.00	(4.35)	(11.65)	00.00
LA Housing fund 3	0.32	0.00	0.00	0.00	00.32
Revised External Funded Schemes	43.95	28.90	19.36	19.08	111.29
Revised Programme	92.58	61.89	30.65	28.85	213.97

Annex 6 – Summary of Revenue Grants 2025/26

Revenue Grant	£m
Magistrates & Probation Service Grant	(22,064)
Bikeability Grant	(88,508)
Housing Benefit Subsidy - Rent Allowances	(57,269,985)
Housing Benefit Subsidy Administration	(790,574)
Woodland Creation Accelerator Fund	(29,464)
Local Reform Community Voices Grant	(235,436)
16 to 19 Education Funding	(3,026,619)
West Midlands Police Crime Commissioner Community Safety Grant	(125,426)
Housing Benefit Subsidy	(839,739)
AYSE Grant	(74,316)
Dedicated Schools Grant (DSG)	(224,028,889)
Pupil Premium Grant	(12,247,845)
Primary PE & Sport Premium	(1,223,118)
Universal Infant Free School Meals Grant	(2,387,771)
Arts Council National Portfolio Grant	(1,218,152)
Heritage Lottery Fund	(73,028)
Holiday Activity and Food Programme Grant	(1,912,527)
DEFRA Countryside Stewardship Grant Income	(11,587)
St Thomas More Public Finance Initiative Grant (PFI)	(772,600)
Verified Earnings & Pension Grant	(10,967)
Discretionary Housing Payments	(540,168)
DWP Housing Benefit Award Accuracy Grant	(50,000)
Public Health Grant	(19,968,817)
Teachers Pay Additional Grant	(2,600,194)
Social Care Support Grant	(38,054,524)
Teachers' Pension Employer Contribution Grant	(95,493)
Youth Justice Board Grant	(488,691)
COVID-19 Recovery Premium	(423,336)
Afghan Relocation Grant	(802,740)
Market Sustainability & Fair Cost of Care	(6,264,233)
Restart Grant	(42,499)
Homes for Ukraine Scheme	(139,419)
Homelessness Prevention Grant	(1,430,821)
The Remand Framework for Children	(318,375)
Key Stage 2 Moderation and Key Stage 1 Phonics Grant	(11,917)
Domestic Abuse Safe Accommodation Grant	(896,337)
Arts Council Music Education Hub Grant	(484,072)
Household Support Fund Cost of Living	(5,639,418)
Violence Reduction Partnership Grant	(82,981)
Family Hub Grant	(1,359,537)
Supported Housing Improvement Programme	(107,609)
Staff Related Inherited Liabilities Grant	(400,000)
Shared Prosperity Fund (UKSPF)	(1,842,601)
Commonwealth Games Legacy Fund	(75,443)

Revenue Grant	£m
Local Stop Smoking Services Grant	(367,927)
Walsall Energy Action Project	(513,966)
Darlaston Towns Fund	(200,000)
Social Worker Apprenticeship Grant	(88,868)
Rough Sleeping Prevention and Recovery grant	(734,900)
Rough Sleeping Accommodation Programme	(48,552)
Local Authority Better Care Grant	(17,494,592)
Children's Social Care Prevention Grant	(2,884,555)
Children's and Families Grant	(2,766,839)
Street Lighting Public Finance Initiative Grant (PFI)	(1,595,348)
Business Rates Retention Section 31 Grant	(29,056,547)
Biodiversity Net Gain Grant	(26,807)
Recovery Grant	(9,836,997)
National Insurance Contribution Grant	(1,650,000)
New Homes Bonus Scheme	(152,716)
Top Up Grant	(22,772,985)
Total Revenue Grants 2025/26	(478,699,439)

Annex 7 – Capital & Investment Strategy

1. INTRODUCTION

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code (2021) requires local authorities to produce a Capital Strategy (the “Strategy”) to demonstrate how capital expenditure, capital financing and treasury management activity contribute to the provision of desired outcomes and take account of stewardship, value for money, prudence, sustainability and affordability.

The Strategy forms part of the framework for financial planning and is integral to both the Medium Term Financial Framework (MTFF) and the Treasury Management and Investment Strategy (shown at section B, part 2 of the Corporate Budget Plan) and considers the funding implications of the capital programme and where borrowing is required. It sets out how capital investment will play its part in delivering the ambitious long term strategic objectives of the council, how associated risk is managed and the implications for future financial sustainability. The Strategy is also in line with the Department for Levelling Up, Housing & Communities (DLUHC) Investment Guidance.

2. AIM AND OBJECTIVES

- a. The Capital Strategy forms a key part of the council’s overall corporate planning framework within which capital and investment decisions will be made with a focus on protecting the council’s assets and delivering the council’s corporate objectives. The overarching aim of the 2025/26 to 2028/29 Capital Strategy is to provide a framework within which the council’s capital investment and financing decisions can be aligned with the council’s corporate priorities and objectives over the medium term. The Strategy recognises uncertainties, especially in relation to funding in later years.

In order to reflect the council’s corporate priorities the Strategy is driven by the ‘Pursuing Excellence’: Our Council Plan 2025-2029. The current Council Plan (Our Council Plan 2022-25) is due to be replaced next year, but there are additional drivers that make this a timely opportunity to completely review our corporate ambitions and priorities.

The main sections of the Capital Strategy link to the Council Plan in the following key areas:

- **Asset Management Planning** – is aligned to the Council Plan by reviewing service needs to ensure that quality services are delivered, and to further protect the Council’s assets.
- **School Estate Planning** – is aligned to the Council Plan by investing in Schools to providing the best start in life for the boroughs children.

- **Investment in Regeneration** – is aligned to the Council Plan by a focus on economic growth by supporting key strategic projects that will deliver business and inclusive growth and jobs across the borough.
- **Investment in ICT and Digital Services** - is aligned to the Council Plan by Striving for excellence by providing efficient and effective value for money services, supported by a skilled and engaged workforce to provide a high-quality experience for all those engaging with the council.
- **Capital Investment for Revenue Benefits** – is aligned to the Council Plan by investing in relevant services to reduce expenditure or create or increase revenue, impacting better value for money.

3. CAPITAL EXPENDITURE

3.1 Setting the Capital Programme

- a. The council's Capital Programme covering the period 2025/26 to 2028/29 is set out within **Annex 8 - 10** of this Corporate Budget Plan.
- b. The basis of the Capital Programme is driven by the budget and service planning process. This process begins during the summer. The size of the Capital Programme is determined by:
 - The need to incur capital expenditure
 - Capital resources available
 - The revenue implications flowing from the expenditure.
- c. As part of the budget and service planning process, services are required to review capital needs locally, and to align with service priorities. Where directorate capital and asset groups agree these requirements, then these capital investments are named as projects and included in the Council's investment pipeline schedule ("Pipeline"). The Pipeline includes the following information:
 - Project background, including context, key dates and requirements
 - Project objectives and outputs
 - Scope and justification of the project
 - Draft profile of spend by financial year, source of funding, and revenue implications
 - References to background papers and key documentation
 - Anticipated project sponsor and project manager
- d. The Pipeline is scored, initially by project leads and managers, using the scoring matrix in Table 1 below. The scored Pipeline is then tested and challenged by the Council's Transformation Board and its Transformation and Finance Group, with scores adjusted where necessary. This ensures that scoring is robust and consistent across directorates, and projects can be categorised between "highly recommended", "recommended" and "not recommended" based on their score and funding available. Once Transformation Board are content with the prioritised Pipeline, this is reviewed

by Members for review and challenge. This process ensures that investment is directed to projects that align with the Council's strategies and meets our aims, objectives and outcomes. It also ensures that budgets are ring-fenced for critical and deliverable schemes, rather than silting up funds that are at risk carry forward.

Table 1: Pipeline investment scoring matrix

Ranking Criteria	Weighting	Notes	SCORING		
		Rag rating	GREEN	AMBER	RED
		Points	3	2	1
Aligned to local plans and strategies	40%	We should only be developing schemes in our wider plans. WM and BC Strategic Economic Plans, Walsall Council Plan, MTFs, Local planning policy, Site Allocation Document, Town Centre Area Action Plan, Walsall 2040.	Aligns to National AND local strategies	Aligns only to to National OR local strategies	No alignment to a specific strategy
Essential service	20%	Supports Council infrastructure to enable service delivery	Non-investment is not an option	Investment would be preferable and enhance service	Non-essential
Short term deliverability	20%	Likelihood of end scheme being delivered in short term	Delivery could commence in 12 months	Delivery 1-3 years	Delivery 4-5 years
Finance potential	20%	Potential for the wider scheme to secure external funding / match funding / recycling of funds i.e. commercialisation, overage, land sale etc so that more of the pipeline can be funded in the longer term	match funding (>50%) and revenue savings meaning payback within x5	funding or revenue savings generate, or significant cost avoidance	funding OR will result in no revenue change or a net revenue cost

- e. Pipeline projects are categorised between existing need (i.e. business as usual or project overspends) and new investments:
- Existing projects are named and valued in the Capital Programme.
 - Statutory or legally required capital expenditure may be added directly to the capital programme depending upon its nature.
 - A Pipeline Investment marker will be included in the Capital Programme for new investments, where indicative schemes are named but are subject to a Green Book compliant business case, future endorsement by Transformation Board and approval by Cabinet.
- f. Business cases, where requested to be completed, will be subject to formal review and assessment. A business case will include more detailed information on the proposed scheme, along with options where applicable, in line with the Government's 5 case model for developing business cases and would expect to include the following:
- Strategic Case - Provides strategic fit and is supported by a compelling case for change, and why the project is proposed.
 - Economic Case - Focuses on options appraisal and the identification of the preferred option by comparing value for money and non-quantified benefits of each delivery option
 - Financial Case – Assesses if the preferred option is fundable and affordable over the project lifetime (capital and revenue)
 - Commercial Case - Is commercially viable and attractive to suppliers. This section focuses on the development and procurement of the potential Deal

- Management Case: Can the project be delivered successfully by the organisation and its partners, does it need extra support and resource? This section focuses on the implementation arrangements for the proposal and milestones.
- g. Prior to cabinet approving the capital programme, the final version of the development pipeline is reviewed by members at CMT with any adjustments requested being made in the light of the relative priorities and the overall impact on the revenue budget.
- Existing capital schemes and expenditure that is unavoidable to meet statutory and legislative requirements (i.e. health & safety, expenditure to meet new legislation etc) will be presented separately in the capital programme. 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.
- h. The council's policy is to agree the Capital Programme on an annual basis at the Council meeting in February, in line with statute. Once approved, the budget report is made available on the council's website and published on the finance pages of the council's intranet.

3.2 Managing the Capital Programme

- a. The council's contract/financial procedure rules and Constitution provide a clear framework on how all capital projects are to be managed.
- b. Regular monthly monitoring reports are submitted to directorate management teams and then to CMT, ASG, Cabinet and Overview and Scrutiny Committees, showing actual expenditure compared with budget. This enables high-level scrutiny of the delivery of capital objectives against the plan and for action to be taken to ensure the longer term programme reflects emerging priorities.
- c. The majority of items for the capital programme will be identified as part of the council's budget setting process and will require business cases and a prioritisation review as part of this as outlined in 3.1 (aligning to the same approach taken for revenue budget setting). There is however recognition that in rare circumstances some capital funding requirements may need to be outside of this process because of timings, in which case the council will consider its central reserve position, external funding and other options for funding.

3.3 Restriction on Borrowing and Use of Capital Receipts

- a. The council funded element of the Capital Programme is normally financed from borrowing, capital receipts and the carry forward of unspent allocations from previous years.
- b. There is no restriction on the level of borrowing that the council can undertake, subject to compliance with the Treasury Management Code of Practice and affordability of the revenue costs. However subject to this compliance, borrowing is required to be funded from the council's own resources - generated through savings, and/or paid for via council tax (this is also commonly known as unsupported or Prudential borrowing). This links to the council's Operational Boundary and Authorised Limit set within the

Treasury Management & Investment Strategy based on forecast capital programme and pipeline requirements with affordable headroom built in. Any excess borrowing required over the Authorised Limit would require further Council approval and a full assessment of affordability.

- c. Capital receipt projections for 2025/26 are in the region of £6.7m and are based on professional estimates of property colleagues and subject to change dependent on the implementation of the Strategic Asset Plan moving forward. There are risks associated with the capital receipt estimate, as the timing of receipts can be delayed for reasons outside of the council's control. Any additional receipts received in year (excluding those earmarked for specific schemes) will be used to fund any shortfalls in previous year's receipts projections or transformation projects in line with the Flexible Use of Capital Receipts Strategy (Annex 11, part 1 of the Corporate Budget Plan).

3.4 Asset Management Planning

- a. The council has a typical local authority property portfolio consisting of operational property, investment property and property held for specific community or regeneration purposes. The council manages its portfolio under the guidance of its approved Strategic Asset Plan (SAP) 2022-27. In recent years, the council has adopted the current MTFO and embarked on a transformation agenda (Walsall Proud) to support the delivery of the Council Plan. The property portfolio has been extensively reviewed in order to identify opportunities to realise savings.
- b. The adoption of the Strategic Asset Plan was a major part of the transformation of the council's property teams – originally the Transformation Programme theme of “Our Assets”. Another significant part of the transformation was the adoption of a Corporate Landlord model for the management of the council's land and property assets which centralised the responsibilities and management of all property assets within the Corporate Landlord team which enables more effective and efficient strategic management of the portfolio and has now been embedded within the council and its core principles.
- c. A significant aim of the Strategic Asset Plan is to undertake an ongoing review of the buildings within the portfolio in order to maximise utilisation of the council's properties. This process is particularly pertinent as the council modifies its ways of working following the Covid-19 to fully consider future customer, employee and member requirements and expectations, alongside an internal review of the condition of our corporate estate. This will then inform our options and asset investment, acquisitions and disposals to meet these in the most effective way. In addition to this, an asset challenge process which seeks to identify the worst performing assets and assesses the options for those buildings being investment to improve, alterations to improve performance and suitability or disposal.
- d. The existing governance process enables joined-up decision making regarding the use of the council's land and property and is enabling strategic decisions such as the adoption of a planned preventative maintenance programmes and land assembly to support regeneration activity, to be made in consideration of wider corporate objectives and bearing in mind cross council service needs.
- e. The Disposals Strategy provides a framework for the decision-making process for the

retention or disposal of surplus assets and the prioritisation of the disposal programme. The adoption of the Disposals Strategy has enabled better planning for and forecasting of capital receipts generated through the disposal of surplus assets which contribute towards funding the capital programme.

- f. Outcomes of the above will be brought through the relevant internal governance process to Cabinet and once agreed will be updated within the Capital Programme accordingly.
- g. Additionally, the Highway Asset Management Plan sets out how the Council Plan links to the way the council develops and maintains the highways which are the single most valuable asset the council is responsible for. The way the highways are maintained and managed has a direct impact on the borough's residents, businesses and visitors and further investment will sustain and encourage economic growth.

3.5 School Estate Planning

- a. The Council has a duty to ensure there are sufficient school places for resident children who require a school place. Basic Need and High Needs capital funding are therefore allocated by the Department for Education to local authorities, based on pupil place number forecasts, to deliver the additional places in schools to meet expected demand.

The authority has identified a significant increase in demand for both mainstream and SEN pupil places in recent years. As at the end of 2024/25, the remaining balance of Basic Needs and High Needs Capital funding to be carried forward into 2025/26 is expected to be £32.5m of which £20.5m is already committed to capital projects across the borough to deliver additional pupil places. The allocation for Basic Needs in 2025/26 has been confirmed as £6.8m. This will be added to the carried forward balances to continue to deliver additional pupil places where required. Future years allocations are confirmed on an annual basis by the DfE based on the level of demand for pupil places in the borough each year. The DfE are yet to confirm what the High Needs Capital allocation will be for 2025/26.

- b. The pupil place requirement for SEND/mainstream places is increasing for many local authorities including Walsall. The impact of this is that local authority areas may not have sufficient or appropriate provision and capacity to deliver specialist support and therefore accurate management of limited resources like finance becomes pivotal to ensure not just the delivery of places but also value for money.
- c. With the view to support the challenges highlighted above the authority has identified the need to appoint a strategic partner who will work with the authority to develop and deliver proposals relating to any new and emerging need for pupil places responding to the changing trends in demand for pupil places as well as support the development of a longer-term plan for delivery of places and our wider Education Capital Programme. The appointment of a strategic partner will also help the Authority deliver school places more efficiently and effectively and improve value for money.
- d. To deal with the shortfall of places as mentioned above for SEND/Secondary places, a plan of short, medium and long term works has been identified and approved at cabinet to ensure that there are enough places available.

- e. The anticipated expansion programme is likely to have a significant impact on the Council's educational estate, providing enhancements to the operational benefit of schools. The programme will entail extensive works to extend, alter and remodel the portfolio, and could in some instances see the construction of new buildings. In accordance with any well-planned construction programme, it will be important to undertake pre-construction feasibility activity and site surveys to inform all necessary consents, as well as construction costs, and future maintenance responsibilities. Such consents will need to include planning and building regulations in addition to any specific requirements of other statutory bodies/ undertakers.

3.6 Investment in Regeneration

- a. In support of the objectives set out within the 'Pursuing Excellence': Our Council Plan 2025-2029, to achieve 'Economic Growth for all people, communities and businesses', the council continues to plan for and deliver its regeneration plans and proposals in line with local, sub regional and regional strategies. Boroughwide regeneration continues to be an important part of the council's 'Ways of Working' agenda following Covid-19 and underpin the overall borough's economic recovery approach.
- b. Additionally, the authority like many other councils, continues to explore alternative models for intervening in the market to aid our regeneration opportunities, and in ways that may also secure longer term revenue income as well as create additional business rate and council tax income. These opportunities will be modelled to provide assurance that sufficient investment returns over the life of the project are consistent with long term treasury investment returns adjusted for risk.
- c. Building upon the economic growth aspirations of key documents including the West Midlands and Black Country Strategic Economic Plan and Plan for Growth, current local planning policy including the Walsall Site Allocation Document and Town Centre Area Action Plan, and development frameworks including the Walsall Town Centre Masterplan and Willenhall Framework Plan, the council recognises its role in enabling public and private sector investment to be secured to continue and facilitate the delivery of key development opportunities. And The council has used capital resources to acquire land interests in key regeneration locations, including within Walsall Town Centre and the Black Country Enterprise Zone (BCEZ). Consideration is being given to future acquisitions to support the delivery of other projects.
- d. Walsall has an extensive prioritised development pipeline which comprises schemes that can support the delivery of:
 - 70 hectares of land remediated/ redeveloped
 - 2,900 new or sustained jobs within Walsall
 - 1,200 new homes
 - 150,000 square metres of employment / commercial floors space

The regeneration pipeline is included in the Councils Pipeline (para 3.1.3) and scored alongside wider Council projects, so investment decisions can be taken in the context of the Councils wider strategy and aims and objectives.

- e. Successful delivery of these projects will only be achieved through collaborative working between the council, public sector partners and private developers/ investors,

with the potential utilisation of public sources of finance.

- f. The council has a strong track record of working in partnership to secure investment and the borough is in the middle of a £1.5bn transformation through recent, current and planned investment.
- g. The council continues to work with the West Midlands Combined Authority to maximise the opportunities and benefits to the borough available through the devolved policy levers and powers and the integrated funding settlement. The Walsall Place Based Strategy, aligned to the Walsall 2040 Borough Plan, sets out the vision and priorities for how the functions of the integrated settlement will come together to bring about multi-year transformation across the borough and with focus on the Walsall Growth Corridor. The Place Based Strategy incorporates our regeneration pipeline activity and key linkages and interventions for housing, local growth & place, skills, local transport and retrofit.
- h. In 2025 the council will be preparing a refresh of the Walsall Town Centre Masterplan to reflect delivery of the catalytic interventions since approval in 2019, as well as recent changes in policy and new developments and additional sites. The Walsall Town Centre Masterplan will continue to be a key tool to 're-imagine' the town centre and unlock development opportunities; including opportunities that will require public funding through the integrated settlement investment propositions and co funding mechanisms.
- i. Building on the successful award of £11.4m of the Government's Future High Street Fund for a multi-million pound Connected Gateway project to transform the connectivity of the town centre's rail and bus stations, the council was also successful in being awarded £21.3m for each of the eligible Bloxwich and Walsall town areas from the Government's Towns Funds (£42.6m total). The Connected Gateway project and projects within the Towns Fund programme are at various stages of delivery, including the creative industries hub, active public spaces, and Bloxwich launchpad. The council's £20m bid to the Levelling Up Fund Round 2 to support delivery of new housing and highways improvements in Willenhall Phase 1 was also successful. To date the scheme has delivered cycling and walking improvements to the Greenway and a CPO has been secured for land at Moat Street/Villiers Street for housing development. Walsall has been selected as one of twenty places to form a Levelling Up Partnership with confirmed funding of £20m for a package of interventions. In October 2023 it was announced that the government had also been awarded £20m for a new Darlaston Long Term Town Plan that will deliver community-led interventions over a 10-year period although we are still awaiting further detail from MHCLG on this programme.
- j. Looking ahead and recognising the continued changing market conditions and development viability issues, the council has prioritised its regeneration activity to focus upon key strategic locations in the Walsall Growth Corridor. As reflected in the Place Based Strategy, the Corridor includes Walsall and Willenhall Town Centres, the BCEZ and Growth Zone employment sites, and significant brownfield housing development sites.
- k. The BCEZ and Growth Zone status mean that the council can has the option to utilise Public Works Loan Board funding for upfront enabling works where this will be repaid

through future business rate uplift. The delivery of new homes and wider interventions in the Walsall Growth Corridor can be assisted by the West Midlands integrated settlement, supported by other sources of financing to unlock the transformational change and grow the economy as set out in the Place Based Strategy. Growth aspirations will be further supported through the preparation of the Walsall Borough Local Plan, Business Growth Strategy and updated Housing Strategy.

- I. In this context it should be noted that Government has made announcements in relation to the Integrated Settlement being provided to WMCA through the Devolution Deal which may be able to support project delivery in the borough. In addition, Walsall is one of three Growth Zones agreed as part of the Devolution Deal which allows the council to retain business rates generated across six defined sites for a 25 year period to spend on growing the economy.

4. DEBT & BORROWING AND TREASURY MANAGEMENT

- a. A projection of external debt and use of internal borrowing to support capital expenditure, the council's authorised borrowing limit and operational boundary along with the Capital Financing Requirement are set out within the Treasury Management & Investment Strategy (section B, part 2 of the Corporate Budget Plan).
- b. The Treasury Management & Investment Strategy also sets out the council's Minimum Revenue Provision (MRP) which identifies the financial provision that the authority is required to set aside each year for the provision of the repayment of borrowing over the life of the underlying debt.

4.1 Risk Appetite Statement

- a. The Prudential Code (2021) requires authorities to disclose their risk appetite with regard to its treasury management activity. This is set out within our Treasury Management Policy Statement and within TMP1.
- b. For the purpose of this statement, the authority has adopted the Orange Book (UK government publication on the strategic management of risk within government) definition of Risk Appetite, namely "the amount of risk that an organisation is prepared to accept, tolerate, or be exposed to at any point in time."
- c. It is important to note that risk will always exist in some measure and cannot be removed in its entirety. Additionally, in order to realise investment and commercial gains, an organisation has to take some measure of risk. Therefore, risks need to be considered both in terms of threats to the council as well as positive opportunities.
- d. It is worth noting that the Public Accounts Committee supports well-managed risk taking across government, recognising that innovation and opportunities to improve public services requires risk taking, providing that the ability, skills, knowledge and training to manage those risks well exist within the organisation or can be brought to bear.
- e. The authorities risk appetite statement sets out how it balances risk and return in pursuit of achieving its objectives. It is intended to aid careful decision-making, such that the council takes well thought through risks to aid successful delivery of its services

and obligations, while also understanding the adverse aspects of risk undertaken and taking appropriate measures to mitigate these in line with its stated goals. Thereby, the council's risk judgements are more explicit, transparent and consistent over time.

- f. The risk appetite statement forms a key element of the council's governance and reporting framework and is set by full Council as part of the Capital & Investment Strategy. In addition, the risk appetite will be considered annually and monitored on an ongoing basis by the Treasury Management Panel and external advisors.

4.2 Relationship to Other Aspects of Risk Management

- a. It is important to note that the risk appetite is a high level view on the key areas of risk and the qualitative quantum therein that the council is willing to accept in pursuit of its objectives. In this, it is different to other key aspects of risk management, primarily:
 - The Strategic Risk Register – a detailed list of the potential significant risks the council is exposed to;
 - The budget risk assessment – the assessed level of risk at which the council can operate, given its reserves, revenues, and access to funding, liquidity, regulatory and legal constraints, and any other restrictions.
- b. The risk appetite is also supported by the following:
 - The council's Risk Management Framework;
 - The governance structure and responsibilities;
 - Risk reporting;
 - Monitoring and escalation procedures.

4.3 Treasury Management Risk Appetite

- a. In general, the council's treasury management risk appetite is expressed through its tolerance to risk in respect of capital preservation, meaningful liquidity and income volatility. The council seeks to minimise its exposure to risks that are unwanted and unrewarded. Capital is managed centrally on an ongoing basis to ensure that there is sufficient liquidity in the short and medium term to meet costs and support front line services, as well as meeting long-term solvency and funding requirements.
- b. The council's treasury management operations are exposed to a broad range of risks. These, along with the council's approach to managing them, are set out in detail within the authorities Treasury Management Policies (TMP 1 – Treasury Risk management).
- c. Managing the council's treasury management risks is an area of significant focus for the Treasury Management Panel (TMP) and the council adopts an integrated view to the management and qualitative assessment of risk. The TMP is made up of senior council finance officers who meet to discuss treasury management performance, development of policy and identification of potential new investment products and the detail relating to them.
- d. The council aims to minimise its exposure to unwanted risks – those risks that are not actively sought and which carry no commensurate reward for the council.

5. INVESTMENT PROPERTY & COMMERCIAL ACTIVITY

- a. If commercial opportunities do arise the council will review these to understand if there is a potential for a financial or community based (regeneration / creating or securing jobs etc) contribution from the scheme.
- b. In support of reviewing these options and informing decision making the council has a strong governance framework that goes beyond the regulatory codes. This includes the Audit Committee and reporting to Cabinet and Council.
- c. Due diligence is of paramount importance. All of the council's commercial investments will be supported by individual business cases that are subject to thorough risk assessment. Where appropriate to the size and scale of the project independent technical and legal reviews will also be considered.
- d. Ongoing performance monitoring for all commercial schemes that have been entered in to is also undertaken and reported to relevant members and senior officers on a regular basis through Asset Strategy Group.
- e. The council also seeks to ensure that all commercial schemes it considers and undertakes are fully aligned with priority outcomes set out within the Council Plan and are in line with the DLUHC guidance making it clear local authorities are no longer allowed to borrow to invest purely for commercial yield.
- f. Details of the councils existing non-financial investments, including their contribution, benchmarking indicators and proportionality of the income derived from them in comparison to net service expenditure is set out within the Treasury Management & Investment Strategy.
- g. Following consultation during 2020, HM Treasury have now revised access requirements for local authorities seeking to access borrowing from the Public Works and Loans Board (PWLB). These revisions mean that local authorities will not be able to access PWLB borrowing to buy investment property with the primary aim of generating yield, and specifically to access PWLB funding authorities will need to submit three year capital plans to PWLB, with the S151 officer confirming that there is no intention to buy investment properties primarily for yield at any point within those three years.
- h. If there are any intentions by the authority to buy investment properties primarily for yield within the three year capital programme then PWLB will not be able to lend to the authority for the period of that programme. HM Treasury have also confirmed that where local authorities do seek to pursue debt-for-yield projects which they finance in other ways, such as through the use of internal cash balances or borrowing from other financial institutions, they would then not be able to access PWLB borrowing to refinance this element of debt going forward.
- i. As interest rates on PWLB borrowing are normally more favourable than other forms of borrowing, being unable to access PWLB and having to seek borrowing from other financial institutions is therefore likely to increase the overall revenue costs required to fund the elements of the council's capital programme which are funded from borrowing – for example every 1% increase in interest costs on a three year capital programme

including circa £96.64m of capital spending funded from borrowing (similar to the level included within this report) would add £0.97m of additional ongoing revenue costs per year by the end of the three year period.

6. OTHER LONG TERM LIABILITIES

6.1 Pension Guarantees

- a. The council has entered into a number of long-term contracts for services that have been outsourced to service providers. These often involve the transfer of council employees to the new service provider. Employee's rights are protected under the provision in Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). However, pension rights are not fully covered within TUPE regulations. The council have thus given pension guarantees to a number of organisations. This guarantee means that if an admitted body fails to pay its pension obligations then the council will be responsible for taking on those obligations.
- b. All guarantees entered into need the approval of Cabinet. The guarantees are reviewed annually as part of the closure of accounts process. The pension balance is assessed on an annual basis by the Pension Fund and is subject to change due to the underlying assets. This is rebalanced on a three year basis, known as a triennial review.

6.2 Public Finance Initiative (PFI) & Other Long Term Liabilities

- a. The council operates two PFI's and one Public Private Partnership (PPP) as follows:
 - St Thomas More School PFI - contract for the construction, maintenance and operation of a secondary school in Willenhall.
 - Public Street Lighting PFI - contract for the replacement and maintenance of the council's lighting stock across the borough. The objective of this contract is to ensure that the borough is lit in a uniform manner complying with British and European standards.
 - Housing & Care 21 PPP – contract to provide 285 extra care units (including 70 shared ownership and 5 respite care) across the borough, a 40 bed dementia care unit at Goscote and increased day care across the borough (including weekend access to services).
- b. The financial liabilities are disclosed annually in the council's Statement of Accounts and whilst PFI and PPP contracts are long term liabilities the agreements include financing and as such are netted off within the capital financing requirement.

7. KNOWLEDGE AND SKILLS

- a. The Capital Programme and Treasury Management & Investment Strategy are managed by teams of professionally qualified accountants, who actively undertake Continuous Professional Development (CPD) on an ongoing basis to keep abreast of new developments and develop additional skills. They also have extensive local government finance experience between them.

- b. The council's Section 151 Officer is the officer with overall responsibility for capital and treasury activities. They too are a professionally qualified accountant undertaking an ongoing CPD programme.
- c. Any commercial projects that the council seek to enter into will also be supported by teams from all required professional disciplines from across the council, and external professional advice will also be sought if needed.
- d. Internal and external training is offered to members on an ongoing basis to ensure they have up to date skills to make capital and treasury decisions.
- e. The Council's Treasury Management Panel meet regularly to discuss treasury management performance, development of policy and identification of potential new investment products and the detail relating to them.
- f. The knowledge and skills of officers and members are commensurate with the council's risk appetite.

Annex 8 – Capital Programme for 2025/26 to 2028/29 aligned to the ambitions of the Council Plan – Council Funded Schemes

A1 - Rolling Programme Schemes

Directorate	Capital Scheme	Detail of Capital investment	Draft carry forward from 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Accessible services & connected places								
Economy, Environment & Communities	Traffic Signals Infrastructure	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 Management Act 2004). Also supports delivery of the council's carbon reduction targets.	0	200,000	200,000	200,000	200,000	800,000
	Capitalisation of Reactive Highways maintenance- Pothole Funding	Capitalisation of Reactive Highways maintenance- Pothole Funding	0	200,000	200,000	200,000	200,000	800,000
	Highways Maintenance Programme	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.	0	1,300,000	1,300,000	2,800,000	2,800,000	8,200,000
	Promotion of Community Health and Safety	Ongoing funding of 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.	0	120,000	120,000	120,000	120,000	480,000
Total Accessible services & connected places			0	1,820,000	1,820,000	3,320,000	3,320,000	10,280,000

Directorate	Capital Scheme	Detail of Capital investment	Draft carry forward from 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Celebrating our culture and heritage								
Economy, Environment & Communities	Capitalisation of Library Book Fund	Capitalisation of Library Book Fund	0	145,000	145,000	145,000	145,000	580,000
Total Celebrating our culture and heritage			0	145,000	145,000	145,000	145,000	580,000
Homes for all								
Resources & Transformation	Aids and Adaptations / Preventative Adaptations/ Supporting Independence	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. 4. Domestic electrical safety.	0	1,242,000	1,242,000	1,242,000	1,242,000	4,968,000
Economy, Environment & Communities	Health Through Warmth - Tackling Fuel Poverty	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. Also helps secure continued investment from external agencies in tackling fuel poverty and excess winter deaths in the borough.	0	140,000	75,000	75,000	75,000	365,000
Total Homes for all			0	1,382,000	1,317,000	1,317,000	1,317,000	5,333,000
Safer streets, safer people								
Economy, Environment & Communities	Memorial Safety Management in Cemeteries	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.	0	20,000	20,000	20,000	20,000	80,000

Directorate	Capital Scheme	Detail of Capital investment	Draft carry forward from 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Council Wide	Funding to support essential works including health and safety, and other projects that cannot be programmed at start of year	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.	0	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
Resources & Transformation	CFR 1391 Maintaining a Safe & Secure Environment (rolling programme)	Continuation of existing scheme CFR 1391 Maintaining a Safe & Secure Environment. Not all hardware has a warranty/support & maintenance agreement in place - it is more cost effective to replace the equipment should it fail - some equipment will run for 10+ years without incident, therefore having a support/warranty agreement in place is not cost effective. This scheme also funds critical work that needs to take place within the Council's data centre environments for example additional cooling units, additional door security, unforeseen problems ie suppliers unexpectedly declaring components end of life or unforeseen incompatibilities between components ie something new won't work with something old without additional intervention/replacement.	28,000	100,000	100,000	129,353	190,000	547,353
Total Safer streets, safer people			28,000	1,120,000	1,120,000	1,149,353	1,210,000	4,627,353
Total Rolling Programme Schemes			28,000	4,467,000	4,402,000	5,931,353	5,992,000	20,820,353

A2 – Prior Year Approval Schemes

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Vibrant towns								
Economy, Environment & Communities	Street Lighting Inspections	Capitalisation of electrical Inspections of Street Lighting- Health and Safety	0	62,469	35,793	63,091	0	161,353
	Future High Streets Fund	To invest in Walsall to deliver a much-needed boost to our high street at this challenging time (External funding announced by MHCLG. The works include the refurbishment of the Saddlers Centre including the transformation of the public realm area from the centre to the bus station with additional works to the train station concourse. This will be part of the transformative investment in Walsall Town Centre around the rail and bus stations. Originally £5,163,891 in 2024/25. Rephased into 2025/26.	0	12,153,616	17,484,313	83,072	0	29,721,001
	Regenerating Walsall	Regenerating Walsall. Originally £223,206 in 2024/25. Rephased into 2025/26.	0	223,206	0	0	0	223,206
	St Peter's Church Repairs	St Peter's Church Repairs - repairs to surrounding wall. Originally £29,569 in 2024/25. Rephased into 2025/26.	0	29,569	0	0	0	29,569
	Development Team Structure	The Development Team structure is currently a Team Leader and 4 officers. Capitalising posts will enable further capacity to be introduced to the team to support delivery of the pipeline. Originally £77,649 in 2024/25. Rephased into 2025/26.	500,000	405,298	327,649	327,649	327,649	1,888,245
	New Art Gallery	New Art Gallery	41,292	0	0	0	0	41,292
	Other schemes carried forward from previous years requiring completion	Rushall Olympic Stadium	5,833	0	0	0	0	5,833

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Economy, Environment & Communities	Town Deals	Walsall Towns Deal - In 2021/22, Walsall and Bloxwich were successful in being awarded £21.3m from DLUHC for each town. Working with the Town Deal Board and partners, a project confirmation table has been submitted for each project, with an underwriting requirement from the Council of £5.48m as the Council's share of the shortfall compared to the awarded allocation	0	1,779,600	0	0	0	1,779,600
		Bloxwich Towns Deal - In 2021/22, Walsall and Bloxwich were successful in being awarded £21.3m from DLUHC for each town. Working with the Town Deal Board and partners, a project confirmation table has been submitted for each project, with an underwriting requirement from the Council of £5.48m as the Council's share of the shortfall compared to the awarded allocation	1,015,844	2,265,000	0	0	0	3,280,844
	Other schemes carried forward from previous years requiring completion	Saddlers - Car Park Surfacing works, Electric Vehicle charging, Changing Places and toilets plus further capital works to units during/post connected gateway scheme. Originally £500,000 in 2024/25. Rephased into 2025/26.	1,276	650,000	150,000	0	0	801,276
Total Vibrant towns			1,564,245	17,568,758	17,997,755	473,812	327,649	37,932,219
Celebrating our culture and heritage								
Economy, Environment & Communities	Single Library Management System	Single Library Management System	6,317	0	0	0	0	6,317
	Darlaston Library Integration	Darlaston Library Integration	60,586	0	0	0	0	60,586
	Radio Frequency Identification (RFID) Self Issue	Radio Frequency Identification Self Issue - involves the tagging of library books with RFID tags and the use of self – services kiosks and other technologies to enable library customers to self-issue and self- return library books.	5,800	0	0	0	0	5,800

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Economy, Environment & Communities	Replacement PCs	Replacement PCs. Originally £34,000 in 2024/25. Rephased into 2025/26.	0	34,000	0	0	0	34,000
Total Celebrating our culture and heritage			72,703	34,000	0	0	0	106,703
Accessible services & connected places								
Economy, Environment & Communities	Yorks Bridge (Top Up)	Yorks Bridge is currently the subject of a 7.5 tonne weight limit. Replacement scheme funded using council capital funding and the Department for Transport Maintenance Block. Originally £366,143 in 2024/25. Rephased into 2025/26.	0	1,697,786	0	0	0	1,697,786
	Active Public Places	To deliver the full project scope of public realm works, canal bridge and basin works (approved by Cabinet). Originally £1,000,000 in 2024/25. Rephased into 2025/26.	0	1,744,000	0	0	0	1,744,000
	Hatherton Road Car Park	Hatherton Road Car Park safety work	211,456	0	0	0	0	211,456
Total Accessible services & connected places			211,456	3,441,786	0	0	0	3,653,242
Supporting business and inclusive growth								

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Economy, Environment & Communities	Enterprise Zones	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. Originally £2,178,246 in 2024/25. Rephased into 2025/26.	353,941	2,178,246	0	0	0	2,532,187
Total Supporting business and inclusive growth			353,941	2,178,246	0	0	0	2,532,187
Homes for all								
Economy, Environment & Communities	Other schemes carried forward from previous years requiring completion	Social Housing Decarbonisation	59,870	0	0	0		59,870
	Willenhall Masterplan	Willenhall Garden City Phase 1 is part of a housing-led regeneration programme with public sector intervention in land assembly and gap funding required to support private sector delivery of new homes. Originally £2,543,194 in 2024/25. Rephased into 2026/27.	0	0	5,089,768	0	0	5,089,768
	New Homes Bonus	To support future regeneration projects. Originally £76,999 in 2024/25. Rephased into 2025/26.	0	76,999	0	0	0	76,999

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Resources & Transformation	Temporary accommodation units	The Project is seeking to increase the Council's homelessness temporary accommodation (TA) portfolio with an additional supply of primarily self-contained dispersed homes, but also a block of emergency rooms for immediate placement. Originally £520,618 in 2024/25. Rephased into 2025/26.	500,000	4,326,618	0	0	0	4,826,618
Total Homes for all			559,870	4,403,617	5,089,768	0	0	10,053,255
A quality experience for all								
Resources & Transformation	Replacement of 'tablet' technology	Devices will become out of date, this scheme is a tablet refresh programme	0	1,125,000	1,125,000	900,000	900,000	4,050,000
	Card payments, Digital Website	To ensure the council remains compliant and allows for citizens to pay for services online.	121,877	255,425	255,425	100,000	0	732,727
	Archiving of Systems moving to Customer Access Management being retired	Provision for archiving either systems or data within systems as and when they are retired where third party solutions are required.	40,000	0	0	0	0	40,000
	Standard Addressing	Standard Addressing. Originally £111,000 in 2024/25. Rephased into 2025/26.	45,000	111,000	0	0	0	156,000
	Telephony	Transfer all of our incoming phone lines to new technology, potentially replace desk phones with headsets and implement Microsoft telephony.	90,000	0	0	0	0	90,000
	Capitalisation of Capital Finance Team	Capitalisation of the team to enhance capital planning, financing and strengthen programme delivery.	0	261,000	261,000	261,000	261,000	1,044,000
	Digital and Technology Service (DaTS) Staffing Capitalisation	DaTS will grow the internal team and knowledge to deliver capital projects which will reduce external consultants moving forward.	0	1,300,000	1,300,000	1,300,000	1,300,000	5,200,000

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Resources & Transformation	ICT safe and secure environment	ICT safe and secure environment	400,000	193,305	239,931	239,931	0	1,073,167
	Enabling technology	Further develop to include data changes, contract or agreements and assessment requirements. Originally £2,831,000 in 2024/25. £1,017,000 repensed into 2025/26, £957,000 repensed into 2026/27 and £857,000 repensed into 2027/28.	265,246	1,017,000	957,000	857,000	0	3,096,246
	IG Service Improvement	IG Service Improvement	16,145	0	0	0	0	16,145
	Android Replacement programme	These devices will need to be replaced every 2-3 years as the versions of android become unsupported (an android replacement carried out in 2022/23).	0	100,000	30,000	271,000	0	401,000
	Data Back-up/Security replacement & Cloud Data back up	The current on-premise tape back-up solution will be end of life in 2024/25 - a replacement solution will be required to ensure that data is secured in line with the council's retention policy and to also ensure that it can be recovered should there be a disaster.	0	0	450,000	0	0	450,000
	Wi-Fi Access Points and Licences	W-iFi access points and associated licences have a 4 year lifespan in which they are compliant with PSN standards. In order to retain the council's PSN certification the Access Points and Licences will need to be replaced on a 3-4 yearly basis.	0	0	0	80,000	80,000	160,000
	Enabling Support Services/ One Source system	Enabling Support Services/ One Source system	159,610	0	0	0	0	159,610
	MyCMIS - Council's Committee Management and Information System	MyCMIS - Council's Committee Management and Information System	12,000	0	0	0	0	12,000

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Resources & Transformation	Chip & Pin Devices	Chip & Pin Devices and associated licences have a 4-year life span in which they are compliant with PCI standards. To retain the council's PCI Compliance, the Chip & Pin Devices and Licences will need to be replaced on a 3-4 yearly basis.	0	0	0	0	30,000	30,000
Total A quality experience for all			1,149,878	4,362,730	4,618,356	4,008,931	2,571,000	16,710,895
A clean and green future								
Economy, Environment & Communities	Civic Centre Plumbing	Civic Centre Plumbing. Originally £66,600 in 2024/25. Rephased into 2025/26.	0	66,600	0	0	0	66,600
	Council House Smoke & Heat Detection Fire Alarm	Council House Smoke & Heat Detection Fire Alarm. Originally £248,920 in 2024/25. Rephased into 2025/26.	65,000	248,920	0	0	0	313,920
	Council House Internal Decoration	Council House Internal Decoration. Originally £30,218 in 2024/25. Rephased into 2025/26.	0	30,218	0	0	0	30,218
	Civic Centre Heating	Civic Centre Heating. Originally £696,328 in 2024/25. Rephased into 2025/26.	200,000	946,328	0	0	0	1,146,328
	Council House Windows	Council House Windows. Originally £945,570 in 2024/25. Rephased into 2025/26.	315,189	945,570	0	0	0	1,260,759
	Council House General Heating	Council House General Heating. Originally £1,273,105 in 2024/25. Rephased into 2025/26.	100,000	1,523,105	0	0	0	1,623,105
	Ways of Working	Ways of Working. Originally £188,665 in 2024/25. Rephased into 2025/26.	0	188,665	0	0	0	188,665
	Public toilets	Public toilets. Originally £78,641 in 2024/25. Rephased into 2025/26.	0	78,641	0	0	0	78,641
	HWRC station - Middlemore Lane	This is additional budget required to cover the uncontrollable increased inflationary / construction pressures on the existing project. To provide a new Waste Transfer Station (WTS) and large Household Waste Recycling Centre (HWRC) at Middlemore Lane in Aldridge.	3,481,085	4,566,836	0	0	0	8,047,921

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Economy, Environment & Communities	Allotment Boundary Improvement Works	Allotment Boundary Improvement Works	21,473	0	0	0	0	21,473
	Capitalisation of wheeled bin stock	Linked to revenue savings option. Wheeled bin stock capitalisation	3,859	105,000	180,000	180,000	180,000	648,859
	Cremator Repairs/ Reline	Cremator Repairs/ Reline	3,779	0	0	0	0	3,779
	Council House Roof Repairs	Council House Roof Repairs. Originally £1,412,000 in 2024/25. Rephased into 2025/26.	0	1,412,000	0	0	0	1,412,000
Central	Minor capital schemes <£100k	To fund minor capital schemes.	0	500,000	500,000	500,000	500,000	2,000,000
Total A clean and green future			4,190,385	10,611,883	680,000	680,000	680,000	16,842,268
Child-friendly borough								
Children's & Education	School Estate Condition Survey	Ongoing provision to cover school conditions.	0	50,000	50,000	50,000	50,000	200,000
	Children in care Foster Care refurbishment programme (business case required for additional £100k in 25/26 and £150k onward)	This funding is provided to enable foster carers and special guardians for children looked after by Walsall to enlarge their homes or in some circumstances, to obtain an alternative larger home. Originally £51,236 in 2024/25. Rephased into 2025/26.	144,708	151,236	150,000	150,000	150,000	745,944

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Children's & Education	Residential Home New 2023	The project will provide a modern 4/5 bedroomed property that would be registered with Ofsted to provide accommodation for 3 children deemed to require complex care. The objectives of the project are to provide a safe and secure building that is fit for purpose, increasing sufficiency for children with more complex needs, to address current shortfalls in provision and to reduce dependence on high-cost provision. Since 2019/20 the total number of children in care has reduced from 671 to 650, however, due to the ongoing sufficiency pressures and the increasing number of complex cases, the number of children residing in an external residential home has risen from 37 to 73 in August 23. In addition, the average weekly cost of these placements has risen from £4.2k to £6.1k over the same period. By opening a new home, the service will have the ability to support the needs of our more complex children, who are currently residing in external residential or unregistered placements, at a lower cost than currently budgeted. Originally £153,600 in 2024/25. Rephased into 2025/26.	0	153,600	0	0	0	153,600
Total Child-friendly borough			144,708	354,836	200,000	200,000	200,000	1,099,544
Total Prior Year Approval Schemes			8,247,186	42,955,856	28,585,879	5,362,743	3,778,649	88,930,313

A3 - New Capital Schemes

Directorate	Capital Scheme	Detail of Capital investment	Draft carry forward from 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Child-friendly borough								
Children's & Education	Residential Home New 2024 (Business case required)	The project will provide a modern 4/5 bedroomed property that would be registered with Ofsted to provide accommodation for 3 children deemed to require complex care. The objectives of the project are to provide a safe and secure building that is fit for purpose, increasing sufficiency for children with more complex needs, to address current shortfalls in provision and to reduce dependence on high-cost provision. Since 2019/20 the total number of children in care has reduced from 671 to 650, however, due to the ongoing sufficiency pressures and the increasing number of complex cases, the number of children residing in an external residential home has risen from 37 to 73 in August 23. In addition, the average weekly cost of these placements has risen from £4.2k to £6.1k over the same period. By opening a new home, the service will have the ability to support the needs of our more complex children, who are currently residing in external residential or unregistered placements, at a lower cost than currently budgeted.	0	853,600	0	0	0	853,600
Total Child-friendly borough			0	853,600	0	0	0	853,600

Directorate	Capital Scheme	Detail of Capital investment	Draft carry forward from 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Homes for all								
Adult Social Care & Public Health	Assistive Technologies (Business case required)	Health and social care digitalisation strategy whereby an increased use of tech within ASC to support care and support (gov requirement). Aligns with Corporate plan keeping people at home and healthy.	0	250,000	0	0	0	250,000
Total Homes for all			0	250,000	0	0	0	250,000
Celebrating our Culture and Heritage								
Economy, Environment & Communities	Libraries – Community Association style HUB (business case required)	Libraries – Community Association style HUB	0	100,000	0	0	0	100,000
Total Celebrating our Culture and Heritage			0	100,000	0	0	0	100,000
Total New Capital Programme requests			0	1,203,600	0	0	0	1,203,600
Total Draft council Capital Programme			8,275,186	48,626,456	32,987,879	11,294,096	9,770,649	110,954,266

Annex 9 – Draft Capital Programme for 2025/26 to 2028/29 aligned to the ambitions of the Council Plan – External Funded Schemes

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Vibrant towns								
Economy, Environment & Communities	High Streets Fund	To invest in Walsall to deliver a much-needed boost to our high street at this challenging time, as announced by MHCLG (now Department for Levelling Up, Housing & Communities - DLUHC) on 26 December 2020.	1,087,327	0	0	0	0	1,087,327
	Levelling Up Fund	£20 million announced on 19 January 2022 by the Department of Levelling Up, Housing and Communities, to kickstart the delivery of over 500 new homes connecting local people in Willenhall to jobs, parks and new rail station.	13,626,319	0	0	0	0	13,626,319
	Levelling Up Fund	£20 million announced on 19 January 2022 by the Department of Levelling Up, Housing and Communities, to kickstart the delivery of over 500 new homes connecting local people in Willenhall to jobs, parks and new rail station.	2,331,525	0	0	0	0	2,331,525
	Willenhall masterplan - LPIF funding	£3.2m of LPIF Funding as part-funding for the Willenhall Masterplan project to kickstart the delivery of over 500 new homes connecting local people in Willenhall jobs, parks and new rail station.	0	0	3,200,000	0	0	3,200,000
Resources & Transformation	Other schemes carried forward from previous years requiring completion	Land & Property Investment Fund	4,522,594	60,682	0	0	0	4,583,276
		BCLEP reinvestment digital fund	173,150	0	0	0	0	173,150
		Growing Places Fund	586,344	0	0	0	0	586,344

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Resources & Transformation	Town Deal	Walsall Towns Deal - In 2021/22, Walsall and Bloxwich were successful in being awarded £21.3m from MHCLG for each town. Working with the Town Deal Board and partners, a project confirmation table has been submitted for each project, with an underwriting requirement from the Council of £5.48m as the Council's share of the shortfall compared to the awarded allocation	5,060,903	8,201,605	0	0	0	13,262,508
		Bloxwich Towns Deal - In 2021/22, Walsall and Bloxwich were successful in being awarded £21.3m from MHCLG for each town. Working with the Town Deal Board and partners, a project confirmation table has been submitted for each project, with an underwriting requirement from the Council of £5.48m as the Council's share of the shortfall compared to the awarded allocation	6,553,027	7,076,781	0	0	0	13,629,808
Total Vibrant towns			33,941,189	15,339,068	3,200,000	0	0	52,480,257
A clean and green future								
Economy, Environment & Communities	Food Waste Collection Capital Grant	DEFRA capital grant under Section 31 of the Local Government Act 2003 for a capital grant to support the delivery of weekly food waste collections.	1,844,769	0	0	0	0	1,844,769
	One Palfrey Big Local Improvement Project	Landscape and Play Area Improvements at Palfrey Park, Arena Park, and Bescot Crescent Play Area	357,161	0	0	0	0	357,161
	Nature Recovery in partnership with Canal & River Trust	Nature Recovery in partnership with Canal & River Trust	44,493	0	0	0	0	44,493
Total A clean and green future			2,246,423	0	0	0	0	2,246,423

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Accessible services & connected places								
Economy, Environment & Communities	LTP Highway Maintenance Programme	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 the Department for Transport via the ITA with the condition that it should be spent on the classified road network. Includes allocation for potholes and bridge strengthening.	0	3,568,700	3,568,700	3,568,700	3,568,700	14,274,800
	Local Network Improvement Plan	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).	761,725	1,563,100	1,563,100	1,563,100	1,563,100	7,014,125
	DFT Traffic signal Obsolescence	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 Management Act 2004). Also supports delivery of the council's carbon reduction targets.	275,591	0	0	0	0	275,591
	Active Travel Tranche 4	Active Travel Tranche 4	2,303,357	0	0	0	0	2,303,357
	Wolverhampton Street S106	Wolverhampton Street S106	52,867	0	0	0	0	52,867

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Economy, Environment & Communities	Transforming Cities Fund	Transforming Cities Fund	109,952	0	0	0	0	109,952
	Highways CCTV Upgrade	Highways CCTV Upgrade	33,677	0	0	0	0	33,677
	Zebra Crossing	Zebra Crossing	4,774	0	0	0	0	4,774
Total Accessible services & connected places			3,541,943	5,131,800	5,131,800	5,131,800	5,131,800	24,069,143
Homes for all								
Resources & Transformation	Disabled Facilities Grant	This project directly supports the council's statutory requirement to provide disabled facility grants (DFGs). 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.	0	3,945,553	3,945,553	3,945,553	3,945,553	15,782,212
	Other schemes carried forward from previous years requiring completion	Purchase of Dispersed Temporary Accommodation	664,748	0	0	0	0	664,748
	Local Authority Housing Fund 3	Local Authority Housing Fund 3	0	323,000	0	0	0	323,000
Adult Social Care & Public Health	Integrated Community Equipment Store (ICES)	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).	0	888,000	888,000	888,000	888,000	3,552,000

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Economy, Environment & Communities	Department for Business, Energy and industrial strategy (BEIS) - - Local authority delivery scheme (LADS) & Home Upgrade Grant scheme (HUGS)	Department for Business, Energy and industrial strategy (BEIS) - Local authority delivery scheme (LADS) & Home Upgrade Grant scheme (HUGS)	359,785	0	0	0	0	359,785
Total Homes for all			1,024,533	5,156,553	4,833,553	4,833,553	4,833,553	20,681,745
Celebrating our culture and heritage								
Economy, Environment & Communities	Walsall Archives for all	Walsall Archives for all	87,839	0	0	0	0	87,839
Total Celebrating our culture and heritage			87,839	0	0	0	0	87,839
Child-friendly borough								
Children's & Education	Basic Need	Paid to Local Authorities to support the capital requirement for providing new pupil places by expanding existing maintained schools, free schools or academies & establishing new schools (Department for Education-DfE).	5,899,617	10,000,000	8,000,000	5,000,000	4,714,497	33,614,114
	Devolved Formula Capital	Received by the Local authority 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).	1,072,701	510,228	510,228	510,228	510,228	3,113,613

Directorate	Capital Scheme	Detail of Capital investment	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Children's & Education	Capital Maintenance	Allocated to the Local Authority 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. (Department for Education).	445,000	4,000,000	5,222,313	3,888,380	3,888,380	17,444,073
	High Needs Provisional Capital allocation	High Needs Provisional Capital Allocation funding is paid to Local authorities to support the capital requirement for providing new Special Educational Needs and Disabilities pupil places by expanding/improving existing maintained schools, free schools or academies.	0	3,731,136	2,000,000	0	0	5,731,136
	Other schemes carried forward from previous years requiring completion	Academies	215,807	0	0	0	0	215,807
	Family hubs and Start for Life programme,	To support the implementation of the Family Hub and Start For Life Programme which is aimed at providing families with the integrated support they need to care for their children from conception, throughout early years and into the start of adulthood. The capital element of the grant will be used to purchase / improve current data records management systems linked to documenting outcomes of the programme initially and then may be required to purchase equipment needed to support the programme ongoing. Funding from Department for Education and Department of Health and Social Care	0	89,863	0	0	0	89,863
Total Child-friendly borough			7,633,125	18,331,227	15,732,541	9,398,608	9,113,105	60,208,606
Total Draft Externally Funded Capital Programme			48,475,052	43,958,647	28,897,894	19,363,961	19,078,458	159,774,012

Annex 10 - Summary Capital Programme 2025/26 to 2028/29

Summary Capital Programme	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Council Funded Schemes	8,275,186	48,626,456	32,987,879	11,294,096	9,770,649	110,954,266
External Funded Schemes	48,475,052	43,958,647	28,897,894	19,363,961	19,078,458	159,774,012
Total Draft Capital Programme	56,750,238	92,585,103	61,885,773	30,658,057	28,849,107	270,728,278

Capital Investment Summary by Directorate

Directorate	2024/25 carry forward £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	Total £
Adult Social Care, Public Health and Hub	0	1,138,000	888,000	888,000	888,000	3,802,000
Children's Services	7,777,833	19,539,663	15,932,541	9,598,608	9,313,105	62,161,750
Economy, Environment and Communities	28,717,917	36,723,872	33,659,323	9,345,612	9,199,449	117,646,173
Resources and Transformation	20,254,488	33,683,569	9,905,909	9,325,837	7,948,553	81,118,356
Central / Capital Financing	0	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
Total	56,750,238	92,585,103	61,885,773	30,658,057	28,849,107	270,728,278

Annex 11 – Flexible Use of Capital Receipts Strategy

1 Introduction

- 1.1 The proposals within this Flexible Use of Capital Receipts Strategy have been prepared based on a capitalisation direction issued by the Secretary of State under Sections 16(2)(b) and 20 of the Local Government Act 2003: Treatment of Costs as Capital Expenditure.

2. The Direction

- 2.1 The Direction issued by the Secretary of State under Sections 16(2)(b) of the Local Government Act specifies that Local Authorities can treat as capital expenditure, expenditure which:
- “is incurred by the Authority that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners”.
 - The Government has extended the flexibility to use capital receipts, which has run since 2026/17, to fund the revenue costs of reducing costs and improving efficiency, to March 2030.
- 2.2 It is a condition of the Secretary of State’s direction that the flexible use of capital receipts in accordance with the direction only applies to capital receipts which have been received in the years to which the direction applies.
- 2.3 When applying the direction, Authorities are required to have regard to Guidance on Flexible Use of Capital Receipts issued by the Secretary of state under Section 15(1)(a) of the Act.
- 2.4 In using the flexibility, the Council will have due regard to the requirements of the Prudential Code and to the CIPFA Local Authority Accounting Code of Practice. The Council is also required to prepare a Flexible use of Capital Receipts Strategy before the start of the year to be approved by the Council – this is that Strategy.

3. Planned Expenditure 2025/26

- 3.1 To support the delivery of the Council Plan 2025-29 the delivery of the savings and efficiencies set out in the council’s budget for 2025/26 is imperative: delivery of the revenue savings will create the financially sustainable environment that is vital to enable the achievement the council’s objectives.
- 3.2 It is therefore proposed that any one-off cost associated with the delivery of approved saving plans (or suitable on-going mitigations identified during the year) are considered to be funded from capital receipts. More specifically, the council is proposing to use capital receipts in 2025/26 for the following purposes:
- Funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation;

- Digital investment leading to increased efficiency;
 - Setting up alternative service delivery models to ensure value for money;
 - Investment in service reform to achieve on-going revenue savings.
- 3.3 The legitimacy of the use of capital receipts will be determined by the S151 Officer in order to ensure that it meets the requirements set out by the Secretary of State.
- 3.4 Approvals are subject to the availability of qualifying and uncommitted capital receipts. No approval to flexibly use capital receipts will be given that would result in the increase of borrowing cost for the capital programme.
- 3.5 The Council will implement this Strategy while maintaining its ability to use new capital receipts to support capital expenditure on short life assets and utilise capital receipts to reduce the borrowing cost associated with the financing of the capital programme.

4. The Prudential Code and impact on Prudential Indicators

- 4.1 The Council has due regard to the requirements of the Prudential Code and the impact on its prudential indicators from the application of this Flexible Use of Capital Receipts Strategy.
- 4.2 The receipts in the scope of this Strategy have not been earmarked as funding for any other proposed capital expenditure and therefore there is no anticipated additional impact on the Council's prudential indicators as set out in the Council's Treasury Management Strategy except for Indicator Pr11 – Capital expenditure. This indicator will increase by the amount of capital receipts utilised to fund qualifying revenue expenditure.
- 4.3 This Strategy is affordable and will not impact on the council's operational and authorised borrowing limits based on maximum flexible use of capital receipts of £20m. Further details on the council's Prudential Indicators can be found within the Treasury Management and Investment Strategy.
- 4.4 The Council will also have due regard to the Local Authority Accounting Code of Practice when determining and including the entries required from undertaking and funding this scheme within the 2025/26 Statement of Accounts.

5. Monitoring the Strategy

- 5.1 The implementation of this Strategy will be monitored as part of regular financial monitoring arrangements and the progress will be reported to Cabinet quarterly.
- 5.2 The sections below provide a summary of the delivery against the planned projects for 2024/25.
- 5.3 In the February 2024 budget report Council approved to utilise £1.14m FUOCR. Following the 2023/24 outturn the available capital receipts have been reduced to £0.81m and forecast to be fully spent by the end of March 2025. A list of projects planned to make use of the capital receipts flexibility is set out in the table below as well as the forecast spend as at January 2025:

Proposed Area	Project Area / Work Stream	Forecast Qualifying Expenditure 2024/25 £m	Latest forecast (January 2025) £m
Walsall Proud Transformation and Change and Project Management Support	All Proud workstreams	0.04	0.48
One-Off Proud Workstream Investment to Deliver Proud Savings	Adult Social Care	0.29	0.29
Service restructuring and costs associated with organisation redesigns to deliver the changes in Proud ways of work	All Proud workstream projects	0.81	0.04
Total		1.14	0.81

5.4 Transformation and Change and Project Management Support: This resource provided support across multiple Proud work streams and as such support in the delivery of the overall 2024/25 saving of £20.10m. The latest forecast indicates that £12.82m of planned savings will be achieved by the end of 2024/25 financial year.

- 1 One-Off Proud Workstream Investment to Deliver Proud Savings included plans to deliver 2023/24 saving carried forward for delivery in 2024/25 related to adult social care. This is currently forecast at £0.29m. The latest forecast is £1.41m across these planned savings by the end of the 2024/25 financial year.
- 2 Service restructuring and rationalisation: of the £20.10m of savings proposed for 2024/25, approximately £1.44m align to staffing related work streams. The latest forecast is £0.04m by the end of the 2024/25 financial year.

Annex 12 – Chief Finance Officer (S151 Officer) Section 25 Report on the Adequacy of Proposed Reserves and Robustness of the Budget Estimates

Context

Section 25 of the Local Government Act 2003 (“the Act”) requires the Chief Finance Officer (S151 Officer) to formally report to members on the robustness of the estimates used for the purpose of calculating the budget and the adequacy of proposed reserves needed for meeting future expenditure requirements.

The Council is required to take this report into account when making its decision in relation to setting the annual budget and setting the council tax.

Since 2010-11, Walsall has received 19.5% real terms cut in funding, equivalent to £710 per household. Alongside this and following austerity, the Council has experienced the challenges faced by the pandemic closely followed by the cost of living crisis. The impact of these are still being felt, with significant cost pressures and increases in demand putting a strain on the council’s finances. As the Council continues to operate in a challenging financial environment, with uncertainty over funding beyond 2025/26, it is now more critical than ever to protect longer term financial sustainability by ensuring it has an appropriate level of earmarked reserves and general reserve balance to be able to mitigate any risks that appear in year which cannot be contained within Directorate budgets, avoiding the need for immediate reductions in services.

Reserves

Reserves are one-off money and can only be spent once. In setting an appropriate level of reserves, the Council has to balance the opportunity cost of holding reserves in terms of the impact upon council tax levels against the importance of maintaining adequate reserves and contingencies for planning for medium to longer-term financial resilience.

It is prudent for councils to maintain an adequate level of general reserves: they provide a buffer and mitigate against risks, such as unavoidable and unknown demand and other service cost pressures which may arise in the year; cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing; and support the management of the impact of any unexpected events or emergencies.

Earmarked reserves are also set to meet ‘known or predicted’ requirements, for example, self-insured liabilities, grant reserves, contingent and potential liabilities. Reserves allow the council to manage the impact of these and to manage change without the need for immediate reductions in services.

There is no overall formula for calculating what an appropriate level of reserves should be. Whilst the medium-term financial framework (MTFF) sets out the framework as to what should be a minimum level, the recommended level is based on best practice guidance, best professional judgement of the Chief Finance Officer (CFO) and the strategic, operational, and financial risks facing the council, including an assessment of known and potential risks and an understanding of national and local factors.

A minimum level of reserves is specified in the Budget. The Council's MTFF sets a range of between 1% of gross revenue expenditure for the year in question (£8.51m) and 2.5% (£21.28m). However, Section 25 of the Act requires the CFO to report on the adequacy of proposed reserves and to determine the minimum level which the Council is required to have regard to in setting the overall budget envelope.

The MTFF also sets out the authority's financial framework including, as the first of ten themes of operational principles, calls on reserves and contingencies. A key principle is that reserves should not be considered to be or used as a budget and any in-year calls on the working balance should be replenished. Services cannot approve unbudgeted expenditure on the assumption that it will be met from the general reserve. This matter is reserved to the CFO, in consultation with the Portfolio Holder for Finance.

Adequacy of reserves

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

- Being significantly involved in the budget setting process, the annual financial cycle, and engaged in the strategic leadership of the organisation (through regular meetings with the Chief Executive, other Statutory Officers, and the Corporate Management Team);
- The refresh of the medium-term financial framework (MTFF) and outlook (MTFO);
- Challenging the budget at various stages of construction, including the reasonableness of the key budget assumptions, such as estimates of financial pressures, the realism of income targets, the robustness of plans to deliver savings, and the extent to which known trends and liabilities are provided for;
- Review of Directorate financial risk assessments;
- Consideration of the Council's track record in relation to delivery of savings;
- Review of the movements, trends and availability of contingencies, provisions and earmarked reserves to meet unforeseen cost pressures in the context of future potential pressures and issues;
- The use of professional experience and best professional judgement;
- The use of appropriate professional, technical guidance and local frameworks (CIPFA guidance, LAAP99, Local Government Act 73, Localism Act 2011);
- Knowledge and involvement of colleagues involved in the process, including Directors and budget holders, along with finance business partners;
- Consultation with Members as appropriate, including the Portfolio Holder for Finance;
- Review of the strength of financial management and reporting arrangements, including internal control and governance arrangements and external assurance of these;
- Review of the current year's financial performance in services, actions to address areas of pressure, known future service delivery changes, the level of schools reserves and the financial performance of schools;
- Review of national and local economic, market, legislative and financial conditions.

Risks, including Strategic, Operational and Financial

In the budget, due regard is made to the strategic and operational risks facing the council. Some of these relate to the current economic conditions, others to potential regulatory or

national issues which may have a local impact. Estimates and forecasts include all known significant financial risks over the next year and medium term to inform spending decisions. The council continues to use an embedded good practice risk assessment approach both when setting the budget and in validating estimated outturns. This continues for the 2024/25 outturn and the 2025/26 budget.

A risk assessment approach is used to determine the required level of reserves and contingencies. This includes external risks; including the cost of living impact on services and residents, the legacy of the pandemic, national policy changes, legislation, national funding arrangements and levels of support available, changes in market, employment and economic conditions, service user behaviours (e.g. impact on income projections); and internal risks such as the ability to deliver planned savings. The MTFF is regularly updated and approved by Cabinet to reflect the changing environment in which we work. Reserves and contingencies are addressed within the Framework.

There continues to be significant uncertainties around funding, particularly in light of the impact of cost of living pressures, delayed changes to funding mechanisms, the continued use of one off grants and reliance on local council tax to fund service provision, and a one year settlement for 2025/26.

The recommended level of the general fund reserve balance takes account of the extent to which specific risks are supported through earmarked reserves. Three earmarked reserves were created in previous years to manage the assessed risk of:

- Cost of Living (COL) reserve to fund pressures deemed as short term (over a period of 18 to 24 months) such as significant fluctuations in energy and fuel costs and to smooth inflationary pressures;
- Risk reserve to manage the impact of in-year delays to delivery of approved savings arising from increased demand, cost of living or capacity and recruitment and retention issues impacting on services' ability to deliver to plan;
- Demand – to manage short term demand pressures (over a period of 18 to 24 months) for example in relation to children's social care (large sibling groups, remand, etc.) and to smooth fluctuations and uncertainty in demand levels in specific areas approved by Cabinet (children's movers).

All of the above have been utilised in year (2024/25) with some planned to be further used in the 2025/26 budget as set out in the Budget Plan.

As such is it considered prudent to ensure the general fund balance is sufficient to manage any further unknown or volatile in year pressures arising.

The level of opening general fund working balance for 2025/26 is partially dependent on the level of closing balances for 2024/25. The following table shows general reserves as at 1 April 2024, together with the proposed use of and transfer to reserves, and the resulting balance as at 1 April 2025, to secure the opening level of reserves recommended by the Chief Finance Officer.

Opening General Reserves	£m
Balance as at 1 April 2024	(19.56)
Transfers to / from earmarked reserves	(4.56)
Estimated closing balance as at 31 March 2025 and Opening Balance as at 1 April 2025	(24.12)

The financial risk assessment includes the risk of a number of different and varied events occurring within services, arising from economic, legislative, policy, funding, national government and other changes, which would impact services over and above current budgetary provision. These includes, but are not limited to:

- The cost of a major emergency occurring – in accordance with the governments Belwin scheme, the council would incur the first £1.70m of any costs. In light of the pandemic and cost of living impact, it is prudent to cover this within the general reserve balance;
- Managing the in year impact of new contract arrangements currently being retendered or negotiated, should these not be manageable within existing service budgets;
- The risk of bed and breakfast accommodation costs rising to national levels as opposed to locally projected levels;
- The risk of further losses of income over projected levels across all directorates;
- New Burdens / national policy implications on local budgets – the risk that Government changes in policy will lead to a transfer of responsibility / new burdens, without the transfer of funding to support those activities; or potential costs arising from inspections arising after the budget was set;
- Loss of grant funding where allocations are not yet final;
- Unknown liabilities that may arise after the budget is set, for example from changes in legislation or statutory guidance;
- The risk of additional children in care inflows and placement costs and increased costs of adults social care packages following reviews - consideration will be given to earmarking some of the general fund balance to the demand reserve to manage this;
- The increased risk of savings yet to be allocated to services, whilst revised transformation and delivery plans are developed;

These have been assessed, and a risk value assigned. Professional and best estimates have been made of the scope of the financial risk. Sensitivity analysis has been used where appropriate, to determine an appropriate risk value. The assessment confirms that a reserve value at a level higher than the MTFF guidelines is appropriate. This level of balance is considered prudent for a number of reasons:

- Uncertainty over the level of funding going forward, particularly in light of the continuing impact of cost of living pressures, the legacy of the pandemic on costs and income, supply chain issues and the fundamental changes in relation to central funding and business rate retention;
- The level of operational, strategic and financial risks facing the authority, as set out in this statement;
- The use of earmarked reserves above planned levels in 2024/25 to mitigate in year pressures and provide time to develop revised demand management and

transformation plans for adult social care and children's, resulting in reduced flexibility in the ability to further use earmarked reserves in this way:

- During 2024/25 a further £36.32m of earmarked reserves are forecast to be used;
- During 2025/26, £6.73m of reserves will be used;
- Whilst manageable, as the COL/Risk/Demand reserves were created for this specific purpose, those reserves have now reduced considerably and therefore this creates further risk which needs to be covered via the general working balance.
- The scale of the savings required in 2025/26 and over the MTFO period;
- Uncertainty around future demand led services, specifically within adult and children's social care.

The CFO has assessed the current year's financial performance and actions taken to address underlying pressures. In considering this, alongside the financial risk assessment, previous years' financial performance, and the potential risks and pressures facing the organisation, the CFO recommends that opening reserves are set at no less than £24.12m. This is based on the following assessed categorises of financial risk:

Financial Risk Assessment	£m
Funding risks – fall out of grant, council tax changes, etc	2.44
Cost Pressures including national, economic and legislative impact	19.22
Loss of Income / Investments	2.46
Assessed General Reserve Requirement	24.12

Earmarked Reserves

The council maintains a number of reserves, earmarked to provide for specific future expenditure plans. These cover:

- **Treasury reserves.** These reserves are to manage and smooth the impact of interest rate changes over the MFTO period and finance early redemption of loans to reduce the council's future interest exposure – it includes Minimum Revenue Provision (MRP), Borrowing smoothing & repayments, preparing for the statutory override to cease, funding in year pipeline investments capital costs;
- **Grants / contributions received in advance.** This is where the council has received money in advance of the next accounting period or covers more than one accounting period. These amounts must be spent in line with the grant conditions. This category also includes ringfenced income such as building control fees, etc;
- **Improvement projects.** These reserves are to finance service modernisation and specific projects such as Cloud services, Oracle development, economic growth programme; and costs in relation to the council's transformation programme, Willenhall master plan;
- **Cost pressures.** Includes cost of living pressures above those budgeted which are short term or one-off and unmanageable post budget setting within existing budget and includes smoothing of costs over 12+ months whilst reviews are undertaken to reduce demand / pressures on an ongoing basis;
- **Council liabilities.** These reserves cover expenditure where the council has a legal obligation to pay costs, such as Insurance claims and self-financing costs, legal costs/claims, collection fund liabilities to smooth the impact of deficits on the general

fund, housing benefit subsidy claim, abortive costs, pension past service/contribution rate smoothing and redundancy costs;

- **Covid-19 grants.** The carry forward of specific government grants including expanded retail relief for businesses;
- **Public Finance Initiatives.** Liabilities for our PFI's with Street Lighting and St Thomas More;
- **Risk.** To cover unforeseen risks at the time the budget was set and manage any delays in delivery of savings due to unforeseen circumstances;
- **Other.** Other small reserves to cover one-off planned costs such as the fraud contract and investigations, CQC costs, buy versus lease cost in relation to vehicles and equipment.
- Additionally, the council holds Schools' reserves but these are restricted funds not controlled by the council.

A regular review of earmarked reserves is undertaken, with reviews taking place specifically during the annual budget setting and final accounts processes, and funds are adjusted as required or released where a liability is assessed as ceased. The expected level of earmarked reserves as at 1 April 2025 is as follows and is considered reasonable and prudent. All earmarked reserves are earmarked for a specific purpose as set out above and are released on the approval of the Chief Finance Officer.

Earmarked Reserves	£m
Balance as at 1 April 2024	(174.83)
Planned / Approved transfers from reserves in year*	45.43
Planned / Approved transfers to reserves in year*	(9.11)
Release of earmarked reserve following reserves review	4.30
Realignment from earmarked to general reserve to match risk profile of the 2025/26 budget	6.51
Forecast use of capital receipts in line with approved Strategy	(0.81)
Estimated Closing Balance as at 31 March 2025	(128.51)
Net use of earmarked reserves budgeted 2025/26	6.73
Further expected use of reserves (Risk/Demand)	8.95
Estimated Closing Balance as at 31 March 2026	(112.84)

Central Contingency

As well as general and earmarked reserves, the council holds a small revenue contingency to manage unforeseen but recurring expenditure. The contingency is held centrally and is calculated between 0.1% and 0.15% of the year's gross revenue budget. For 2025/26 this is to be set at £1.26m (the higher level).

A prudent central capital contingency is also held, not exceeding 10% of the annual council funded element of the capital programme requirement, to accommodate unforeseen / unbudgeted expenditure (i.e. where, due to the level of uncertainty, the financial impact is not certain at the time of setting the programme). The exact level is set by the CFO. The contingency will be funded either from drawing down the earmarked capital reserve or from an annual revenue contribution to capital outlay from the project reserve (subject to there being sufficient funds to replenish this at year end). For 2025/26 this is to be set at £500k, which is based on past requirements.

Schools Reserves

The CFO, as part of this statement, is required to confirm that school's balances are adequate.

In 2006/07, Department for Education introduced expectations on local authorities with regard to their schemes of financial management. Part of this legislation required schools to agree a balance control mechanism. This mandatory requirement was subsequently removed. The council and Walsall Schools Forum considered the options around balance control and given the authority powers to investigate and claw back balances in excess of a specified percentage of the school budget share. The council notes that the latest Academies handbook has removed the need for balance control for many academies.

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

The adequacy of balances is reviewed annually by the CFO. There are currently 3 schools operating with a licenced deficit in 2024/25. Each of these schools are working closely with the council to implement an action plan to reduce the deficit and return to a surplus balance. One of these schools is planned to become an Academy in 2025/26. Due to this being an enforced academy order, the deficit balance will remain with the council. This has been accounted for within current budgets.

School balances and reserve levels are reviewed regularly throughout the year. Based on school monitoring submissions for 2024/25, the overall levels of schools reserves for 2024/25 are forecast to reduce from an opening balance of £14.53m to a closing balance of £10.93m, a planned reduction of £3.6m which is mainly linked to planned increased costs in pay and energy bills.

Dedicated Schools Grant (DSG)

Nationally, a significant number of authorities are experiencing difficulties managing the increasing demand for high needs support against the funding that is available within the High Needs block of DSG. Whilst Walsall has also seen an increase in demand for these services, it has, up until recently, been able to effectively manage those increases within the totality of High Needs funding that has been available. As at the end of 2022/23, Walsall's DSG reported deficit provision was £0.53m increasing to a deficit of £7.40m in 2023/24 (total cumulative deficit of £7.93m). Therefore, there is now a requirement for Walsall to identify and embed an effective DSG Management plan.

The DSG Management Plan covers a rolling 5 year period (current financial year plus the next 4 financial years) and sets out the estimated High Needs funding that the authority will receive over that period, the likely demand for high needs support and estimated cost of provision.

The unmitigated DSG Management Plan shows an expected DSG deficit of £33.5m in 2024/25 increasing to £61.70m by 2027/28. The mitigated management plan shows an expected DSG deficit of £24.58m in 2024/25 increasing to £29.56m by 2027/28. (To note, this is the expected annual deficit each financial year.)

There is currently a statutory override in place set by Government allowing local authorities to exclude DSG deficits from the council's wider financial position. This is due to end 31 March 2026 with the intention that local authorities should be in a position to manage high needs costs within budget by the end of this period.

There is yet to be any further updates provided by Government to advise if the override is to be extended or will remain in place to end on 31 March 2026. The Council is in regular contact with the Department for Education to understand the impact on the Local Authority's financial position in future years.

Local authorities are not permitted to fund any part of the DSG deficit without the authorisation of the Secretary of State, in the absence of any extra funding to resource the deficit. Our policy remains that we do not intend to subsidise the DSG from our own resources. We will continue to allocate resources to schools and other educational settings in accordance with the National Funding Formula for schools and early years. We will continue to work with schools and the Schools' Forum to identify and implement solutions to help bring the high needs budget back towards balance.

However, we recognise that a robust and sustainable solution does not lie wholly at a local level. The magnitude of the numbers means that managing the impact of the DSG forecast deficit on the overall financial sustainability of the Council's finances is unaffordable. Additional Government funding or fundamental system reform is required. We will continue to pursue opportunities to highlight the national systemic change needed before the statutory override ceases at the end of 2025/26, requiring a sustainable solution to be put in place.

The financial assumption in this budget is that the Authority will continue to take advantage of the statutory override and commit to implementing the options available to make good the accumulated deficit (such as taking out additional borrowing or raising the council tax) when the statutory override is lifted. Without the way forward to a financially sustainable solution being clear this represents a step change in the Authority's underlying financial risk and sustainability

Overall Assessment of Reserves

An opening level of general reserves of not less than £24.12m is considered to be sufficient for most possible events, over the short-term i.e., for 2025/26. The council will continue to face real and present financial challenges beyond this. In the context of this funding environment, wherever possible, reserves will be at least maintained during 2025/26 and beyond.

In recommending an adequate level of reserves, the CFO considers and monitors the opportunity costs of maintaining particular levels of reserves and balances and compares these to the benefits accrued from having such reserves. The opportunity cost of maintaining a specific level of reserves is the 'lost' opportunity for example, of using the funds to invest in service improvements or smooth council tax increases. In assessing this it is important to consider that reserves can only be used once. Therefore, any use of general or earmarked reserves is only ever used on one-off items of expenditure or short term pressures to smooth transitions between years whilst revised delivery or transformation plans are being developed and implemented. The level of reserves is also

determined by use of a comprehensive risk assessment to ensure they represent an appropriately robust "safety net" which adequately protects the council (a complex and multi-disciplinary metropolitan district local authority) against potential unforeseen and therefore unbudgeted costs.

In this context, it is considered that a level of reserves set at £24.12m presents an optimum balance between risk management and opportunity cost. The CFO is satisfied that the benefits accrued in maintaining these at the recommended level outweigh the potential lost opportunity from investing these reserves in other ways. This maintains a suitable and sustainable level of reserves, which include ensuring sound governance and financial stability in the short and longer term.

The above assessment concludes that general reserves, if set at £24.12m, will be at an appropriate level as determined in accordance with the MTFF and the CFO's professional advice.

Robustness of the Estimates included within the Budget

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

As stated, the budget is risk assessed to ensure adequate funding for all known liabilities and to provide sufficient resources to enable service change and transformation. It covers an assessment of current year's performance, an assessment of income targets, estimates of future cost and potential unavoidable demand pressures.

Key assumptions

The economic outlook beyond 2025/26 remains uncertain in relation to interest rates, inflation and future Government funding. The environment in which the council operates continues to be one of unprecedented financial challenges arising from the increase in demand and the cost of more complex needs in relation to social care.

Appropriate inflationary growth has been included in the budget based on current and forecast inflationary and pay projections and review of contract conditions. The cost assumptions and prices used in the budget are derived from current intelligence and are considered appropriate.

Demand changes have been identified and are reflected in budget increases identified in the appendices where appropriate, on a risk assessed basis. Areas of identified pressure within 2024/25 are planned to be covered by a combination of base budget alignments to recognise the agreed ongoing management of corrective action undertaken during the year or base budget adjustments, where growth/investment is included within the 2025/26 budget to cover the cost pressure (or income/grant shortfall).

Fees and charges have been reviewed and changes are reflected in the overall budget.

Contingency has been built in for uncertainty concerning the impact on supply and prices

from cost of living. There is of course a level of uncertainty around forecasting, particularly given the disruption to services caused in recent years by the pandemic and cost of living in particular, and as such this is reflected in the risk assessment for 2025/26 and opening level of general reserves. Forecasts are therefore based on the best available data at the point the budget will be set, and best professional estimates.

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

Assumptions on funding, including government funding, business rate and council tax levels, inflation, income assumptions, increases in costs arising from demographics and demand, borrowing requirements, balances, and contingencies, are set out within the main budget report and are considered appropriate.

Significant investment has been included to cover those areas of most demand and volatility, particularly in Adult and Children's Social Care.

Summary

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

In summary, I can confirm that, taking into account the information known at this time;

(a) the estimates made for the purposes of the calculation of the Council's budget requirement under Section 32 of the Local Government Finance Act 1992, contained in the budget report, are robust;

(b) the financial reserves available to the Council as a result of agreeing the proposals contained within the Budget report are adequate to enable the setting of a lawful budget for 2025/26.

The Chief Finance Officer (Under S151 of the Local government Act 1972) is appropriately qualified under the terms of Section 113 of the Local Government Finance Act 1988. In signing off this overall revenue budget report, the signature of the Director of Finance and Assurance who holds the position of Chief Finance Officer/S151 Officer, constitutes the formal declaration required under the Act that these conditions are met (based on the available information at the time of signing).

Date: xx February 2025

Shaun Darcy
Director of Finance and Assurance
Chief Finance Officer (S151 Officer)

Part 2 – Treasury Management

A: Treasury Management and Investment Strategy for 2025/26 Onwards

1. INTRODUCTION

1.1 Background

The council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed, and that any surplus monies are invested in counterparties or instruments with an appropriate level of risk (as defined within the Councils Treasury Management Policies), providing adequate liquidity initially before considering investment return.

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

CIPFA defines treasury management as:

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

Reporting requirements

The Council is required to receive and approve, as a minimum, four main reports each year, which incorporate a variety of policies, estimates and actuals.

Prudential and treasury indicators and treasury strategy - This covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure i.e. that funded from borrowing, is charged to revenue over time);
- the Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an Annual Investment Strategy (the parameters that set out how investments are to be made and managed).

A mid-year treasury management report – This is primarily a progress report and will update members on the progress of the capital position, amending prudential indicators as necessary, and identify whether any policies require revision. In addition, the Council will receive quarterly update reports on performance throughout the year.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates included within the strategy.

A Capital Strategy report – The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following:

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed;
- the implications for future financial sustainability.

The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite. Further information can be found at Part 1 Annex 7 of the Budget Plan.

Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. For Walsall Council the Cabinet undertakes this role.

Quarterly reports – In addition to the four major reports detailed above, quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council/Board but do require to be adequately scrutinised. This role is undertaken by Cabinet. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

1.2 Treasury Management Strategy for 2025/26

The strategy for 2025/26 covers two main areas:

Capital issues

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

Treasury management issues

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

These elements cover the requirements of the Local Government Act 2003, Department of Levelling Up, Housing and Communities (DLUHC) Investment Guidance, DLUHC MRP

Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

1.3 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

Furthermore, the code has been expanded and CIPFA expects all organisations to have a formal and comprehensive approach to ensuring the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making, with developments to the existing knowledge and skills register for officers and members involved in the treasury management function.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and council members.
- Require treasury management officers and council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- Have regular communication with officers and council members, encouraging them to highlight training needs on an ongoing basis.”

In further support of the revised training requirements, CIPFA’s Better Governance Forum and Treasury Management Network have produced a ‘self-assessment for members responsible for the scrutiny of treasury management’, which is available from the CIPFA website to download and support members in identifying any further training needs that they may have.

All members were invited to a virtual training event hosted by the Council’s Treasury Management Consultants Link Asset Services in January 2025 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

A formal record of the training received by officers central to the Treasury function is maintained in line with the Council’s Annual Performance Conversation (APC) process. Similarly, a formal record of the treasury management / capital finance training received by members is also be maintained.

1.4 Treasury Management Consultants

The council uses Link Group, Link Treasury Services Limited as its external treasury management advisors.

The council recognises that the responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

1.5 Treasury Management Monitoring

Local and Prudential indicators are used to monitor treasury management activities which are produced monthly and reported at least quarterly to the treasury management panel. The indicators monitored during the year are detailed in **Annex 1**.

2. THE CAPITAL PRUDENTIAL INDICATORS 2025/26 – 2028/29

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

2.1 Capital Expenditure - Prudential Indicator 1

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

A summary of the 2025/26 capital programme is outlined in section 4 of the budget plan at Section B Part 1 of this report. The summary of the draft capital programme over the plan period 2025/26 to 2028/29 is outlined within section 4, with full details by scheme in Annexes 8 and 9. Capital Strategy attached at Annex 7 of the budget plan at Section B Part 1 of this report.

Table 1: Current Capital Programme					
	2024/25 Forecast £m	2025/26 Estimated £m	2026/27 Estimated £m	2027/28 Estimated £m	2028/29 Estimated £m
Total Capital Expenditure	126.51	92.59	61.89	30.66	28.85
Resourced by:					
Capital receipts	1.50	1.50	1.50	1.50	1.50
Capital grants	72.41	43.96	28.90	19.36	19.08
Capital reserves	0.00	0.00	0.00	0.00	0.00
Revenue	0.02	0.02	0.02	0.02	0.02
Borrowing	52.59	47.11	31.47	9.77	8.25
Total resources available	126.51	92.59	61.89	30.66	28.85

2.2 Affordability Indicators

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

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

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

Table 2: Former Prudential Indicator 2					
	2024/25 Forecast	2025/26 Estimated	2026/27 Estimated	2027/28 Estimated	2028/29 Estimated
Ratio	6.31%	6.21%	5.33%	5.21%	4.79%

The estimates of financing costs include current commitments and the proposals in this budget report.

2.3 The council's borrowing need (the Capital Financing Requirement) – Prudential Indicator 4

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

The CFR does not increase indefinitely, as the Minimum Revenue Provision (MRP) is a statutory annual revenue charge, which broadly reduces the borrowing need in line with each assets estimated life and so charges the economic consumption of capital assets as they are used.

The CFR includes other long-term liabilities (e.g. PFI schemes, leases). Whilst these increase the CFR, and therefore the council's borrowing requirement, these types of schemes include a borrowing facility within them and so the council is not required to separately borrow for these schemes. The council currently has £13.51m of such schemes within the CFR. Council

is asked to approve the CFR projections in Table 3 which shows that the council's net borrowing need for the period from the start of 2024/25 to the end of 2028/29 is estimated to see an increase of £78.29m. The council's borrowing strategy is set out in section 4.

Table 3: Analysis of CFR					
	2024/25 Forecast £m	2025/26 Estimated £m	2026/27 Estimated £m	2027/28 Estimated £m	2028/29 Estimated £m
Opening Capital Financing Requirement	399.719	446.285	477.957	493.540	486.324
Adjustments for IFRS 16	7.461	0.000	0.000	0.000	0.000
Revised opening CFR	407.180	446.285	477.957	493.540	486.324
<i>Net financing need for the year</i>					
Less MRP and other financing movements	(16.243)	(16.776)	(16.951)	(17.029)	(18.534)
Additional borrowing	52.568	47.106	31.468	9.774	8.251
New Right of Use leased assets	2.762	1.342	0.696	0.049	1.967
Movement in CFR	39.105	31.672	15.573	(7.206)	(8.316)
Closing Capital Financing Requirement	446.285	477.957	493.530	486.324	478.008

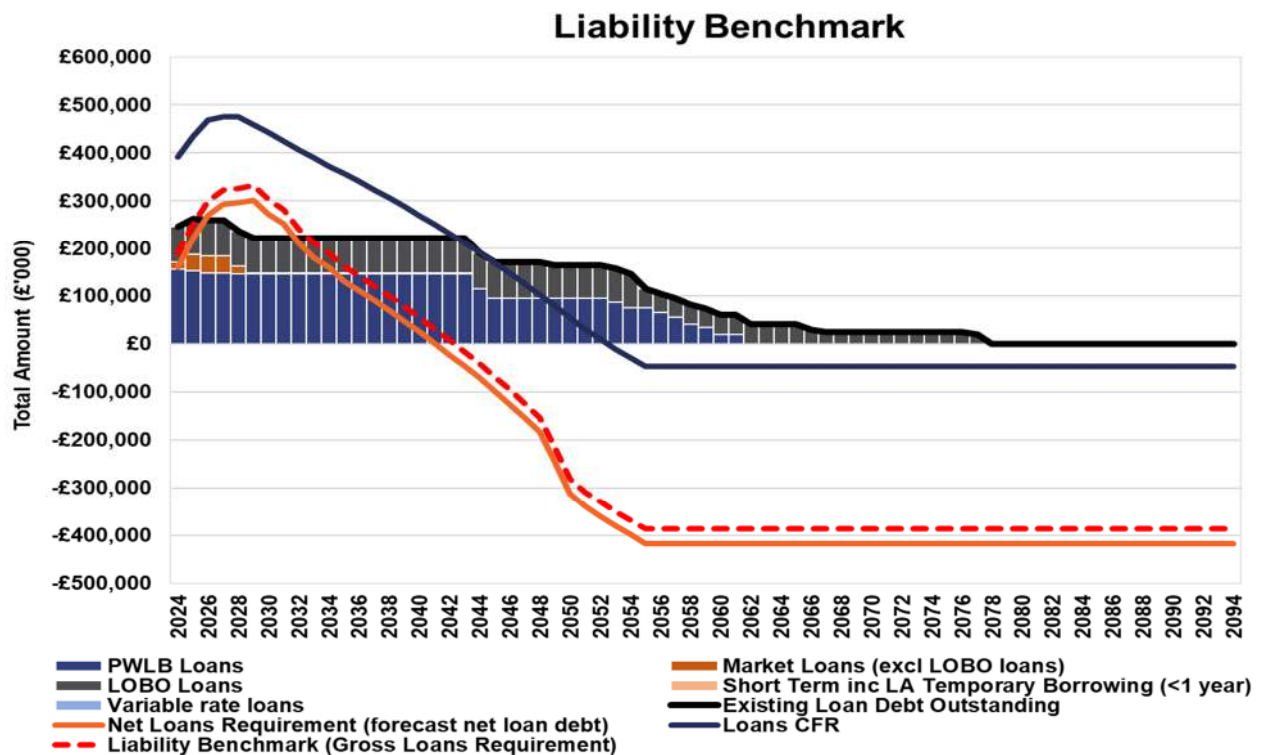
2.4 Liability Benchmark

The Authority is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB:

1. Existing loan debt outstanding: the Authority's existing loans that are still outstanding in future years.
2. Loans CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. Net loans requirement: this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. Liability benchmark: (or gross loans requirement) this equals net loans requirement plus short-term liquidity allowance.

Chart 1 – Liability benchmark for Walsall Council



The chart above shows Walsall Council's liability benchmark. The main point to note is that the benchmark indicates that the Council has a borrowing need from 2026 as the benchmark is above the existing loan portfolio. This is mainly due to the Council being in an under-borrowed position. Borrowing has been delayed as long as possible due to the high-interest rate environment.

The benchmark then assumes that over the medium / longer term authorities will run down investments instead of borrowing – however it should be noted that this would not always be the option that the authority chooses to take, as utilising cash balances potentially represents a re-financing risk (which the liability benchmark does not consider) where borrowing has to be taken once cash is run down at potentially unfavourable interest rates should markets decline in the intervening period.

Additionally, only approved planned borrowing can be included within the benchmark, as such the CFR and forecasts within the liability benchmark are underestimated after year 4 (as they are not allowed to include any potential capital plans the authority may choose / approve to enter in to following that period) and the longer term position shown in the benchmark is therefore not representative of the actual position that the council will realistically see. Additionally, as borrowing costs are not included for year 5 onwards, because they are not allowed within the calculations, it's too early at this point to identify if borrowing will be required. For prudence within future budget forecasts MRP calculations include estimated annual capital expenditure of £10m. This is why loans CFR shows as reducing and negative in later years.

The liability benchmark cannot therefore be considered in isolation and needs to be considered alongside the full range of borrowing plans, investment strategies and other

indicators set out within this strategy, with the liability benchmark itself being purely a guide to identify borrowing need and providing one of a number of tools that support the authorities ability to make judgements as required, and borrow up to the authorised limits, with any variance from the benchmark able to be explained.

3. MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT

The MRP policy (see Annex 2) details the council's policies for calculating the annual amount charged to revenue for the repayment of debt.

3.1 Background to Annual MRP policy Review

A local authority shall determine each financial year an amount, it considers to be prudent, to be set aside for the repayment of accumulated borrowing relating to capital expenditure. This is known as the minimum revenue provision (MRP). There are four ready-made options available for calculating MRP, however authorities do also have discretion to determine their own MRP, other approaches are not ruled out, as long as the authority is properly reasoned and justified utilising them.

3.2 MRP Policy Objectives

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

4 BORROWING

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

4.1 Current portfolio position

The council is expected to end 2024/25 with borrowing of over 1 year length of approximately £335m against an asset base of approximately £592m, and investments of approximately £75m, which will be proactively managed to minimise borrowing costs and maximise investment returns within a robust risk management environment. In 2025/26 estimated annual interest payments are £15.30m (£13.13m budget for 2024/25), with the increase due to planned borrowing included within the budget to take account of capital expenditure in line with capital plans set out in **Table 1**. Net investment interest income for 2025/26 is estimated to be £2.30m (£4.59m budget for 2024/25). The reduction in interest income budget is in relation to expected lower cash levels along with forecast interest rate reductions throughout 2025/26. The net budget for capital financing in 2025/26 is £25.52m (£27.91m in 2024/25).

The council's treasury portfolio position at 31st December 2024 is shown in **Table 4**; year end forward projections are summarised in **Table 5**. This shows that the actual external borrowing (the treasury management operations), against the capital borrowing need and operational debt, and highlights any over or under borrowing. It shows that the council's underborrowing position is expected to continue for the medium term.

Table 4: Borrowing and Investments			
	Borrowing £m	Investments £m	Net Borrowing £m
31 March 2024	248.80	(86.45)	162.35
31 December 2024	278.80	(95.18)	183.62
Change in year	30.00	(8.73)	21.27

Table 5: Borrowing Forward Projections				
Borrowing profile	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Under 12 Months	3.97	31.16	24.23	17.45
12 Months to within 24 Months	29.99	23.12	17.45	12.57
24 Months to within 5 Years	36.86	29.06	39.10	29.50
5 Years to within 10 Years	9.93	18.27	26.38	27.18
10 Years and Above	254.37	292.52	324.38	340.61
Total Borrowing	335.12	394.14	431.53	427.31
Operational Debt - Prudential Indicator 6	531.67	531.67	531.67	525.90
(Under) / Over Borrowed	(195.55)	(137.53)	(100.14)	(97.74)

The council has maintained an under-borrowed position, which means that the capital borrowing need (the CFR), has not been fully funded with loan debt. The council has been utilising its cash flow and reserves to minimise loan debt as a temporary measure. This strategy has been prudent whilst interest rates are elevated compared to the historical position.

Within the prudential indicators, there are a number of key indicators to ensure that the council operates its activities within defined limits. **Prudential Indicator 7** relates to the councils need to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2025/26 and the following two financial years. Previously, gross debt was compared to the CFR without adjustments for the following two financial years, this has been updated in line with Treasury Management and Prudential Code amendments. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The S151 Officer reports that the council complied with **Prudential Indicator 7** in the current year and does not envisage this indicator being breached in the future. This view takes into account current commitments, existing plans, and the proposals in this budget report. In accordance with **Prudential Indicator 8**, the council has adopted and complies with the CIPFA Code of Practice for Treasury Management.

4.2 Treasury Indicators: Limits to Borrowing Activity

The Authorised Limit for External Debt - Prudential Indicator 5

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

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

The Authorised limit has been set at the Operational Boundary plus 10% and has been amended in line with Treasury Management and Prudential Code changes.

The Council is asked to approve the following authorised limit:

Table 6 : Authorised Limit £m - Prudential Indicator 5					
	2024/25 Forecast £m	2025/26 Estimated £m	2026/27 Estimated £m	2027/28 Estimated £m	2028/29 Estimated £m
Total	584.83	584.83	584.83	584.83	578.49

The Operational Boundary - Prudential Indicator 6

This is the limit beyond which external debt is not normally expected to exceed. It has been calculated by taking the closing loans capital financing requirement (CFR) from the previous year and then adding any expected increases in borrowing requirements for the current year and following two years. The operational boundary has been set at the CFR level plus 10% to account for expected increases. The calculation has been amended in line with Treasury Management and Prudential Code changes.

Table 7 : Operational Boundary £m - Prudential Indicator 6					
	2024/25 Forecast £m	2025/26 Estimated £m	2026/27 Estimated £m	2027/28 Estimated £m	2028/29 Estimated £m
Total	531.67	531.67	531.67	531.67	525.90

4.3 Prospects for interest rates

The Authority has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts on 11 November 2024. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 basis points.

Commentary from Link Group (the Council's Treasury Advisors) as at December 2024

The Authority has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts on 11 November 2024. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 basis points.

Link Group Interest Rate View	11.11.24												
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
BANK RATE	4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
3 month ave earnings	4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

Additional notes by Link on this forecast table: -

- Following the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25 basis points (bps) Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7 November, we have significantly revised our central forecasts for the first time since May. In summary, our Bank Rate forecast is now 50bps – 75bps higher than was previously the case, whilst our Public Works Loans Board (PWLB) forecasts have been materially lifted to not only reflect our increased concerns around the future path of inflation, but also the increased level of Government borrowing over the term of the current Parliament.
- If we reflect on the 30 October Budget, our central case is that those policy announcements will be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the Consumer Prices Index (CPI) measure of inflation hitting 2.5% year/year by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be 2.7% year/year (Q4 2025) and 2.2% (Q4 2026) before dropping back in 2027 to 1.8% year/year.
- The anticipated major investment in the public sector, according to the Bank, is expected to lift UK real Gross Domestic Product (GDP) to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.
- There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further Government borrowing & tax rises, and a tepid GDP performance.
- Our central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. We forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank's Quarterly Monetary Policy Reports (February, May, August and November).

- Any movement below a 4% Bank Rate will, nonetheless, be very much dependent on inflation data in the second half of 2025. The fact that the November MPC rate cut decision saw a split vote of 8-1 confirms that there are already some concerns around inflation's stickiness, and with recent public sector wage increases beginning to funnel their way into headline average earnings data, the market will be looking very closely at those releases.
- Regarding our PWLB forecast, the short to medium part of the curve is forecast to remain elevated over the course of the next year, and the degree to which rates moderate will be tied to the arguments for further Bank Rate loosening or otherwise. The longer part of the curve will also be impacted by inflation factors, but there is also the additional concern that with other major developed economies such as the US and France looking to run large budget deficits there could be a glut of government debt issuance that investors will only agree to digest if the interest rates paid provide sufficient reward for that scenario.
- So far, we have made little mention of the US President election. Nonetheless, Donald Trump's victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of further tax cuts and an expansion of the current US budget deficit. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks abound in Europe, the Middle East and Asia.
- Our revised PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps).

Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB debt	Current borrowing rate as at 11.11.24 p.m.	Target borrowing rate now (end of Q3 2026)	Target borrowing rate previous (end of Q3 2026)
5 years	5.02%	4.30%	3.90%
10 years	5.23%	4.50%	4.10%
25 years	5.66%	4.90%	4.40%
50 years	5.42%	4.70%	4.20%

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate has been increased to 3.25% (from 3%). As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are set out below.

Average earnings in each year	Now	Previously
2024/25 (residual)	4.60%	4.25%
2025/26	4.10%	3.35%
2026/27	3.70%	3.10%
2027/28	3.50%	3.25%
2028/29	3.50%	3.25%
Years 6 to 10	3.50%	3.25%
Years 10+	3.50%	3.50%

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad hoc basis as required.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

4.4 Borrowing Strategy

Our borrowing objectives are:

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

Specific Borrowing Objectives

L1. Full compliance with the Prudential Code - **No Change.**

L2. Average maturity date between 15 and 25 years - **No Change.**

L3a. Financing costs as % of council tax requirement 20% – **No Change.**

L3b. Financing costs as % of tax revenues 12.5% - **No Change.**

- L4.** Actual debt as a proportion of operational debt is maintained below 85% - **A change from in the range of 65% - 85% by maintaining minimal debt levels given a high interest rate environment.**
- L5.** Average interest rate for internally managed debt will decrease to **4.41%** - **Changed from 5.46% in view of planned borrowing and forecast reducing interest rates.**
- L6.** Average interest rate for total debt (including other local authority debt) will be equal to or less than **4.46%** - **Changed from 5.51% in view of planned borrowing and forecast reducing interest rates.**
- L7.** The gearing effect on capital financing estimates of 1% increase in interest rates must not be greater than 5% - **No Change.**

The capital borrowing need (CFR) has not been fully funded with loan debt and instead the council's cash which would normally be utilised to support the council's reserves, balances and cash flow has been used to fund the borrowing need as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

The Council is currently working with the Education and Skills Funding Agency (ESFA) to identify and implement actions to reduce a deficit on High Needs expenditure within Dedicated Schools Grant (DSG). Whilst there is a ongoing pressure within DSG the Council will need to cashflow the shortfall in grant income compared to the expenditure. This is likely to have an impact on borrowing in the short term however this is forecast to be managed within current borrowing assumptions.

It is important to ensure that profiling for forecast expenditure within monitoring of capital projects is frequent and accurate to identify the optimal time and amount of any borrowing undertaken to avoid unnecessary interest costs and shortfalls in available cash.

Against this background and the risks within the economic forecast, caution will be adopted with the 2025/26 treasury operations. The Head of Finance – Deputy S151 responsible for Treasury Management will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances. For example:

- if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.
- if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any changes that are required will be reported to the treasury management panel at the next available opportunity.

4.5 Treasury Management Limits on Activity

There are three debt related treasury activity limits. The purpose of these is to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too

restrictive, they will impair the opportunities to reduce costs / improve performance. These limits have been reviewed. The indicators the Council is asked to approve are in **Table 8** below:

Table 8: Borrowing Limits	2025/26	2026/27	2027/28
Prudential Code Indicator 10			
Upper limits on fixed interest rate exposures.	95%	95%	95%
Lower limits on fixed interest rate exposures	40%	40%	40%
Prudential Code Indicator 11			
Upper limits on variable interest rate exposures	45%	45%	45%
Lower limits on variable interest rate exposures	0%	0%	0%
Prudential Code Indicator 12			
Lower limits for the maturity structure of borrowings:			
Under 12 Months	0%	0%	0%
12 months and within 24 months	0%	0%	0%
24 months and within 5 years	0%	0%	0%
5 years and within 10 years	0%	0%	0%
10 years and above	30%	30%	30%
Upper limits for the maturity structure of borrowings:			
Under 12 Months	25%	25%	25%
12 months and within 24 months	25%	25%	25%
24 months and within 5 years	40%	40%	40%
5 years and within 10 years	50%	50%	50%
10 years and above	85%	85%	85%

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

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

4.6 Debt rescheduling

Rescheduling of current borrowing in the debt portfolio may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment. The reasons for any rescheduling include:

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

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

Rescheduling of debt would normally be undertaken where there is an opportunity to deliver ongoing interest rate savings to the council. However, rescheduling of debt does normally incur a premium cost (i.e. upfront break cost to end the borrowing agreement early). A reserve is therefore held by the authority to support any potential opportunities, and the current position of that reserve along with the forecast over the MTFO period is set out below.

	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
Opening Balance	21.914	31.977	28.472	24.129
Transfer to Reserves	0.533	(3.505)	(4.343)	(2.194)
Pooling of MRP reserve	9.530	0.00	0.00	0.00
Closing Balance	31.977	28.472	24.129	21.935

Analysis of previous rescheduling indicates that the cost of any premium may be up to £15m. Additionally, this reserve is also used to help mitigate the risk of interest rate rises on planned borrowing across the MTFO period and fluctuations in MRP charges across the period.

4.7 Financial Institution as a source of Borrowing

Currently the PWLB Certainty Rate is set at gilts = 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years – generally cheaper than the certainty rate)
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

5 ANNUAL INVESTMENT STRATEGY

5.1 Investment Policy

The Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy (see Part 1 Annex 7 of the Budget Plan)

The Council’s investment policy has regard to the following: -

- MHCLG’s Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite.

In accordance with the above guidance from the MHCLG and CIPFA and in order to minimise the risk to investments, the council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long term ratings.

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

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties. Counterparty limits are set through the council's treasury management practices – schedules. This year the TM policies have been reviewed to ensure that any Banking Regulation changes are appropriately reflected to make certain that the security of the council's deposits remain the highest priority whilst the council seeks a fair return for its investment. See TMP 1 section on Credit and Counterparty Risk Management paragraph h. TMP 1 also allows the undertaking of non-specified investments on the approval of the S151 Officer e.g. loans to housing associations, property funds and bond issues by other public sector projects etc. The use of property funds can be deemed to be capital expenditure, and as such in some instances will be an application (spending) of capital resources. This Authority will undertake due diligence and appropriate checks, and if required seek guidance, on the status of any fund it may consider using.

5.2 Creditworthiness Policy

Approved Organisations for Investments

Only organisations that are eligible to receive investments from local authorities may be used. The council's credit worthiness policy forms part of this document for review and approval.

5.3 The Monitoring of Investment Counterparties

The credit rating and financial resilience of counter parties are monitored regularly. The council receives credit rating information from Link Asset Services as and when ratings change and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list by the Head of Finance – Deputy S151 Officer and / or Strategic Technical Accounting and Transactional Finance Manager and if

required new counterparties which meet the criteria will be added to the list.

5.4 Investment strategy

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

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

In-house funds

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

Investment returns expectations

Investment returns are expected to decline during 2024/25. However, while markets are pricing in a series of Bank Rate cuts, actual economic circumstances may see the Monetary Policy Committee (MPC) fall short of these expectations.

5.5 Specific Investment Objectives

Specific investment objectives are set out below

- L8.** Difference between average interest rate received on short-term interest (STI) versus at call interest rate on main bank account – comparing investment performance of proactively managing cash balances against doing nothing – 0% - **a change from 20%.**

When the indicator was originally set the interest rate environment was very different, at call rates were very low and there was scope to achieve a higher return by placing funds for longer. Currently there is an inverted yield curve as interest rate cuts are expected, this means that there is little difference in rates between placing funds overnight or short-term.

- L9.** Average interest rate received on:

- At call investments – 3.73% - **a change from 3.98%**
- Short-term investments – 3.73% - **a change from 4.00%**
- Long-term investments – 3.73% - **a change from 4.20%**
- Property Funds – 4.50% - **a change from 4.10%**

- L10** Average rate on at call and short-term investments will be equal to or greater than 3.72% - **a change from 3.99%.**

- L11** Average interest rate received on all investments:

- Including Property Funds – 3.72% - **a change from 4.00%**
- Excluding Property Funds – 4.04% - **a change from 4.03%**

- L12** % daily bank balances within a target range of 99% - **no change.**

Should the forecast for decreases in inflation increase, there could be a downside risk i.e. Bank Rate decreases occur earlier and / or at a quicker pace.

Investment treasury indicator and limit

Total principal funds invested for greater than 365 days. These limits are set with regard to the council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year end.

The Council is asked to approve Prudential Indicator 13. Treasury indicator and limit:

Prudential Indicator 13 Maximum principal sums invested > 365 days			
£m	2025/26	2026/27	2027/28
Principal sums invested > 365 days	£25m	£25m	£25m
Property Funds	£30m	£30m	£30m

5.6 Additional disclosures required within the statutory guidance on local government investments

The updated statutory guidance on local government investments, identifies specific disclosures that the authority should identify within its Investment Strategy for all investments that it holds. The required disclosures for investments held by the authority are set out at Annex 3.

5.7 End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

Annex 1

IN YEAR TREASURY MANAGEMENT INDICATORS TO BE MONITORED

No.	Indicator	2024/25 Forecast	2025/26 Estimated	2026/27 Estimated	2027/28 Estimated
PRL 1	a. Capital expenditure - Council Resources - £m	54.10	48.63	32.99	11.29
	b. Capital expenditure - External Resources - £m	72.41	43.96	28.90	19.36
Former PRL 2	Estimates of the ratio of financing costs to the net revenue stream	6.31%	6.21%	5.33%	5.21%
L. 3	a. Financing costs as % of Council Tax Requirement	3.31%	20%	20%	20%
	b. Financing costs as % of Tax Revenues	2.33%	12.50%	12.50%	12.50%
L. 4	Actual debt v operational debt within the following range	63.56%	85.00%	85.00%	85.00%
L. 5	Average interest rate of debt excluding other local authority debt	4.21%	4.41%	4.27%	4.49%
L. 6	Average interest rate of debt including other local authority debt	4.24%	4.46%	4.27%	4.49%
L. 9	Average interest rate received on:				
	a. At Call Investments	5.00%	3.73%	3.48%	3.35%
	b. Short Term Investments	5.14%	3.73%	3.70%	3.50%
	c. Long Term Investments	5.02%	3.73%	3.70%	3.50%
	d. Property Fund	4.36%	4.50%	4.50%	4.50%
L. 10	Average interest rate on all ST investments (ST and At Call)	5.03%	3.73%	3.55%	3.40%
L. 11	a. Average interest rate on all investments (excluding property fund)	5.03%	3.72%	3.57%	3.41%
	b. Average interest rate on all investments (including property fund)	4.86%	4.04%	3.96%	3.88%
L. 12	% daily bank balances within target range	99%	99%	99%	99%

MINIMUM REVENUE PROVISION (MRP) POLICY

Under the Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2018, local authorities have a duty to produce an annual statement on its policy for making a minimum revenue provision (MRP).

For the financial year **2025/26** (no change to the policy in 2024/25) the authority will be adopting the following policies in determining the MRP:

1. For all existing capital expenditure balances within the Capital Financing Requirement (CFR) held as at 1 April 2023 MRP will be applied on an annuity basis with the write down period determined by asset lives up to the maximum allowable by the regulations set out above.
 2. For all capital expenditure incurred from 1 April 2023 MRP will be applied on an annuity basis with the write down period determined by asset lives up to the maximum allowable by the regulations set out above.
 3. The authority will treat the asset life as commencing in the year in which the asset first becomes operationally available. Noting that in accordance with the regulations the authority may postpone the beginning of the associated MRP until the financial year following the one in which the asset becomes operational, there will be an annual adjustment for Assets Under Construction.
 4. If determined by the S151 Officer the annual instalment may be calculated by the equal instalment method or other appropriate methods dependant up on the nature of the capital expenditure.
 5. In all years, the CFR for the purposes of the MRP calculation will be adjusted for other local authority transferred debt, finance lease and Private Finance Initiative (PFI).
 6. The Section 151 officer shall on an annual basis review the level of MRP to be charged, as calculated as per paragraphs 1, 2 and 3 above to determine if this is at a level, which is considered prudent. The amount of MRP charged shall not be less than zero in any financial year.
- 3.1 For all existing capital expenditure balances within the Capital Financing Requirement (CFR) held as at 1 April 2023 MRP will be applied on an annuity basis with the write down period determined by asset lives up to the maximum allowable by the regulations set out above.

ADDITIONAL DISCLOSURES REQUIRED WITHIN STATUTORY GUIDANCE ON LOCAL GOVERNMENT INVESTMENTS

The MHCLG issued Investment Guidance in 2018, sets out specific disclosures that the authority should identify within its Investment Strategy for all investments that it holds.

The required disclosures for investments held by the authority are set out below.

1. Types of Investment

1.1 Investments made by local authorities can be classified into one of two main categories:

- Investments held for treasury management purposes
- Other investments

2. Contribution of investments toward the service delivery objectives and / or the place making role of the local authority

2.1 For each type of investment the disclosure guidelines require the authority to identify the contribution that the investments make. For Walsall's investments details of this contribution are set out below.

Investments held for treasury management purposes

The contribution that these investments make to the objectives of the local authority is to support effective treasury management activities, with the requirement to prioritise Security, Liquidity and Yield in that order of importance.

Other Investments

Details of all other Investments that the authority holds, and the contribution that each makes to the service delivery objectives and / or the place making role of the local authority is set out below:

I. Investment Properties

The council does not hold any material investment properties, however it is recognised the council does own the Saddlers Shopping Centre and the Old Square Shopping Centre both of which categorised as operational assets in line with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

3. Use of Indicators

The disclosure guidelines require the authority to produce relevant indicators for investments to support the ability of the public to assess the level of risk exposure. These are provided below for Walsall's investments.

Investments held for treasury management purposes

These investments are funded through the council's cash balances. The authorities published Treasury Management and Investment Strategy already includes a range of Prudential and

Local indicators that support the assessment of performance management and risk exposure in this area.

Additionally, the disclosure guidelines recommend that the authority to also publish the following two indicators.

Indicator	Description	Ratio (2024/25 Forecast)	Ratio (2025/26 Estimate)	Ratio (2026/27 Estimate)	Ratio (2027/28 Estimate)	Ratio (2028/29 Estimate)
Debt to Net Revenue Stream	Gross debt as a percentage of net service expenditure (where net service expenditure is a proxy for the size and financial strength of a local authority).	1.40:1	1.46:1	1.56:1	1.48:1	1.44:1
Commercial income to Net Revenue Stream	A measure of the authorities dependence on non-fees and charges income to deliver core services (where estimated fees and charges are netted off gross expenditure to calculate NSE).	0.44%	0.42%	0.30%	0.29%	0.28%

4. Security, Liquidity and Yield

4.1 Prudent investments will consider security, liquidity and yield in that order with the underlying objectives being:

- **Security** – protecting the capital sum invested from loss;
- **Liquidity** – ensuring the funds invested are available when needed;
- **Yield** – once security and liquidity are determined it is then reasonable to consider what yield can be obtained

4.2 When entering into '**Investments held for treasury management purposes**' local authorities always consider security, liquidity and yield (in that order) and the authorities Treasury Management Policies clearly set out and support this requirement.

4.3 When entering into '**Other Investments**' local authorities should consider the balance between security, liquidity and yield based on their risk appetite and the contribution that the investment will make toward service delivery objectives and / or the place making role of the local authority.

4.4 Security

Investments held for treasury management purposes

All investments that the authority currently holds for treasury management purposes are defined as financial investments, and the authorities Treasury Management policies clearly

define how credit worthiness and high credit quality will be determined. The policies also set out procedures for determining which categories of investment may be used, those which have already been defined as suitable for use, and the upper limits for investment with each counterparty / investment area.

Other Investments

All 'Other Investments' that the authority currently holds are defined as non-financial investments, which are non-financial assets that the authority holds primarily or partially to generate a profit.

Where a local authority holds a non-financial investment, it will normally have a physical asset that can be realised to recoup the capital invested. As such the disclosure guidelines require authorities to consider whether the asset retains sufficient value to provide security of investment. The authority does not hold any assets classified as 'Other Investments'.

Risk Assessment of Investments

Investments held for treasury management purposes

The authorities Treasury Management policies clearly define how risk for these types of investment will be assessed, including details of external advisors that may be used, the use of credit ratings and how often these are reviewed and additional sources of information that will support the underlying assessment of risk that may be attributable to the investment.

Other Investments

The way in which the Council manages other investments, including investment property and commercial activity is set out in detail within the Capital & Investment Strategy.

4.5 Liquidity

Investments held for treasury management purposes

For the Treasury Management investments held by the authority, the Treasury Management policies set out how the authority will determine the periods for which funds may be prudently committed and the maximum periods that will be utilised.

Other Investments

For the Other Investments held by the authority, these are all currently properties which are held for both regeneration and investment. The Council recognises that if it requires access to its investment these assets can take a considerable period to sell in certain market conditions. Therefore, these investments are all considered to be medium to long term, with a fair value assessment undertaken on an annual basis which is used to inform the point at which it may be prudent for the authority to consider selling assets and repaying any associated borrowing.

5. **Proportionality**

5.1 The scale of the 'Other Investments' currently, or planned to be, held by the authority, and any assumed associated profit to be generated by these investments does not place the authority in a position where it is dependent on this activity to achieve a balanced revenue budget.

6. Borrowing In Advance of Need

- 6.1 The councils Treasury management Strategy clearly sets out that it will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved CFR estimates and will be considered carefully to ensure that value for money can be demonstrated and that the council can ensure the security of such funds.

7. Capacity, Skills and Culture

Knowledge & Skills

- 7.1 The authorities Treasury Management activity is managed by a team of professionally qualified accountants, who actively undertake Continuous Professional Development (CPD) on an ongoing basis to keep abreast of new developments and develop additional skills. They also have extensive Local Government finance experience between them.
- 7.2 The Council's Section 151 Officer is the officer with overall responsibility for Treasury activities. They too are a professionally qualified accountant undertaking an ongoing CPD programme.
- 7.3 Any commercial projects that the council seek to enter into will also be supported by teams from all required professional disciplines from across the Council, and external professional advice will also be sought if needed.
- 7.4 Internal and external training is offered to members on an ongoing basis to ensure they have up to date skills to make commercial investment and treasury decisions.
- 7.5 The Council's Treasury Management Panel meet regularly to discuss treasury management performance, development of policy and identification of potential new investment products and the detail relating to them.
- 7.6 The knowledge and skills of officers and members are commensurate with the Council's risk appetite.

Commercial Activity and Governance

- 7.7 The Council has a strong governance framework that goes beyond the regulatory codes. This includes a Treasury Management Panel (TMP) in addition to reporting to Cabinet and Council. The TMP is made up of senior council finance officers who meet to discuss treasury management performance, development of policy and identification of potential new investment products and the detail relating to them.
- 7.8 Due diligence is of paramount importance. All of the Councils commercial investments have individual business cases that are subject to thorough risk assessment. Where appropriate to the size and scale of the project independent technical and legal reviews will also be considered.
- 7.9 Ongoing performance monitoring for all commercial schemes is also undertaken and reported to relevant members and senior officers on a regular basis.

7.10 The Council also seeks to ensure that all commercial schemes are fully aligned with priority outcomes set out within the Corporate Plan.

7.11 Any decisions taken on commercial investments are supported by the approach to non-financial investments and risk assessment process set out within this Treasury Management and Investment Strategy, with any individuals involved in negotiation of commercial deals being made aware of these principles and the prudential and regulatory regime within which local authorities operate.

8. Other Useful Information

Links to other documents that provide useful information in relation to the disclosures set out within this annex are set out below:

Walsall Council 2023/24 Statement of Accounts.

Walsall Council 2025/26 Budget Plan with a summary of the 2025/26 capital programme outlined in section 4 of the budget plan at Section B Part 1 of this report. The summary of the draft capital programme over the plan period 2025/26 to 2028/29 is outlined at section 4, with full details by scheme within Annexes 8 and 9.

Walsall Council 2025/26 Capital Strategy (see Part 1 Annex 7 of the Budget Plan).

ECONOMIC BACKGROUND

This Economic Commentary is based upon information provided by the Councils Treasury Management Advisors – Link Group.

The third quarter of 2024 (July to September) saw:

- Gross Domestic Product (GDP) growth stagnating in July following downwardly revised Q2 figures (0.5% quarter/quarter);
- A further easing in wage growth as the headline 3 month year on year rate (including bonuses) fell from 4.6% in June to 4.0% in July;
- Consumer Price Index (CPI) inflation hitting its target in June before edging above it to 2.2% in July and August;
- Core CPI inflation increasing from 3.3% in July to 3.6% in August;
- The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
- 10-year gilt yields falling to 4.0% in September.

Over the aforementioned period, the economy's stagnation in June and July pointed more to a mild slowdown in UK GDP growth than a sudden drop back into a recession. However, in the interim period, to 12 December, arguably the biggest impact on the economy's performance has been the negative market sentiment in respect of the fallout from the Chancellor's Budget on 30 October.

If we reflect on the 30 October Budget, our central case is that those policy announcements will prove to be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% year/year by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be elevated at 2.7% year/year (Q4 2025) before dropping back to sub-2% in 2027. Nonetheless, since the Budget, the October inflation print has shown the CPI measure of inflation bouncing up to 2.3% year/year with the prospect that it will be close to 3% by the end of the year before falling back slowly through 2025. The Retail Price Index (RPI) measure has also increased significantly to 3.4% year/year.

How high inflation goes will primarily be determined by several key factors. First amongst those is that the major investment in the public sector, according to the Bank of England, will lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.

There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further Government borrowing & tax rises in the June 2025 Spending Review (pushed back from the end of March), and a tepid GDP performance.

Regarding having a sufficiently large pool of flexible and healthy workers, the initial outlook does not look bright. Research from Capital Economics has alluded to an increase of some 500,000 construction workers being needed to provide any chance of the Government hitting its target of 300,000 new homes being built in each of the next five years (234,000 net additional dwellings in England in 2022/23). But the last time such an increase was needed, and construction employment is currently at a nine-year low, it took 12 years to get there (1996 to 2008). Also note, as of October 2024, job vacancies in the construction sector were still higher than at any time in the 20 years preceding the pandemic.

Currently, it also seems likely that net inward migration is set to fall, so there is likely to be a smaller pool of migrant workers available who, in the past, have filled the requirement for construction worker demand. The Government plans to heavily promote training schemes, particularly to the one million 16- to 24-year-olds who are neither in education nor work. But it is arguable as to whether the employee shortfall can be made up from this source in the requisite time, even if more do enter the workforce.

Against, this backdrop, there may be a near-term boost to inflation caused by a wave of public sector cash chasing the same construction providers over the course of the next year or so, whilst wages remain higher than the Bank currently forecasts because of general labour shortages, including in social care where Government accepts there is a 150,000 shortfall at present.

Unemployment stands at a low 4.3% (September), whilst wages are rising at 4.3% year/year (including bonuses) and 4.8% (excluding bonuses). The Bank would ideally like to see further wage moderation to underpin any further gradual relaxing of monetary policy. Indeed, over the next six months, the market is currently only pricing in Bank Rate reductions in February and May – which would see Bank Rate fall to 4.25% - but further cuts, thereafter, are highly likely to be even more data-dependent.

If we focus on borrowing, a term we are likely to hear throughout 2025 is “bond vigilante”. Essentially, this represents a generic term for when the market is ill at ease with the level of government borrowing and demands a higher return for holding debt issuance. In the UK, we do not need to go back too far to recall the negative market reaction to the Truss/Kwarteng budget of 2022. But long-term borrowing rates have already gradually moved back to those levels since their recent low point in the middle of September 2024. Of course, the UK is not alone in this respect. Concerns prevail as to what the size of the budget deficit will be in the US, following the election of Donald Trump as President, and in France there are on-going struggles to form a government to address a large budget deficit problem too. Throw into the mix the uncertain outcome to German elections, and there is plenty of bond investor concern to be seen.

Staying with the US, Donald Trump’s victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of further tax cuts. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact Public Works Loans Board (PWLB) rates whilst, as a general comment, geo-political risks continue to abound in Europe, the Middle East and Asia.

In the past month, the US Core CPI measure of inflation has indicated that inflation is still a concern (3.3% year/year, 0.3% month/month), as has the November Producer Prices Data (up 3.0 year/year vs a market estimate of 2.6% year/year, 0.4% month/month vs an estimate of 0.2% month/month) albeit probably insufficient to deter the Federal Open Market

Committee (FOMC) from cutting US rates a further 0.25% at its December meeting. However, with Trump's inauguration as President being held on 20 January, further rate reductions and their timing will very much be determined by his policy announcements and their implications for both inflation and Treasury issuance.

Looking at gilt movements in the first half of 2024/25, and you will note the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank's August rate cut signalled the start of its loosening cycle. More recently, however, 10 year gilt yields have spiked back up to 4.35%.

The FTSE 100 reached a peak of 8,380 in the third quarter of 2024 (currently 8.304), but its performance is firmly in the shade of the US S&P500, which has breached the 6,000 threshold on several occasions recently, delivering returns upwards of 25% year/year. The catalyst for any further rally (or not) is likely to be the breadth of AI's impact on business growth and performance.

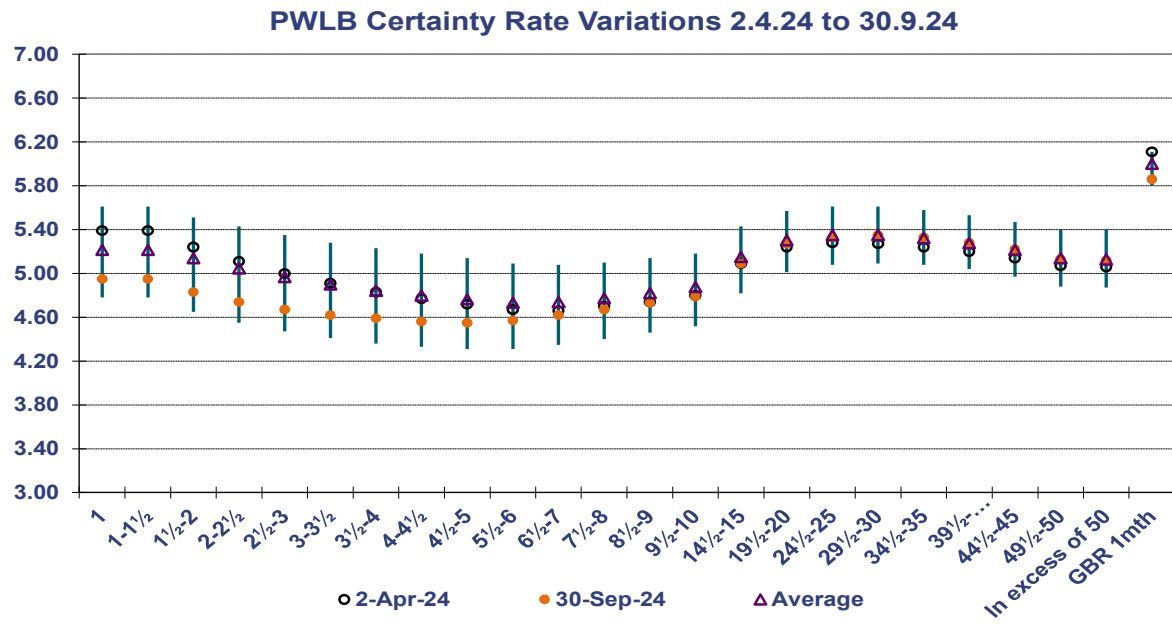
MPC meetings: 9 May, 20 June, 1 August, 19 September, 7 November 2024

- On 9 May, the Bank of England's Monetary Policy Committee (MPC) voted 7-2 to keep Bank Rate at 5.25%. This outcome was repeated on 20th June.
- However, by the time of the August meeting, there was a 5-4 vote in place for rates to be cut by 25 basis points to 5%. However, subsequent speeches from MPC members have supported Governor Bailey's tone with its emphasis on "gradual" reductions over time.
- Markets thought there may be an outside chance of a further Bank Rate reduction in September, following the 50 basis points cut by the FOMC, but this came to nothing.
- On 7 November, Bank Rate was cut by 0.25% to 4.75%. The vote was 8-1 in favour of the cut but the language used by the MPC emphasised "gradual" reductions would be the way ahead with an emphasis on the inflation and employment data releases, as well as geo-political events.

In the chart below, despite a considerable gilt market rally in mid-September, rates started and finished the six-month period under review in broadly the same position.

PWLB RATES 02.04.24 - 30.09.24





GLOSSARY OF TERMS

TERM	DEFINITION
Authorised Limit	Level of debt set by the council that must not be exceeded.
Bond	A government or public company's document undertaking to repay borrowed money usually with a fixed rate of interest.
Borrowing	Obtaining money for temporary use that has to be repaid.
Capital expenditure	Expenditure on major items e.g. land and buildings, which adds to and not merely maintains the value of existing fixed assets.
Capital grants	Specific targeted grants to cover capital expenditure.
Capital receipts	The proceeds from the disposal of land or other assets. Capital receipts can be used to fund new capital expenditure but cannot be used to finance revenue expenditure
Cash flow Management	The management of the authority's receipts and payments to ensure the authority can meet its financial obligations.
CIPFA	The chartered institute of public finance and accountancy
Counter party limits	Maximum amount that the council may lend to other institutions will vary according to size and credit rating of other intuitions.
Dividends	Sum to be payable as interest on loan.
DLUHC	Department of Levelling Up, Housing and Communities (DLUHC)
ECB	European Central Bank
EU	European Union
GDP	Gross Domestic Product – the total market value of all final goods and services produced in a country in a given year, equal to total consumer investment and government spending, plus the value of exports minus the value of imports.
Investments	The employment of money with the aim of receiving a return.
Liquidity	How easily an asset including investments may be converted to cash.
Long Term Borrowing	Borrowing of money for a term greater than one year.
Long Term Liabilities	Amounts owed by the council greater than 12 months old.
Market convention	The rules and regulations by which all brokers and dealers should abide by. It includes standards of practice and calculation conventions for interest. They are defined in the London Code of Conduct ("The London Code") published by the Bank of England.
MPC	Monetary Policy Committee – group that sets the bank base rate for the Bank of England

TERM	DEFINITION
OLA	Other Local Authorities
Temporary borrowing	Borrowing of money for a term of up to 365 days.
Treasury management	The management of the local authority's cash flows, its borrowings and its investments, the management of associated risks, and the pursuit of the optimum performance or return consistent with those risks.
Treasury Policy Statement	A statement of key policies that an organisation follows in pursuit of effective treasury management, including borrowing limits and strategy.
Variable debt	This is money that has been borrowed at a variable interest rate, and as such is subject to interest rate changes.
Unsupported borrowing	Borrowing taken through the remit of the Prudential Code for which the council will not receive any government funding and will fund from own resources.

Part 2 – Treasury Management

TREASURY MANAGEMENT POLICY STATEMENT

The CIPFA Code recommends that authorities should:

- i. Put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.
- ii. Policies and practices should make clear that the effective management of risk, having regard to return, is a prime objective of the treasury management activities.
- iii. Acknowledge that the pursuit of best value in treasury management, and the use of suitable performance measures, are valid and important tools for responsible organisations to employ in support of their business and service objectives; and that within the context of effective risk management, the treasury management policies and practices should reflect this.

In order to do this, the Council should once again adopt a treasury management policy statement as shown below and create and adopt treasury management practices (TMPs):

- A treasury management policy statement, stating policies and objectives of its treasury management activities.
- Suitable TMPs, setting out the manner in which the council will seek to achieve those policies and objectives, prescribing how the council will manage and control those activities.
- The contents of the policy statement and TMPs will follow the recommendations contained in section 6 and 7 of the Code, subject only to amendment where necessary to reflect this council's particular circumstances.

There are amendments to the responsible posts under delegated powers which reflect changes to the staffing structure of the finance service.

THE TREASURY MANAGEMENT PRACTICES 2025/26 & 2026/27 ONWARDS

Walsall Council defines its treasury management activities as:

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

Walsall Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.

Walsall Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principle of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

TREASURY MANAGEMENT FUNCTION

The approved activities of the treasury management function are as follows:

Activities:

- Borrowing
- Investment of temporary surplus funds and other balances
- Setting and reviewing the treasury management strategy
- Cash flow management
- Management of debt and investments, including rescheduling, management of interest rate exposure and maturity profile management

High Level Policies for Borrowing and Investment

The Treasury Management Strategy sets out the detailed policies that the organisation will follow in operating its treasury management function. The high level policies set out within the strategy that relate to borrowing (section 4.4 of the strategy) and investments (section 5.5 of the strategy) are as follows:

Borrowing Strategy Objectives

Walsall Councils borrowing objectives are:

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

Investment Strategy Objectives

The underlying policy objective for Walsall Council is for the prudent investment of its treasury balances. The council's investment priorities are:

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

TREASURY MANAGEMENT PRACTICES

TMP 1 – TREASURY RISK MANAGEMENT

The S151 Officer shall:

- Ensure that appropriate arrangements are in place for the design; implementation and monitoring of all arrangements related to the identification, management and control of treasury management risk.
- Report at least annually on the adequacy/suitability thereof, and report as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the council's objectives in this respect.
- In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives will be set out in schedules.

Liquidity

Objective: Adequate but not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable the council at all times to have the level of funds available which are necessary for the achievement of its service objectives.

Interest Rates

Objective: Management of the council's exposure to fluctuations in interest rates with a view to containment of its net interest costs.

Exchange Rates

Objective: Management of the council's exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

Inflation

Objective: Control of exposure to the effects of inflation, in so far as they can be identified as impacting on treasury management activities.

Credit and Counterparties

Objective: To secure the principal sums invested over the period of the investment. A counterparty list will be maintained and the named organisations and limits will reflect a prudent attitude towards organisations with whom funds may be deposited.

Rescheduling and refinancing of Debt

Objective: All borrowing, private financing and partnership arrangements will be negotiated, structured and documented. The maturity profile of debt will be managed with a view to obtaining terms for renewal or refinancing, if required, which are competitive and as favourable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time.

Relationships with counterparties in these transactions will be managed in such a manner as to secure this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.

Legal and Regulatory

Objective: Compliance with statutory powers and regulatory requirements for all treasury management activities. The council will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities.

In framing its credit and counterparty policy under TMP1 - *Credit and Counterparty risk management*, the council will ensure that there is evidence of counterparties powers, authority and compliance in respect of the transactions they may affect with the organisation, particularly with regard to duty of care and fees charged.

The council will seek to minimise the impact of future legislative or regulatory changes on its treasury management activities so far as it is reasonably able to do so.

Fraud, Error and Corruption, and Contingency Management

Objective: Identification of circumstances which may expose the council to the risk of loss through fraud, corruption or other eventualities in its treasury management dealings. Employ suitable systems and procedures and maintain effective contingency management arrangements.

Market Risk

Objective: Protection from adverse market fluctuations in the value of the principal sums invested over the period of the investment.

Additional Level Risk / Reward

Objective: to ensure that the risk/ reward balance is appropriate and consistent with the risk appetite of the council the following aims are managed;

- to have a large proportion of debt on fixed rates to provide stability
- to have investments over a range of period lengths
- to use UK highly rated banks or strong building societies
- to obtain a fair return without any undue risk

Environmental, Social and Governance Risk Management (ESG)

The revised CIPFA Treasury Management Code and Prudential Code issued in December 2021 require that authority's credit and counterparty policies reflect any corporate ESG policies. The

authority has not yet set out a corporate ESG policy and Treasury Management Policies will be further reviewed and updated at the time that any corporate ESG policy is developed, to ensure that they are reflective of that.

Credit and Counterparty Risk Management

The Head of Finance – Deputy S151 will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in TMP6 - Reporting Requirements and Management Information Arrangements.

Credit and counter-party risk is the risk of failure by a counterparty to meet its contractual obligations to the organisation under an investment, borrowing, capital project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources.

This organisation regards a key objective of its treasury management activities to be the security of the principal sums it invests over the period of the investment. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 - Approved Instruments Methods and Techniques. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

Policy on the use of credit risk analysis techniques

- a. The council will use credit criteria in order to select creditworthy counterparties for placing investments with.
- b. Credit ratings will be used as supplied from rating agencies – Fitch, Moody's and S&P.
- c. Treasury management advisors will provide regular updates of changes to all ratings relevant to the council.
- d. The Head of Finance – Deputy S151 and Strategic Technical Accounting & Transactional Finance Manager, as responsible officers, will formulate suitable criteria for assessing and monitoring the credit risk of investment counterparties and shall construct a lending list comprising maturity periods, type, group, sector, country and counterparty limits.

The primary credit rating agencies Primary Credit Rating Scales, which are used, are shown below.

	Moody's				S&P				Fitch			
	Long Term	Short Term			Long Term	Short Term			Long Term	Short Term		
Investment Grade	Aaa				AAA				AAA			
	Aa1				AA+				AA+			
	Aa2				AA				AA			
	Aa3				AA-				AA-			
	A1	P1			A+	A-1+			A+	F1+		
	A2				A				A			
	A3				A-	A-1			A-	F1		
	Baa1	P2			BBB+				BBB+			
	Baa2				BBB				BBB			
	Baa3		P3		BBB-			A-3	BBB-		F2	F3
Non-Investment Grade	Ba1				BB+	B			BB+			
	Ba2				BB				BB			
	Ba3				BB-				BB-			
	B1				B+				B+			
	B2	Not Prime			B	C			B	B		
	B3				B-				B-			
	Caa				CCC				CCC			
	Ca				CC				CC			
	C				C				C			
					D	D			D	D		

The minimum credit ratings within these scales that the authority would expect for individual counterparties are set out below.

Minimum ratings	Moody's	S&P	Fitch
Short term	P3	A-3	F2
Long term	A3	A-	A-

Credit ratings for individual counterparties can change at any time. The Head of Finance – Deputy S151 and the Strategic Technical Accounting and Transactional Finance Manager are responsible for applying approved credit rating criteria for selecting approved counterparties. Treasury management staff will add or delete counterparties to/from the approved counterparty list in line with the policy on the criteria for selection of counterparties, and with the approval of either the S151 or Head of Finance – Deputy S151.

- e. This organisation will not rely solely on credit ratings in order to select and monitor the creditworthiness of counterparties. In addition to credit ratings it will therefore use other sources of information including;

- The quality financial press
- Market data
- Information on government support for banks and the credit ratings of that government support
- The maximum maturity periods and investment amounts relating to Approved Investment Counterparties are set out below:

Organisation	Criteria	Max Amount	Max Period
Banks and Nationwide Building Society	Minimum Ratings as defined above in paragraph d.	£25m in total with fixed term not exceeding £15m	3 years
Building Societies	Following an individual financial assessment must have a minimum Free Capital Ratio above that set out by Common Equity Tier 1 (CET1) and have at least one credit rating as defined above in paragraph d.	£10m	3 years
	Following an individual financial assessment must have a minimum Free Capital Ratio no lower than that set out by Common Equity Tier 1 (CET1)	£7m	3 years
Challenger Banks	Following an individual financial assessment must have a minimum Free Capital Ratio no lower than that set out by Common Equity Tier 1 (CET1), and must be a retail bank.	£15m	3 years
Money Market Funds	AAA long-term rating backed	£15m	3 years
Property Funds	Subject to individual financial assessment of each fund to identify the underlying financial strength	£30m	Review annually
Multi-Asset Investment Funds	Subject to individual financial assessment of each fund to identify the underlying financial strength	£20m	5 years
Non UK Banks	Minimum Ratings as defined above in paragraph d.	£10m	1 year

Organisation	Criteria	Max Amount	Max Period
Local Authorities	Subject to individual financial assessment of each fund to identify the underlying financial strength	£15m	3 years
Housing Associations	Subject to individual financial assessment of each fund to identify the underlying financial strength and credit ratings where available	£15m	3 years
Other	Subject to appropriate case by case review	£10m	N/A

- f. In defining the level and term of deposits significant regard is given to the proportion of the institution in government ownership.
- g. Following the changes to the Banking Regulation the council will consider when assessing the financial resilience of an institution key ratios e.g. common equity tier 1, leverage capital / exposure, liquidity coverage, net stable funding.

Notes:

- The definition of 'high credit quality' is also used to determine what are specified investments as opposed to non-specified investments. Specified investments are those that require minimum procedural formalities in terms of the placing of the investment by the treasury management team. Minimal procedural formalities means that the team is well experienced and knowledgeable in using these types of instruments and they pose minimal risk in their use.
- Other i.e. non-specified investments may be undertaken on the approval of the S151 Officer e.g. loans to other organisations and bond issues by other public sector projects and will be supported with appropriate rationale and due diligence to support investment security considerations. These may be for a duration longer than 3 years.
- For a credit rated bank to be on the council's counter party list the criteria must be passed for at least 2 of the credit ratings agencies.
- Full Individual Listings of Counterparties and Counterparty Limits are available on request and reported regularly to the Treasury Management Panel.

Authorisation of Payments

In order to support and maintain strong controls for the release of payments. A payment releasers register is maintained. It includes the names and post titles of officers authorised to sign financial documents releasing payments including cheques requiring manual signature and bank mandates. The payments releasers register is reviewed regularly and is approved by the Head of Finance – Deputy S151 Officer.

The Invoice / Payments Authorisation process is regulated by the financial and contract rules. Limits and authorised officers are maintained in the authorised signatory's data base.

TMP 2 – BEST VALUE AND PERFORMANCE MEASUREMENT

The council actively works to promote value for money and best value in its treasury management activities. The treasury management function will be the subject of regular reviews to identify scope for improvement. In addition annual benchmarking is undertaken to measure performance and to ensure that relative to other councils the council is achieving a fair investment return without any undue risk.

TMP 3 – DECISION MAKING AND ANALYSIS

Full records will be maintained of treasury management decisions, and of the processes and practices applied in reaching those decisions, to demonstrate that reasonable steps have been taken to ensure that all issues relevant to those decisions were taken into account.

TMP 4 – APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

Only approved instruments, methods and techniques will be used, within the limits defined in TMP1 – Risk Management.

Sources of Borrowing

There shall be no restriction in principle on sources or methods of borrowing other than those imposed by law. The sources or methods of borrowing at any time will be determined by the current approved treasury management strategy.

Other Sources of Finance

The S151 Officer or Head of Finance - deputy S151 shall arrange leases and similar arrangements for items of equipment, vehicles, etc. where the acquisition or use of such items has been approved in line with the council's contract and rules.

Approved Organisations for Investments

The S151 Officer shall approve and revise from time to time, a list of organisations within the statutory definitions of approved investments, which would be eligible to receive investments from the council. Apart from the Government, and, in any emergency, the council's own bank, the maximum limit for investment with any single organisation shall be £25 million and the maximum period for investment shall be 3 years in accordance with each individual institution's credibility. The only exception to this are the approved investments in a Property Fund where the maximum limit shall be £30 million and will be reviewed on 5 year intervals. This should be reviewed at least monthly and incorporate any changes in ratings of counter parties.

Interest Rate Exposure

The limits on temporary borrowing and the proportion of interest at variable rates are set by Council, in accordance with Section 45 of the Local Government & Housing Act 1989.

TMP 5 – ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES AND DEALING ARRANGEMENTS

Treasury management activities will be properly structured in a clear and open fashion and a rigorous discipline of segregation of duties will be enforced to ensure effective control and monitoring of its treasury management activities, for the reduction of the risk of fraud or error, and for the pursuit of optimum performance.

The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions and audit of the treasury management function.

If and when the council intends, due to a lack of resources or other circumstance, to depart from these principles, the S151 Officer will ensure that the reasons are properly reported in accordance with **TMP6** - Reporting Requirements and Management Information Arrangements and the implications properly considered and evaluated.

- The S151 Officer will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management and the arrangements for absence cover.
- The S151 Officer will ensure that there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

The delegations to the S151 Officer in respect of treasury management are set out in the Constitution. The S151 Officer will fulfil all such responsibilities in accordance with the Policy Statement and TMP's and the Standard of Professional Practice on Treasury Management. This includes, but not exclusively, the following activity.

Activity	Prepared by	Delegation / Accountability
Approval of Treasury Management and Investment Strategy	Director of Finance and Assurance (S151 Officer)	Cabinet Council
Approval of Treasury Management Policies	Director of Finance and Assurance (S151 Officer)	Cabinet Council
Amendments to authorised officers and officer limits set out within the treasury management practices	Head of Finance – Deputy S151 / Strategic Technical Accounting and Transactional Finance Manager	S151 Officer
Review the debt portfolio and reschedule loans when considered appropriate	Strategic Technical Accounting and Transactional Finance Manager	S151 Officer
Updates to TM Practices	Head of Finance – Deputy S151 / Strategic Technical Accounting and Transactional Finance Manager	S151 Officer
Undertake budget monitoring and initiate actions when necessary	Strategic Technical Accounting and Transactional Finance Manager /Senior Treasury & Banking Manager	Head of Finance – Deputy S151
Authorisation of loan interest payments	Transactional Assistant – Treasury Management	Finance Business Partner – Treasury / Senior Treasury & Banking Manager
Approval of overnight investments	Transactional Assistant – Treasury Management / Finance Business Partner	Strategic Technical Accounting and Transactional Finance Manager

Activity	Prepared by	Delegation / Accountability
Preparation of borrowings documentation	Transactional Assistant – Treasury Management	Finance Business Partner – Treasury / Senior Treasury & Banking Manager
To arrange borrowing from time to time for the council's purposes. Sources of funds will comprise temporary loans, loans from PWLB, other mortgages and bonds, money bills, bank overdraft and internal funds of the council, subject to any restrictions which may be made by statute, Council or Cabinet	Strategic Technical Accounting and Transactional Finance Manager / Senior Treasury & Banking Manager	S151 Officer / Head of Finance – Deputy S151
Maintain Payment Releasers Register	Finance Business Partner - Treasury	S151 Officer / Head of Finance – Deputy S151
To arrange finance and operating leases as required in accordance with council's capital programme	Strategic Technical Accounting and Transactional Finance Manager	S151 Officer / Head of Finance – Deputy S151
To invest council funds temporarily not required in accordance with the statutory provisions regulating approved investments as defined in Section 66 of the Local Government and Housing Act 1989, subject to any restrictions which may be made by statute, by Council or by Cabinet	Transactional Assistant – Treasury Management	Finance Business Partner – Treasury / Senior Treasury & Banking Manager
<p>To maintain a counter party list of approved organisations eligible to receive council investments, this involves;</p> <ul style="list-style-type: none"> - ongoing monitoring of ratings on investment products and institutions. - Investigation and appraisal of free capital ratio measures - signing off by the treasury manager as evidence of a monthly review and mid-month changes if necessary. <p>if ratings change for an investment product or institution currently held then actions for a possible exit of that strategy are undertaken as approved by the Treasury Management Panel</p>	<p>Finance Business Partner – Treasury</p> <p>Senior Treasury & Banking Manager</p>	<p>Head of Finance – Deputy S151 / Strategic Technical Accounting and Transactional Finance Manager</p> <p>or</p> <p>S151 Officer dependent on limits set by TMP on exit strategy</p>
Daily cash flow forecast	Transactional Assistant – Treasury Management	Finance Business Partner - Treasury

Activity	Prepared by	Delegation / Accountability
Update loan records	Transactional Assistant – Treasury Management	Finance Business Partner - Treasury
Operational Cash Flow	Finance Business Partner - Treasury	Head of Finance – Deputy S151 / Strategic Technical Accounting and Transactional Finance Manager / –Senior Treasury & Banking Manager
Audit and control review and improvements recommendations implementations	Internal Audit / All	Senior Treasury & Banking Manager
Annual MRP Policy review	Technical Accounting Manager	Head of Finance – Deputy S151 / Strategic Technical Accounting and Transactional Finance Manager / Senior Treasury & Banking Manager
Maintain accurate up to date information on Treasury Management	Transactional Assistant – Treasury Management	Senior Treasury & Banking Manager / Finance Business Partner - Treasury

TMP 6 – REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

Regular reports will be prepared for consideration by Council on:

- Annual report on treasury management activities for the preceding year
- Treasury management strategy for the year, reviewed at least once during the year
- Regular monitoring reports on prudential and local indicators are prepared for the Treasury Management Panel.

Report	Frequency	When	Prepared by	To
Review of Treasury Management Strategy (TMS) and Treasury Management Policies	Annual	February/ March	Head of Finance – Deputy S151 Officer	Cabinet and Council
TMS – material changes	Immediately	As required	Head of Finance – Deputy S151 Officer/ Strategic Technical Accounting & Transactional Finance Manager	Cabinet and Council
Treasury Management Annual Report	Annual	September	Head of Finance – Deputy S151	Cabinet and Council

Report	Frequency	When	Prepared by	To
Mid-Year Report	Annual	December	Head of Finance – Deputy S151	Cabinet and Council
TM budget monitoring	Quarterly Monthly	Jul, Oct, Jan, Apr	Finance Business Partner – Treasury (reviewed by Strategic Technical Accounting & Transactional Finance Manager)	S151 Officer, Treasury Management Panel, Head of Finance – Deputy S151 for inclusion in overall corporate financial monitoring reports to CMT and Cabinet which are first reviewed by the S151 Officer
TM performance indicators	Quarterly Monthly	Jul, Oct, Jan, Apr	Finance Business Partner – Treasury (reviewed by Strategic Technical Accounting & Transactional Finance Manager)	S151 Officer, Treasury Management Panel, Head of Finance – deputy S151 for inclusion in overall corporate financial monitoring reports to CMT and Cabinet which are first reviewed by the S151 Officer
Cashflow summary	Monthly		Finance Business Partner – Treasury/Senior Treasury & Banking Manager	Strategic Technical Accounting & Transactional Finance Manager
Borrowing transactions	Monthly		Finance Business Partner – Treasury	Senior Treasury & Banking Manager
Payment Releasers Register	Quarterly		Finance Business Partner – Treasury	S151 Officer, Head of Finance (deputy S151)
Operational Investment Strategy	Quarterly		Finance Business Partner – Treasury / Senior Treasury & Banking Manager	Strategic Technical Accounting & Transactional Finance Manager

Report	Frequency	When	Prepared by	To
12 monthly cashflow	Quarterly		Finance Business Partner – Treasury / Senior Treasury & Banking Manager	Strategic Technical Accounting & Transactional Finance Manager
Government statistical returns	Monthly		Finance Business Partner – Treasury – Senior Treasury & Banking Manager	Ministry of Housing, Communities & Local Government
Daily cash balance forecast	Daily		Transactional Assistant	Finance Business Partner – Treasury

TMP 7 – BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

The S151 Officer will prepare an annual treasury management budget which will bring together all costs involved in running the treasury management function and associated income. This will be presented to Cabinet and Council and is approved as part of the Treasury Management and Investment Strategy.

The council will account for its treasury management activities in accordance with appropriate accounting practices, standards and statutory and regulatory requirements.

The council will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices.

In line with market convention loans office staff, when dealing, are required to commit the council to terms of borrowing and investment transactions by telephone. Although these transactions are not legally binding until confirmed in writing, if subsequently dishonoured, this may damage the council's reputation. Electronic funds transfer requires the involvement of three officers, at least one of whom shall be on the payment releasers register.

TMP 8 – CASH AND CASH FLOW MANAGEMENT

All council monies will be under the control of the S151 Officer. Funds that are available within all council monies to support treasury management purposes are identified and Cash flow projections in relation to these funds are prepared on a regular and timely basis and the S151 Officer will ensure that these are adequate for the purposes of monitoring compliance with **TMP1** Liquidity risk management.

TMP 9 – MONEY LAUNDERING

Procedures will be enforced for verifying and recording the identity of counterparties and reporting suspicions and will ensure that staffs involved in this area are properly trained.

As a responsible public body, they should employ policies and procedures which reflect the

essence of the UK's anti-terrorist financing, and anti-money laundering, regimes. Accordingly the council undertakes a number of safeguards including the following:

- a. evaluates the prospect of laundered monies being handled by them
- b. determine the appropriate safeguards to be put in place
- c. require every person engaged in treasury management to make themselves aware of their personal and legal responsibilities for money laundering awareness
- d. make all its staff aware of their responsibilities under Proceeds of Crime Act (POCA) 2002

In respect of treasury management transactions, there is a need for due diligence. The Council will only invest with those counterparties that are on its approved lending list. These will be local authorities, the PWLB, Bank of England and authorised deposit takers under the Financial Services and Markets Act 2000. The register can be accessed through the Financial Conduct Authority website.

All transactions will be carried out by BACS or CHAPS for making deposits or repaying loans.

All loans are obtained from the PWLB, other local authorities or from authorised institutions under the Financial Services and Markets Act 2000.

TMP 10 – MONEY LAUNDERING

The council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. An annual review of treasury staff capacity, training needs and experience will be undertaken and reported to the Treasury Management Panel along with a register of all training completed by Council Officers involved in treasury management processes of the Council. Specific training for councillors will be provided and undertaken as required.

TMP 11 – USE OF EXTERNAL SERVICE PROVIDERS

When external service providers are employed, the S151 Officer will ensure it does so for reasons which have been subjected to a full evaluation of the costs and benefits. The terms of appointment and the methods by which service providers' value will be assessed will be properly agreed and documented.

The council does not currently require external investment managers, but recognises it may do so in the future for general or specific advice on a range of matters. These future services would be procured using the council's prevailing regulations relating to obtaining supplies and services. The council employs external treasury advisors to provide economic outlooks and information relevant to making robust investment and borrowing decisions.

TMP 12 – CORPORATE GOVERNANCE

This authority is committed to the pursuit and achievement of proper corporate governance throughout its business and services and to establish principles and practices by which this can be achieved. Accordingly the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

The council has adopted and has implemented the key recommendations of the CIPFA Code. The S151 Officer will monitor and when necessary, report upon the effectiveness of these arrangements to Cabinet.

A forum for the monitoring of Governance arrangements is the Treasury Management Panel. The Treasury Management Panel meets quarterly chaired by the S151 Officer or (in the absence of the S151 Officer) the Head of Finance (deputy S151 Officer). It will receive reports on the monitoring of Prudential and Local Indicators and approve drafts of strategy and policy cabinet/council reports. It will also initiate work and projects to further ensure strong compliance of internal controls and effective treasury performance.

Sherbourne Recycling Limited (SRL)

Sherbourne Recycling Ltd, which is providing a regional mixed recycling facility, was incorporated on 1 April 2021 as a company limited by shares. The shareholders of this company are eight local authorities including Walsall Council. The council has a shareholding of 19.66% of the company and is the second largest shareholder. The other shareholders are Coventry City Council, Solihull Metropolitan Borough Council, Stratford on Avon District Council, Warwick District Council, Rugby Borough Council, Nuneaton & Bedworth Borough Council and North Warwickshire Borough Council.

The regional materials recycling facility became operational during 2023 and the council began sending its recyclable waste to the new facility from 1st October 2023. To obtain governance during the build phase the Council held a director post within the company which sits on the Board. In addition to meetings of the board, there is a Finance Sub-Group which meets twice a year to feedback timescales, issues and updates on the projected timeframe for opening the facility.

There was an approved loan facility of £11.865m between Sherbourne Recycling Limited and the council and whenever SRL required funds they sent a loan drawdown notice requesting funds which gets approved and then paid. This loan facility has now been fully utilised. The total loan facility is £13.207m due the inclusion of capitalised interest.

Birmingham Airport Holdings Limited (BAH)

The seven West Midlands local authorities own 49% of BAH's 320 million ordinary shares of £0.01 each. The council owns 4.88% of these shares. The other shareholders are Airport Group Investments Limited (48.35%) and an employee share trust (2.75%). In addition the seven West Midlands authorities own all of BAH's 6.31% preference shares, of which Walsall Council owns 9.95%. These are cumulative and irredeemable.

The Council monitors its investment and governance processes through its membership on the West Midlands Airport Shareholder Committee, by its nominated Councillor. The Leader of the Council is also a Director of Birmingham Airport Holdings Ltd.

Cabinet – 12 February 2025

Corporate Financial Performance 2024/25

Portfolio:	Councillor M Statham – Deputy Leader - Finance (Lead Portfolio)
Related Portfolios:	All
Service:	Finance – council wide
Wards:	All
Key decision:	No
Forward plan:	Yes

1. Aim

- 1.1 To report on the forecast corporate financial position for 2024/25, based on emerging pressures as at December 2024, and actions being taken to address this to ensure the council outturns on budget.

2. Summary

- 2.1 At the end of December 2024 the forecast revenue outturn for 2024/25 is an overspend of £17.80m. Taking into account mitigation actions identified to date of £11.05m, the forecast overspend reduces to £6.75m. This represents a favourable movement of £3.51m compared to the position reported to Cabinet at the end of the second quarter. The improvement is largely attributable to the implementation of stricter controls on discretionary spending across the organisation, the stabilisation of demand in both adult and children's social care and favourable performance of the council's treasury management activities.
- 2.2 In addition to the mitigating measures detailed above, a focused review of earmarked reserves held by services has also been carried out and identified £4.30m that is no longer required for the purpose they were originally set aside for. These reserves are proposed to be released with a view to fund the in-year overspend. The release of earmarked reserves is subject to approval within this report. If approved, the forecast overspend that requires funding from general reserve would reduce to £2.45m. The prudent level of general reserve will be reviewed as part of setting the 2025/26 budget. The lower the current year overspend the more flexibility it will allow for using reserves to smooth future year's budget profile and fund time limited allocations while maintaining a robust level of reserves based on the level of risks faced by the council. Work is in hand to identify further actions to bring the position in line with budget and ensure a balanced outturn is delivered by 31 March 2025.
- 2.3 In relation to the capital programme, the 2024/25 position presented to Cabinet in October was £181.55m. This report includes a number of proposed amendments to the capital programme for approval as set out in section 4.16 of the report. If approved, the

programme will reduce by £12.18m to £169.37m for 2024/25. Forecast capital expenditure for the year based on the latest forecast is £110.33m, this is a reduction by £920k compared to the previous quarter. The expected level of carry forwards reduced from £70.13m in the second quarter to £56.75m. These forecast carry forwards are reflected in the draft Capital Programme for 2025/26 – 2028/29. The capital forecast, after these amendments is an underspend of (£2.29m) for the year. If this underspend crystallised at yearend, it will be available in 2025/26 to fund unanticipated capital pressures.

2.4 This report also sets out:

- Performance against an agreed set of financial health indicators, which are forecast to be achieved;
- Performance against statutory and local prudential indicators, which are forecast to be achieved;

3. Recommendations

That Cabinet:

- 3.1 Note potential forecast revenue spend above budget of £6.75m, noting that further actions are being taken to address this position including the release of £4.30m of service earmarked reserves no longer required based on the focused review carried out.
- 3.2 Approve the release of service earmarked reserves totalling £4.30m as detailed in Appendix 4. These reserves are no longer required for the purposes for which they were originally created and therefore can be released to general reserves to support funding the current reported overspend position.
- 3.3 Note that there are additionally high risks of £3.80m to the revenue forecast identified within services as set out in Appendix 2. These risks are actively being monitored and action is being taken to reduce / eliminate them where possible.
- 3.4 Note the progress on savings approved for 2024/25 as detailed in section 4.14 and 4.15 within the report.
- 3.5 Note the ongoing mitigations identified to partially offset the savings deemed undeliverable as detailed in Appendix 5.
- 3.6 Note the Dedicated Schools Grant (DSG) financial position as detailed in sections 4.16 to 4.21
- 3.7 Approve amendments to the capital programme as set out in section 4.22, including the rephrasing of capital programme to 2025/26 at Appendix 8.
- 3.8 Note that the forecast for the capital programme is predicted to be an underspend of (£2.29m).
- 3.9 Note financial health indicator performance as set out in sections 4.26 to 4.31 and Appendix 9.
- 3.10 Note the prudential indicators as set out in section 4.32 to 4.34 and Appendix 10.
- 3.11 Approve the write off of debt as detailed in section 4.35.

4. Know – Context

- 4.1 The council is legally required to operate within a balanced budget, to operate within financial controls and to deliver approved budget savings. The impact of the cost-of-living crisis is causing in-year cost pressures, particularly in relation to energy and supplies and contract uplifts especially within adult social care and children's services.

Revenue Forecast 2024/25 - Service Pressures

- 4.2 Walsall Council has a track record of managing financial pressures and action has been taken to mitigate current and future cost pressures. The council is experiencing ongoing pressures in relation to the cost of living impact, on contracts/third party spend in particular, and where known and quantifiable, the financial impact of this is included within the forecast position. As a result of these pressures, mitigating actions has been instigated, including services taking focused action to reduce the overspend by implementing tighter controls on discretionary spend where possible.
- 4.3 The current council wide forecast shows a number of pressures which, if not managed, will lead to an overspend of £6.75m against budget, as summarised by directorate in Table 1. This includes mitigating actions identified to date of £11.05m. Further work is on-going to identify further actions to ensure a balanced position for 2024/25.

The forecast overspend has decreased by (£3.51m) compared to the September position of £10.26m reported to Cabinet on 16 October 2024.

Table 1: Forecast revenue analysis 2024/25 by Directorate – December 2024

Directorate	Net Budget	Year-end forecast prior to transfer to / (from) earmarked reserves	Year-end variance to budget prior to transfer / (From) earmarked reserves	Use of earmarked reserves	Transfer to earmarked reserves	Year-end forecast prior to mitigating actions	Mitigating Actions	Year-end forecast including all mitigating actions	Movement since reported to Cabinet 16.10.2024
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Adult Social Care and Public Health	91.85	101.36	9.51	(3.03)	1.68	8.16	(2.39)	5.77	(1.31)
Children's Services & Education	90.12	96.31	6.19	(1.80)	0.94	5.32	0.00	5.32	0.21
Economy, Environment & Communities	42.44	50.03	7.59	(5.80)	0.69	2.47	(0.33)	2.14	(0.55)
Resources & Transformation	46.46	57.87	11.40	(13.00)	0.29	(1.31)	0.00	(1.31)	(0.88)
Capital Financing	27.91	20.12	(7.79)	(0.21)	3.50	(4.50)	(3.94)	(8.44)	(5.80)
Services Position	298.79	325.69	26.90	(23.85)	7.09	10.14	(6.66)	3.48	(8.33)
Central budgets	(146.75)	(119.54)	27.22	(21.57)	2.02	7.66	(4.39)	3.27	4.82
Total Council tax requirement	152.03	206.15	54.12	(45.43)	9.11	17.80	(11.05)	6.75	(3.51)
Release of service earmarked reserves	0.00	0.00	0.00	0.00	0.00	0.00	(4.30)	(4.30)	(4.30)
Revised position	152.03	206.15	54.12	(45.43)	9.11	17.80	(15.35)	2.45	(7.81)

Table 2: Earmarked Reserves					
	Opening Balance 01/04/24	Transfers from Reserves	Transfers to Reserves	Transfer to General Reserves	Closing Balance 31/03/25
	£m	£m	£m	£m	£m
Treasury Reserves	34.44	(1.97)	3.50	0.00	35.98
Grant / Contributions received in advance	17.33	(7.19)	2.33	(0.03)	12.45
Improvement projects	24.57	(10.70)	0.02	(1.56)	12.33
Cost Pressures	20.11	(9.82)	0.00	(0.22)	10.07
Council Liabilities	45.24	(9.49)	0.96	0.00	36.71
Covid-19 grants	0.68	(0.26)	0.00	0.00	0.42
Public Finance Initiatives	16.02	(2.56)	0.00	(2.48)	10.99
Risk	10.00	(2.25)	2.00	0.00	9.75
Other	6.43	(1.19)	0.30	(0.02)	5.52
Total	174.83	(45.43)	9.11	(4.30)	134.22

- 4.4 The year-end forecast includes the net use of earmarked reserves of £36.32m including transfers from earmarked reserves of £45.43m and transfers to earmarked reserves of £9.11m. As part of the recent reserves review £4.30m has been identified as no longer required for the original purpose they have been set aside for and can be released to General Reserve subject to Cabinet approval.
- 4.5 Based on the current revenue forecast, at the end of the financial year earmarked reserves are predicted to have a balance of £134.22m. Remaining earmarked reserves are planned to be used in future years, although the period over which they are to be used and the profiling of that use may vary.

Reserves are categorised for the purposes of reporting as follows:

- **Treasury reserves.** These reserves are to minimise the impact of interest rate changes and finance early redemption of loans to reduce the council's future interest exposure;
- **Grants / contributions received in advance.** This is where the council has received money in advance of the next accounting period or covers more than one accounting period. These amounts will be spent in line with the grant conditions;
- **Improvement projects.** These reserves are to finance service modernisation; specific projects such as pilot street cleansing initiatives, Cloud services, Oracle development, economic growth programme; and costs in relation to the council's transformation programme;
- **Cost pressures.** To include review of working practices including blended working, fluctuations in service demand such as in adult social care, crisis support and children in care;
- **Council liabilities.** These reserves cover expenditure where the council has a legal obligation to pay costs, such as equal pay claims and redundancies. In addition to these there are reserves for business rate appeals, pensions and insurance claims;
- **Covid-19 grants.** The carry forward of specific government grants to cover Covid pressures, including expanded retail relief for businesses;

- **Public Finance Initiatives.** Liabilities for our PFI's with Street Lighting and St Thomas More;
- **Risk.** To cover unforeseen risks in 2024/25 at the time the budget was set;
- **Other.** These reserves are to support a wide range of future costs such as partnership working with other external bodies.

The following sections detail movements since the position last reported to Cabinet in October 2024 (September - month 6 position) with the full detail on full year forecast variances and actions to address these shown in Appendix 1 and Appendix 3.

General Reserves

- 4.6 Opening unallocated general reserves for 2024/25 are £19.56m. The medium-term financial framework (MTFF) requires that a prudent level of reserves is maintained. This was set at no less than £18.39m for 2024/25. The MTFF also sets a minimum level of reserves beyond which any use must be reported to Council. This is currently set at £7.77m. The potential variance against budget of £6.75m within this report would reduce available reserves to £11.64m requiring replenishment in year. However, as a result of the release of the service earmarked reserves no longer required of £4.30m, this increases the available balance to £15.94m.

Directorate Financial Positions

- 4.7 Adults Social Care and Public Health - £1.31m decrease in overspend from £7.08m to £5.77m

The overspend for Adult Social as at December 2024 is £5.77m which is a decrease of (£1.31m) from the reported September position of £7.08m.

The main reasons for the **£5.77m** overspend are as follows:

- £3.52m of identified savings across the directorate that are deemed unachievable within this financial year (a detailed summary of these can be found in Appendix 5)
- £1.20m due to a combined impact of new service users above budgeted levels, being placed at a higher average cost than originally budgeted and the number of ended service users being significantly lower than the budgeted trends.
- £3.26m - Net increase due to the impact of changes to existing service user packages undertaken during from April to December 2024
- (£2.39m) – Identified mitigating actions as detailed in Appendix 2
- £180k – other minimal changes across the directorate

The decrease in the overspend position of (**£1.31m**) is as a result of the following:

- (£577k) - changes in existing placement costs – net decrease due to the impact of changes to existing service user packages undertaken during September to November 2024.
- (£520k) - additional mitigating actions identified through decrease in post Intermediate Care service discharges and other reviews.
- (£400k) - Agreed contribution from the Integrated Care Board to the 2023/24 Intermediate Care service overspend.
- (£407k) - decrease in staffing costs as a result of vacant posts and changes in planned recruitment dates and release of uncommitted reserves.
- £468k - increase due to net inflow of new, deceased and ended service users.

- £129k - additional contribution to the bad debt provision of £396k offset by additional service user contribution income and other changes of (£267k)

Further details of the reported overspend are outlined in Appendix 1 with supporting performance data relating to demand management costs in Appendix 7.

Risks

There are high risks of £720k which could impact the forecast position should they materialise, detailed in Appendix 2.

4.8 Public Health

The service is forecast to be on budget after the net use of transfer to reserves.

4.9 Children's and Education - £210k increase in overspend from £5.11m to £5.32m after use of and transfers to reserves and mitigating actions

The overspend for Children's service as at December 2024 is £5.32m which is an increase of £210k since the reported September position of £5.11m.

The main reasons for the **£5.32m** overspend are as follows:

- £1.87m - Children's Social Care Demand mainly due to the full year impact of 2023/24 pressures, cost increases linked to increased support within placements and increased demand on secure placements
- £760k – Children's Social Care Core mainly due to additional occupational therapy equipment and additional staffing costs across a number of services
- £2.36m – Access and Inclusion mainly due to the impact of increased demand and increased average costs associated with Home to school transport, partially offset by traded income and staff underspends within the service.
- £340k – Early help due to short breaks pressures relating to children in care cost avoidance and increased demand and complexity of children using placements

The increase in the overspend position of **£210k** is as a result of the following:

- £150k - Increases in support for two placements and the associated placement costs
- £250k - Early identification of increased inflow and the associated financial impact during December, over and above historic trends, primarily due to a large sibling group and a complex MH case entering care.
- (£160k) – Access and Inclusion due to early achievement of 2025/26 savings, underspends in staffing costs and additional traded income
- (£80k) - reduction in short breaks forecast following one child leaving care and costs reductions in other packages
- £50k – Other minor variances across the directorate

Further details of the reported overspend are outlined in Appendix 1 with supporting performance data relating to demand management costs in Appendix 6.

Risks

There are also high risks of £2.08m which could impact the forecast position should they materialise, detailed in Appendix 2.

4.10 Economy, Environment and Communities – (£550k) decrease in overspend from £2.69m to £2.14m after use of and transfers to reserves and mitigating actions

The overspend for Economy, Environment and Communities as at December 2024 is £2.14m which is a decrease of (£550k) from the reported position in September of £2.69m.

The main reasons for the **£2.14m** overspend are as follows:

- £1.57m – Overspend in operations mainly as a result of increased costs for the Sherbourne Recycling contract due to co-mingled waste costs, additional agency costs and overtime within Clean and Green partially offset by additional waste related income.
- £180k – Highways and Transportation – Due to a shortfall of income partially offset by an underspend on staffing.
- £990k – Place and environment mainly associated with reduced demand for bereavement services relating to a new competitor within the region, reduced demand for rental of market stalls and commercial pressures.
- (£180k) – Underspend in resilient communities due to vacancies across the service.
- (£330k) Identified mitigations to offset the above as detailed in Appendix 3.
- (£90k) – Other minor variances across the directorate.

The decrease in the overspend position of (**£550k**) is as a result of the following:

- (£770k) – Soft facilities management, decrease in forecast following a deep dive into the service.
- (£270k) – Regeneration and Development, decrease due to maximisation of external funding.
- £500k – Increase in operations to a reduction in waste related income and increased waste costs.

Further details of the reported overspend are outlined in Appendix 1

Risks

There are also high risks of £1.00m which could impact the forecast position should they materialise, detailed in Appendix 2.

4.11 Resources and Transformation - £878k decrease in underspend from (£432k) to (£1.31m) after use of and transfers to reserves and mitigating actions

The underspend for Resources and Transformation as at December 2024 is (£1.31m) which is a decrease of (£880k) from the reported position in September of (£430k).

The main reasons for the (**£1.31m**) underspend are as follows:

- (£110k) Finance, Procurement and Assurance - Mainly due to underspend on salaries and additional income within Finance, partially offset by agency staff costs and additional software costs within Procurement
- (£120k) Governance – Mainly due to underspends on salaries across Democratic Services, Legal Services and Electoral services
- (£490k) Transformation and Digital – Mainly due to underspends on salaries across the service partially offset by agency costs and supplies and services

- (£400k) Customer Engagement – Due to underspend on staffing costs and reallocation of Public Health reserve to existing staffing costs partially offset by increase costs associated with the Bed & Breakfast model.
- (£150k) Communications and Hub – Due to underspend on staffing costs across the services partially offset by agency staff and increased advertising costs.

The increase in the underspend position of **(£880k)** is as a result of the following:

- (£300k) – technical adjustment relating to the Public Health reserve to fund existing staffing costs relating to financial inclusion work as part of in-year mitigation work to reduce council position.
- (£110k) - additional income because of early payments on major contracts and traded services.
- (£470k) – reduction in staffing costs due to revised recruitment dates, consultancy costs, and revised supplies and services costs.

Further details of the reported overspend are outlined in Appendix 1

4.12 Capital financing (£5.80m) increase in underspend from (£2.64m) to (£8.44m)

The main reasons for the increase in underspend is due to a further reduction in borrowing costs of and higher investment returns than expected including a one-off forecast dividend of £4.50m.

4.13 Central £4.82m increase from an underspend of (£1.55m) to an overspend of £3.27m

The main reasons for the increase is due to the following

- £5.70m of savings held centrally relating to Third Party Spend (TPS) and Digital Opportunities are deemed to be undeliverable within this financial year.
- £740k increase in spend due to additional levy costs.
- £390k increase as a result of additional mediation costs.
- (£2.00m) use of reserves to offset fluctuation in demand across demand-led services this financial year.

Approved savings in 2024/25

- 4.14 The 2024/25 budget approved by Council on 22 February 2024 includes £20.1m of benefits realisation (savings) against transformation activity plus a further £5.17m of 2023/24 benefits approved to be carried forward for delivery in 2024/25, giving a total benefit figure of £25.27m to be achieved. Directors are required to ensure that service delivery plans are robustly implemented to fully deliver these in year.
- 4.15 There are currently £12.46m (49%) of benefits assessed as red for delivery (at high risk of non-delivery), as shown in Appendix 5 along with the reason and identified mitigating actions to date totalling £3.40m of which £1.68m is ongoing and £1.72m on a one-off basis. Savings assessed as red are currently included within the forecast overspend for 2024/25, therefore successful actions to deliver these red savings will reduce the pressure on this year's budget.

Dedication Schools Grant (DSG) Position

- 4.16 The forecast against the High Needs Block of DSG is currently an overspend of circa £24m. This is in line with the mitigated position of the latest DSG management plan.
- 4.17 Nationally high needs allocations have been distributed on a formula basis using a number of demographic factors since 2018/19 which includes a 50% funding factor based on historical spend.
- 4.18 Walsall's historical high needs spend prior to 2018/19 was low compared to other authorities which has caused a negative impact on subsequent annual allocations due to the 50% funding factor. Growth in EHCP requests and complexity of need have outweighed the annual increase in funding.
- 4.19 Since 2014, Walsall's High Needs Block allocation has increased by £30m however this is a real time cut of 45% due to the increase in EHCPs from 1,200 to over 4,700 in the same period. Of this funding, 94% is passported directly to schools and providers. The remaining 6% is retained within the LA to support the costs of providing support services to schools including children with visual and hearing impairments and school inclusion.
- 4.20 As a result of an increasing number of authorities with significant deficits on their DSG reserves the DfE introduced two support schemes, Delivering Better Value and The Safety Value as well as extending the statutory override which allows the exclusion of the deficit from the council's main revenue budget.
- 4.21 In December 2024 the government published the consultation on the provisional local government finance settlement for 2025-26 which included the following:
- “1.3.2 The government intends to set out plans for reforming the SEND system in further detail next year. This will include details of how the government will support local authorities to deal with their historic and accruing deficits and any transition period from the current SEND system to the reformed system. This will inform any decision to remove the statutory override.”*

Capital Programme 2024/25

- 4.22 The capital programme for 2024/25, as at Cabinet 16 October 2024 was £181.55m. Table 5 summarises amendments made to date, resulting in a revised programme of £169.37m.

Table 5: Amendments to Capital Programme 2024/25	
Project	£m
Capital programme 2024/25 per Cabinet 16 October 2024	181.55
Council Funded Resources	
Acquisition of Lex Site	3.34
Acquisition of Park Place Shopping Centre	3.14
Bloxwich Launchpad	1.44
Rushall Stadium	0.48
New Art Gallery	0.08
Brown Jug – Compulsory purchase order	(0.03)
Capitalisation Wheeled bin stock	0.07

Project	£m
Walsall New Art Gallery	0.47
Smartphones	(0.44)
Archiving	(0.12)
Konica	(0.05)
Telephony	(0.38)
Maintaining a safe and secure environment	(0.09)
Proud card payments	(0.61)
DaTS staffing	(0.82)
Tablet replacement	(0.23)
Cloud Navigator	(0.66)
Looked after children out of borough placements	(0.05)
Children's residential home	(0.15)
New Homes Bonus	(0.08)
Regenerating Walsall	(0.22)
Enterprise Zones	(2.18)
Future High Street Fund	(5.16)
Willenhall Masterplan	(2.54)
Development team capitalisation of posts	(0.08)
Active public spaces	(1.00)
Civic Centre heating	(0.70)
Council House smoke & heat detection fire alarm	(0.25)
Council House general heating	(1.27)
Council House internal decoration	(0.03)
Civic Centre plumbing	(0.07)
Council House windows	(0.95)
Council House roof repairs	(1.41)
Ways of working	(0.19)
Public toilets	(0.08)
Saddlers Centre Shopping Centre	(0.50)
St Peter Church repairs To surrounding wall	(0.03)
Yorks Bridge	(0.37)
Homelessness temporary accommodation expansion and redesign	(0.52)
Replacement PC's	(0.03)
Enabling technology	(2.83)
Standard addressing implementation	(0.11)
Externally Funded	
Walsall Town Centre Public Realm Improvements	(0.22)
Black country blue	(0.01)
Better streets	(0.01)
Wednesbury Road footbridge	(0.01)
NCN5 Canal and River Trust	(0.01)
Active Travel tranche 4	2.57
Walsall Archives for All project	0.09
Disabled Facilities Grant	0.63
Revised capital programme 2024/25	169.37

4.23 A full review of forecast capital carry forwards into 2025/26 has been undertaken resulting in rephasing of the capital programme provision of £56.75m being recommended. Rephasing occurs for a number of reasons such as late confirmation of grant approvals, timing of projects that may fall over more than one financial year, contract delays out of our control due to waiting for funding confirmation or Government approval

4.24 The key capital projects forecast to be rephased into next financial year are as follows:

- Willenhall Masterplan
- Bloxwich Towns Deal
- Walsall Towns Deal
- Basic Need
- Land and Property investment fund

Appendix 8 shows a detailed summary of the capital projects currently forecast to be rephased into 2025/26.

4.25 Table 6 summaries the 2024/25 capital programme which is forecast to be underspent by (£2.29m) after the re-phasing of £56.75m into 2025/26 (detailed at Appendix 8).

Table 6: Forecast capital analysis 2024/25					
Funding Source	Budget	Predicted year end forecast	Variance before Carry forward	Carry Forward	Variance Over / (Under)
	£m	£m	£m	£m	£m
Council funded	68.86	58.29	(10.57)	8.28	(2.29)
Externally funded	100.51	52.04	(48.47)	48.47	0.00
Total	169.37	110.33	(59.04)	56.75	(2.29)

Table 7: Summary of Forecast Underspend 2024/25	
Project	£m
School temporary classrooms	(0.25)
School estate condition survey	(0.20)
Lighting - Invest to save	(0.40)
Capital contingency	(1.09)
Enabling technology	(1.03)
Health and Safety – IFM schemes	0.40
Town Deal – Community Capital	0.28
Total	(2.29)

Financial Health Indicators

4.26 Appendix 9 contains financial health indicator performance as at 31 December 2024 for revenue and capital forecast as referred to in this report. The primary purpose of these is to advise Cabinet of the current financial health of the authority in order to provide assurance to them in their role. The indicators cover a number of areas as follows:

Treasury Management

- 4.27 The indicators show the actual borrowing and investment rates for 2023/24 and the forecast for 2024/25 against set targets. Proactive and robust management of the council's debt and investment portfolios is forecast to result in positive variances against most of the financial health indicator targets for 2024/25.

Balance Sheet

- 4.28 These details ratios for the last 4 financial years 2019/20, 2020/21, 2021/22, 2022/23 and post-audit figures for 2023/24 which show the liquidity of the authority.

Revenue performance

- 4.29 This section shows collection rates for council tax and business rates, the average number of days to collect sundry debt and the number of days to process creditor payments for 2023/24 and the performance against profile for 2024/25. Sundry debt collection is on target with performance in relation to the processing of creditor payments better by 3 days. Council tax collection rates are currently slightly below target when compared to the profiled target, whereas NNDR collection rates are slightly above the profiled target.

Management of Resources

- 4.30 This section details the outturn position for 2023/24 and 2024/25 year-end forecast for revenue and capital, which is based on the financial position as at 31 December 2024.
- 4.31 The capital forecast as at the end of December is a forecast to be an underspend of (£2.29m) after the rephasing of £56.75m carry forward into 2025/26. Capital receipts are currently forecast to be on budget pending a review of available asset disposals which is fully dependent on timing and market conditions.

Prudential Indicators

Appendix 10 contains the prudential indicators as at 31 December 2024. The primary purpose of these is to provide assurance to Cabinet that the authority is borrowing and investing in a sound and prudent manner. Indicators are approved by Council on an annual basis.

National Indicators

- 4.32 These indicators are nationally set and provide an indication of the council's exposure to interest rate risks, the proportion of the council's budget used to finance capital expenditure and the borrowing limits for the current year.

All of these indicators were met in 2023/24 and are forecast to be met in 2024/25.

The targets that these prudential indicators are monitored against have been taken from the Treasury Management and Investment Strategy for 2024/25 onwards.

Local Indicators

4.33 These indicators have been set in consultation with the Treasury Management Panel, which is chaired by the s151 Officer, to provide further assurances to the authority that borrowing and investment is being undertaken in a sound and prudent manner.

- L2 - Average length of debt – The target acceptable limit is within 15-25 years. The authority's current position is 15.58 years, which is within the target range.
- L3a - Net borrowing costs as % of net council tax requirement. The target figure of 20.00% represents an upper limit of affordable net borrowing costs as a percentage of the net council tax requirement for the authority. The actual level of net borrowing costs is currently less than the upper limit, showing as 3.31%, which in the main is linked to the work undertaken by the service to seek secure favourable rates on investments and reduced costs on borrowing, thus reducing the overall net borrowing costs.
- L3b - Net borrowing costs as % of Tax Revenue. The target figure of 12.50% represents an upper limit of affordable net borrowing costs as a percentage of tax revenues for the authority. The actual level of net borrowing costs is currently less than the upper limit, showing as 2.33%, which in the main is linked to the work undertaken by the service to seek to secure favourable rates on investments and reduced costs on borrowing, thus reducing the overall net borrowing costs.
- L9a –All investments are currently outperforming the 2024/25 target rates. The average rate of all investments is forecasted at 4.86%, which is 0.85% above the target of 4.03%. The investment rates will reduce in line with anticipated bank rate cuts in the final two quarters of this financial year, but the target is still expected to be met by March 2025.

4.34 All the above indicators were met in 2023/24 and are forecast to be met in 2024/25 except the following:

- L8. Average interest received on short term interest vs at call rate 2.80%. The short term interest rate of 5.14% is 0.14% basis points higher than the at-call rate which is 5%. This equates to a 2.80% increase, however, the target rate for STI vs call rate shows at 20.00%. It is unlikely that this target will be met as interest rates are now on a downward trend and the difference between at-call and short-term rates is minimal so market conditions dictate it is unlikely that the council will make 20% above.

Write off of debt

4.35 The following write off (as it is over £10,000) requires the approval of Cabinet;

- £18,965.25 relating to an Adult Social Care residential care charge for care in 2018. The debt is recommended for write off as the client has passed away and has no funds or assets to pay.
- £12,417.91 relating to Adult Social Care community-based charges for care during the period 2020 to 2023. The debt is recommended for write off as the client has passed away and has no funds or assets to pay.
- £10,916.34 relating to a Children's Services fostering care overpayment for the period 2014 to 2016. The debt is recommended for write off as following the end of a debt management plan the debtor could not be located.

Council Plan Priorities

- 4.36 The council's financial strategy and annual budget process is designed to ensure that resources follow council priorities and deliver outcomes as set out in the Council Plan 2022-25 and will align to future iterations of the Council Plan.

Risk Management

- 4.37 The 2024/25 budget and level of operating reserves were set following a robust financial risk assessment. The level of reserves can only be set based on a set of realistically foreseeable or predicted parameters. Due regard is made to the strategic and operational risks facing the council. Some of these relate to the current economic condition, others to potential regulatory or national issues, which may have a local impact. Best professional judgement and estimates were applied in terms of the ongoing impact of the global pandemic and rising cost of living pressures.
- 4.38 Managers are required to deliver service and improvement targets on time, to standard and within budget. The resource allocation process is governed by the overarching Medium Term Financial Framework (MTFF). Risk management is an integral part of this activity and is embedded in budget preparation, monitoring and forecasting to enable potential variances and risks to be identified early and addressed.
- 4.39 There are also a number of increased risks in 2024/25 as set out within this report. Financial forecasts have been included where known or are estimated. Actions have been taken to address these risks and reduce the forecasted overspend caused by these pressures. Mitigating actions are set out within this report.
- 4.40 As well as financial risk, the council maintains a register that highlights key themes of organisational risk which is reported to Audit Committee as part of their annual work programme. The Strategic Risk Register (SRR) is regularly reviewed and amended where appropriate. The SRR is reported to Corporate Management Team and oversight in relation to this rests with Audit Committee, which will receive a number of reports during 2024/25.

Financial Implications

- 4.41 The financial implications are as set out in the main body of this report. The council has a statutory responsibility to set a balanced budget and to ensure it has an adequate level of reserves. The council takes a medium-term policy led approach to all decisions on resource allocation. The potential forecast revenue variance, prior to mitigating actions being implemented, is significant and requires strong and robust management to ensure the council outturns within budget by year end. Actions are being taken to address this and progress will continue to be reported throughout 2024/25 to Cabinet.
- 4.42 Opening unallocated general reserves for 2024/25 were £19.56m. The medium-term financial framework (MTFF) requires that a prudent level of reserves is maintained. This was set at no less than £18.39m for 2024/25. The potential overspend of £6.75m within this report would reduce available reserves and action is being taken to address this to ensure we outturn with an appropriate level of reserves.

Legal implications

- 4.43 The council is required to set and operate within a balanced budget. Section 114 of the Local Government Finance Act 1988 requires the chief finance officer (CFO), in consultation with the council's monitoring officer, to make a report under this section if it appears to him or her that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure. In practice, this is most likely to be required in a situation in which reserves have become depleted and it is forecast that the council will not have the resources to meet its expenditure in a particular financial year. This mechanism, however, is impractical and should be avoided, as issuing a S114 notice requires all non-statutory spend to cease immediately, a situation which would just exacerbate the current situation.
- 4.44 The council will have due regard to its statutory responsibilities in proposing any changes to service provision and its statutory responsibilities in relation to setting a balanced budget.

Procurement Implications / Social Value

- 4.45 All procurement activity is being reviewed, with a focus on identifying opportunities that will enable us to financially support our current and future services. It will do this by reviewing and reducing third party spend and improving the 'Procure to Pay' process and systems. The Third Party Spend Board has been created to support and challenge services through the gateways of the commissioning and procurement process, with the aim of achieving best value for money.

Property Implications

- 4.46 The impact of Covid-19 has meant that many council premises were required to close or remain open with restricted access to essential workers during the early stages of 2021/22. Following the easing of restrictions, the council has reviewed its ways of working approach, emphasised on 'it's the work that we do, not where we do it'.

Cabinet on 20 April 2022 approved the council's Strategic Asset Plan 2022-27. The Strategic Asset Plan is the key document which sets out the council's vision and approach for the management of its property portfolio under the Corporate Landlord model.

The Corporate Landlord model approach takes a more strategic approach to property and asset management across the council, bringing together property, facilities management and commissioning responsibilities into a key enabling service under the council's new functional model. This will ultimately enable the development and implementation of an estate that supports our transformation programme and the wider corporate objectives of the council.

Health and Wellbeing Implications

- 4.47 This report is prepared with consideration of any impacts that any decisions would have on health and wellbeing. Any implications arising from the budget will be reported to members during budget setting along with any actions which are required to be addressed prior to implementation of budget proposals.

Staffing Implications

- 4.48 There are no direct implications arising from this report.

Reducing Inequalities

- 4.49 The 2010 Equality Act lays a requirement to have due regard to the equality impact when exercising its function. As a public body, the council is required to comply with the Public Sector Equality Duty (PSED), as set out in the Equality Act, 2010. The PSED requires the council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. Failure to meet these requirements may result in the council being exposed to costly, time-consuming, and reputation-damaging legal challenges. The budget is equality impact assessed and consulted on as appropriate, with feedback and actions arising from these reported to Members during budget setting.

Climate Change

- 4.50 This report is prepared with consideration of the council's Climate Change Action Plan, and the budget will need to consider the six key areas of the Plan: strategy, energy, waste, transport, nature, resilience and adaptation (as appropriate).

Consultation

- 4.51 The report is prepared in consultation with the s151 Officer, Corporate Management Team, relevant managers and directors.

5. Decide

- 5.1 Cabinet may wish to consider additional actions to address the matters set out in this report.

6. Respond

- 6.1 Following Cabinet's consideration and approval, the S151 Officer will ensure implementation of the recommendations.

7. Review

- 7.1 Regular monitoring reports will continue to be presented to Cabinet on the forecast for 2024/25, including an update on risks and impact on the budget for 2025/26 and beyond.
- 7.2 Budget proposals will be presented to Cabinet and implemented following approval of the budget by Full Council in February 2025.

Background papers: Various financial working papers.

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Judith Greenhalgh
Executive Director – Resources & Transformation

12 February 2025



Shaun Darcy
Director – Finance, Procurement and Assurance / S151 Officer

12 February 2025



Councillor M Statham
Deputy Leader – Finance

12 February 2025

Appendix 1 – Directorate Forecast Position 2024/25 prior to mitigating actions

The following sections provide more detail on directorate pressures and actions being taken to address these.

Adults Social Care and Public Health (£8.16m prior to mitigating actions, after use of and transfers to reserves)

The overspend prior to any mitigation is £8.16m, this pressure is offset by identified mitigating actions totalling (£2.39m).

The main reasons for the £8.16m overspend can be split into and 'Impact of Service Transformation Plan' of £3.52m, 'Business as usual' (BAU) of £3.67m and the transfer to reserves of £965k relating to joint funding income.

The reasons for the saving under-achievement of £3.52m are as follows:

- £1.40m - joint funding tool contributions and due diligence process is underway which will inform the 2024/25 position and the ongoing impact. This position reflects the latest position projection of sample assessed as part of the 'Devon' tool;
- £720k - Community Reablement;
- £651k - market management of Learning Disability and Mental health provider market, and Shared Lives review;
- £685k - effective processing of service user contributions and charges;
- £60k – Section 75 Income Generation.

The main reasons for the BAU position of £3.67m are as follows:

- £1.20m – inflow/ attrition/ backdating- Increase due to net inflow of new, deceased and ended service users. This increase is a combined impact of new service users above budgeted levels combined with being placed at a higher average cost than originally budgeted and the number of ended service users being significantly lower than the budgeted trends.
- £3.26m – changes in existing placement costs - Net increase due to the impact of changes to existing service user packages undertaken during from April to December 2024.
- (£857k) - other demand related changes including reduction in s117 expenditure forecast and increases in both health and client income.
- £62k – Integrated Community Equipment Service - This overspend is based upon the Councils net share of the reported position by Walsall Healthcare Trust at the end of August. The overspend is due to increasing demand for equipment.
- (£133k) - part year savings as a result of the cessation of both the CM2000 and Better Care Finance contracts.
- £140k - staffing and other miscellaneous variations

Public Health on budget (after planned use of and transfer to reserves)

The current forecast position before the net use/of transfer to reserves is an overspend of £1.24m. After the net transfer to reserves totalling £1.24m Public Health is on budget.

The **£1.24m** overspend prior to reserves is a result of the following:

- (£70k) transfer to reserves – This is due to a projected underspend on staffing as a result of part year vacancies across the service partially offset by agency staff costs.
- (£340k) transfer to reserves – This is due to a reduction in rehab placements (which is a demand-led service), a reduction in the forecast for family safeguarding workers due to vacancies in the team and underspends on supplies and services.
- £1.65m transfer from reserves – Planned projects funded from reserves for the financial year 2024/25. This includes investments into Mental Health, Sexual Health, and Young Adults Wellbeing services.

Mitigating actions of £2.39m have been identified across the directorate to reduce the overall forecast which are detailed at Appendix 3.

Children's - (£5.32m prior to mitigating actions, after use of and transfers to reserves)

The overspend prior to any mitigation is £5.32m. The main reasons for the overspend are as follows:

Children's Social Care Demand £1.87m, split as follows;

- £660k – full year impact of 2023/24 pressures, primarily linked to the increased net inflow/ outflow, offset by identified cost reductions and contributions totalling (£2.11m), of which £840k is yet to be realised.
- £280k – inflationary cost increases linked to the retender of the Independent Fostering Agency (IFA) framework.
- £430k – cost increases linked to increased support within placements.
- £430k – net pressure within the inflow / outflow and placement moves budget following an increased demand on secure placements. To note within this position £766k of savings have been identified as unachievable. These red savings have been offset by the recurrent overachievement of two savings within the service (£373k) and one-off underspends in short term placements, including Remand and Mother and Baby (£318k).
- £80k – pressures within the internal residential homes due to a reduction in respite income and increased overtime
- (£10k) – minimal variances linked to the FDAC contract.

Children's Social Care Core £760k, split as follows;

- £120k - Costs linked to occupational therapy equipment. Service continues to work with OTs to understand the reason for increases, manage future demand and reduce costs in future years.
- £20k - Increased staffing / agency costs linked to the impact of increased sibling groups and demand on the family time service. Proposals to invest in this area are included within the 2025/26 MTFO.
- £280k - Section 17 costs linked to increased use of agency support, childcare costs and accommodation to avoid children entering care, pending the full implementation

of the Families First for Children pathfinder. The pathfinder project should support with these costs going forward.

- £30k - Regional adoption agency contract increases in 2024/25.
- £350k - Staffing pressures from use of agency to backfill posts until permanent recruitment can be completed, temporary management arrangements and long-term sickness. To note, £257k of this pressure is within the social worker R&R focused areas and has been deemed unachievable as a saving during the financial year.
- £160k - Other non-staffing pressures relating to travel, premises and security costs
- (£190k) - Underspends within the complex needs project team due to delays in recruitment and £90k funding received from health partners.

Early Help - £340k, split as follows;

- £340k – short breaks pressure of which £230k relates to children in care demand cost avoidance and the remaining £110k is increased demand and complexity of children using the placements. The service continues to ensure the service provided is appropriate and health contributions are agreed and received where possible.
- (£0.00m) – pressures linked to Children Services contracts (£50k) which have been offset by staffing underspends across Early Help (£50k).

Access & Inclusion £2.36m, split as follows;

- £2.61m Home to school transport due to the impact of increased demand in 2023/24 over and above budget (28% increase vs 14% budgeted) and increase in average costs linked to market pressures.
- (£40k) use of attendance fine income to support staffing costs.
- (£50k) 2025/26 saving bought forward and achieved in 2024/25.
- (£140k) staffing and agency underspends due to delays in recruitment.
- (£20k) additional traded income.

Resources and Transformation (£1.31m underspend after use of and transfers to reserves, prior to mitigating actions)

The current net forecast position after the net use of reserves is an underspend of (£1.31m). The main reasons for the underspend are as follows:

- Finance (£333k) – underspend due to vacant posts partially offset by agency costs and recruitment costs
- Corporate assurance (£44k) – underspend due to vacancies across the service;
- Programme management (£37k) - underspend due to maximisation of external funding
- Corporate management team £99k – overspend on salary costs predominantly relating to additional responsibilities;
- Procurement £204k – overspend on agency staff costs partially offset by vacant posts across the service;
- Electoral Services (£30k) – underspend on staffing due to vacant posts;

- Democratic Services (£52k) – underspend on staffing due to vacant posts partially offset by under recovery of income from school admission appeals and an overspend on supplies and services;
- Legal services (£37k) – Underspend on staffing due to vacant posts partially offset by locum costs, external legal fees and under recovery of income
- Digital Transformation & Digital (£489k) – underspend on staffing costs across the service due to vacant posts partially offset by overspend on computer equipment and contracts;
- Human Resources, Organisational Development and Administration (£42k) – underspend in staffing costs across services partially offset by agency staff costs for specialist services and recruitment expenses;
- Customer Engagement (£398k) – Underspend on staffing costs and reallocation of Public reserve to fund existing staff costs partially offset by increased costs associated with the Bed & Breakfast model.
- Communications and Hub (£153k) – underspend on staffing costs due to vacant posts partially offset by agency staff costs and supplies and services.

Economy, Environment and Communities (£2.47m overspend prior to mitigating actions and after use of and transfers to reserves)

The overspend prior to any mitigation is £2.47m. The main reasons for the overspend are as follows:

- £280k - mainly due to agency staff costs for senior planning officers and software implementation within Planning Services and Building Control;
- (£160k) – additional income within Housing Standards and Improvements from fines and grants;
- £750k - pressure relating to cleaning and caretaking costs for buildings managed across the council;
- £260k – saving relating to staffing restructure not achieved covered by mitigating actions;
- £620k – staffing costs relating to overtime and agency costs within Clean and Green services;
- £180k – red savings relating to the closure of HWRC's 1 day a week and reduced demand for bulky waste collections following a price increase;
- £175k – pressure on water supplies to council buildings;
- £75k – red saving relating to premises rental income from partners of £225k, this is partially offset by additional income from commercial and shop premises income of (£150k);
- (£336k) –additional income from Lex Site and Park Place;
- £720k – pressure relating to a fall in demand on bereavement services relating to a new competitor within the borough;
- £135k – due to a decrease in demand for rental of stalls within Walsall Market;
- (£260k) – over recovery of income from W2R energy.

Capital Financing underspend of (£4.50m) after use of and transfer to reserves (prior to mitigating actions)

Prior to any transfer to reserves the position is an underspend of £7.79m. The underspend is due to a reduction in borrowing costs and higher investment returns than expected including a one-off dividend estimated to be £4.50m.

Of the total underspend £2.50m is to be transferred to the capital financing smoothing reserve to smooth known increases in borrowing costs from 2025/26 onwards. There will also be £1.00m transferred to the CCLA Valuation Reserve. There will be a planned (£0.21m) use of reserves from the lease vs buy reserve.

The remaining underspend of (£3.94m) is being used as mitigating action to support council wide pressures as set out in Appendix 3.

Central £7.66m overspend after use of and transfer to reserves (prior to mitigating actions).

The overspend relates to the following:

- £5.70m of savings held centrally relating to Third Party Spend (TPS) and Triple Value Impact (TVI) are deemed to be undeliverable within this financial year.
- £740k overspend due to additional levy costs.
- £390k overspend as a result of additional mediation costs.
- £840k forecast energy costs above budget which includes £200k saving which will not be achieved in year.

Appendix 2: Summary of potential risk

Details of Risk	Potential Cost of Risk £m
Adult Social Care & Public Health	
Increased demand for care services if client in/ outflow trends seen in 2024/25 are different to budgeted assumptions	0.12
Increased changes to existing service user costs if trends seen in 2024/2025 to date continue for the remainder of the year	0.44
Impact of backdating information within Mosaic. Risk of active/placements with financial commitments not yet recorded on the database and therefore omitted from the current forecast position	0.15
Total Adult Social Care & Public Health	0.72
Children's & Education	
Increased inflow/ outflow pressures – The financial impact of children entering and leaving care in 2023/24 was significantly higher than that of previous years, if these rates were to continue there could be an additional pressure in year.	0.46
Home to School transport increase in costs / demand – The current forecast is based on current demand and estimated future demand in the remaining months of the year. It also assumes changes to costs as seen in previous years	0.10
Placement moves – The financial impact of placement moves in 2023/24 was significantly higher than that of previous years.	0.21
Increase in placement costs / level of support – during 2023/24, there was a continuing number of cases whose level in support increased creating a pressure in year. If this were to materialise again in 2024/25, there could be a further pressure	0.09
Health partner contributions 23/24 – At the end of 23/24, 6 cases were identified with health requirements. Health partners have agreed that there are health needs but formal MDT's are yet to take place	0.41
Health partner contributions 24/25 – 10 cases were identified with health requirements. The position assumes funding will be received for these cases following formal MDT's, risk if funding received differs from what is assumed	0.35
Home to school transport impact of Belonging Regulations – DFE communications relating to this are resulting in several local authorities reviewing their stance on financial responsibility for transporting children, income may be reduced if local authority's change stance.	0.17
Increased demand in Section 17 – There has been a high level of expenditure to date linked to Section 17, if this expenditure does not reduce as forecast this could result in a further pressure.	0.29
Total Children's & Education	2.08
Economy, Environment and Communities	
Additional property maintenance costs	1.00

Total Economy, Environment and Communities	1.00
TOTAL HIGH RISKS	3.80

Appendix 3: Mitigation actions included within the report

Directorate	Detail of mitigating actions	£m
Adult Social Care & Public Health	Use of unallocated Better Care Fund inflation	0.21
	Decreases through post ICS discharges and other reviews reported up to end of August (mitigating action for market management of learning disability and mental health provider saving)	1.28
	Release of grant funding held in reserve to fund existing spend	0.47
	Agreed contribution from the ICB	0.40
	One-off staffing underspend to offset delay in achieving Section 75 Income	0.03
	Total Mitigation included for Adult Social Care and Public Health	2.39
Economy, Environment & Communities	Economic Growth Programme funding held in reserves.	0.26
	Overachievement of fuel STP c/f from 2023/24	0.07
Total Mitigation included for Economy, Environment & Communities		0.33
Central	Reduction in borrowing costs and higher investment returns	3.94
	Use of cost of living reserve	1.09
	Social care demand reserve	1.30
	Use of risk reserve	2.00
Total Mitigation included for Central		8.33
Total Mitigation included in forecast outturn		11.05

Appendix 4: List of service Earmarked reserves to be released

Directorate	Earmarked reserve description	£
Economy, Environment & Communities	Economic growth programme reserve	999,158
	Transition funding reserve	14,500
	Feasibility appraisals and options reserve	238,579
	Street Lighting PFI	1,477,000
	Pro tech reserve	12,653
Total for Economy, Environment & Communities		2,741,890
Resources and Transformation	Audit and inspection reserve	20,000
	Improvement projects reserve	80,303
	Elections reserve	217,155
Total for Resources and Transformation		317,458
Children's and Education	Feasibility appraisals and options reserve	243,992
	St Thomas Moore PFI	1,000,000
Total for Children's and Education		1,243,992
Total Service Earmarked reserves to be released		4,303,340

Appendix 5: Benefits 2024/25 currently identified as 'Red' due to risk of delayed delivery.

Directorate	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non-delivery £	Value to be mitigated on a one-off basis in year £	Value to be mitigated ongoing (achieved alternatively) £	Reason	Mitigating Actions
Children's Services	OP56 - Reduction in Home to School transport investment	145,000	145,000	0	0	Increased costs and demand over and above expected levels in 2023/24 have added pressure to 2024/25 budget, meaning savings are not achievable within current budget envelope.	No mitigation currently identified.
Children's Services	2023/24 - Home to School Transport review of contracts and route optimisation	300,000	300,000	0	0	Increased costs and demand over and above expected levels in 2023/24 have added pressure to 2024/25 budget, meaning prior year savings are not achievable within current budget envelope.	No mitigation currently identified.
Children's Services	OP6 - Review of current establishment and reduction in the use of agency staff, following recruitment of permanent staff	315,450	256,657	0	0	Unachievable based on current levels of agency staff/staff across the directorate	No mitigation currently identified.
Children's Services	OP57/60 – Further recruitment and retention of internal foster carers	810,648	183,311	107,463	0	Current year target achieved, however difficulty attracting additional carers over and above original target	One off under spends on short term placements
Children's Services	OP58 – Specialist Foster Placements	457,250	99,752	99,752	0	Delays in recruiting carer as per original timescales	One off under spends on short term placements

Directorate	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non-delivery £	Value to be mitigated on a one-off basis in year £	Value to be mitigated ongoing (achieved alternatively) £	Reason	Mitigating Actions
Children's Services	OP62 – Extend the Family safeguarding programme into Corporate parenting	859,866	482,874	106,205	372,543	Original assumptions now deemed unachievable due to the complexity of cases, this saving has been reduced from 2025/26 onwards in line with findings	£373k - Overachievement from savings relating to new internal residential homes and adolescent service and £106k - One off under spends on short term placements
Total Children's Services		2,888,214	1,467,594	313,420	372,543		
Adult Social Care	OP17 - Market management of Learning Disability/Mental Health provider	574,282	483,839	0	483,839	Business case still being developed. Workshops underway to determine identifying cost reductions	Reduction in post Intermediate Care Service discharges reviews.
Adult Social Care	OP16 - Community Reablement service	1,147,248	720,000	0	606,435	Delay in implementing the service – service implemented and live from November 2024	Reduction in post Intermediate Care Service discharges reviews.
Adult Social Care	OP15 - Shared Lives – Foster Care Provision	142,812	142,812	0	142,812	Expected increase in shared lives provision as encouraging more people to access this service to reduce more expensive service user placements	Reduction in post Intermediate Care Service discharges reviews.
Adult Social Care	2023/24 - Review for Learning Disabilities joint funding tool	2,212,270	1,407,147	0	0	Due diligence on tools in progress which will inform 2024/25 discussions with ICB.	No mitigation currently identified.
Adult Social Care	2023/24 - Shared Lives – Foster Care Provision	116,277	24,411	0	24,411	Expected increase in shared lives provision as encouraging more people to access this service to reduce more expensive service user placements	Reduction in post Intermediate Care Service discharges reviews.

Directorate	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non-delivery £	Value to be mitigated on a one-off basis in year £	Value to be mitigated ongoing (achieved alternatively) £	Reason	Mitigating Actions
Adult Social Care	2023/24 – Section 75 Income Generation	59,780	59,780	30,124	0	Ongoing discussions with ICB.	One off underspend due to vacant posts within service.
Adult Social Care	2023/24 - Efficiencies attributed to the implementation of improved charging policies	794,720	684,549	0	0	Delayed delivery of the income generation project.	No mitigation currently identified.
Total Adult Social Care & Public Health		5,047,389	3,522,538	30,124	1,257,497		
Economy, Environment & Communities	OP49 - One public estate – income from partners	250,000	225,000	151,000	0	Rental of space in Civic Centre is dependent on HVAC works being completed before commencement of leases.	Rental of Commercial & Shop Premises
Economy, Environment & Communities	OP34 – Fees and Charges – Registrars, Crematorium	61,974	6,890	0	0	Charges increased but savings not achieved due to reduced demand due to competitor	No mitigation currently identified
Economy, Environment & Communities	2023/24 – Outsource Outdoor Pursuits Service to a community group	12,878	12,878	0	0	Delays in legal processes – Expected to be delivered in April 2025	No mitigation currently identified
Economy, Environment & Communities	OP34 -Fees and charges - Cultural	39,601	14,847	0	14,847	Partial non delivery due to reduced room hire income at Forest Arts Centre and Environmental Health fees	Mitigated by achievement of other income and reduced expenditure
Economy, Environment & Communities	Active Living Centres income generation	180,000	74,363	74,363	0	Dependent on receiving additional HAF funding which is now widely available to the private sector and therefore reduced funding expected.	Mitigated by overachievement of income across other leisure services.

Directorate	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non-delivery £	Value to be mitigated on a one-off basis in year £	Value to be mitigated ongoing (achieved alternatively) £	Reason	Mitigating Actions
Economy, Environment & Communities	P4 – Street lighting dimming & trimming during the evening	160,000	120,000	120,000	0	Costs not reduced sufficiently enough to deliver saving. Awaiting outcome on ongoing negotiations	Funded from Street Lighting reserve
Economy, Environment & Communities	OP51 - Council House / Town Hall events	40,000	40,000	0	0	Unachievable based on current projection of future events.	No mitigation currently identified.
Economy, Environment & Communities	OP53 - Energy reductions	200,000	200,000	200,000	0	Estimated energy forecast predict an overspend of at least £2m therefore this saving will not be delivered.	Mitigated one off through use of corporate reserve and reported centrally not within EE&C.
Economy, Environment & Communities	OP28 - Bereavement services, new memorial garden at North Walsall Cemetery	55,000	55,000	0	0	Dependent on capital funding – delay in starting required work	No mitigation currently identified
Economy, Environment & Communities	P5 - Seek sponsorship for festive lights	40,000	40,000	40,000	0	Plan to seek sponsorship funding, but currently no agreement.	Funded from Street Lighting reserve
Economy, Environment & Communities	P6 - Closure of Fryers Road and Merchants Way Household Waste Recycling Centres for 1 day (7 to 6)	150,000	150,000	150,000	0	Plan for delivery currently being reviewed.	Mitigated by trade waste surplus income.
Economy, Environment & Communities	OP4 - Increase on-street parking charges	20,000	10,000	10,000	0	Partial delay as not allowed to advertise changes after elections in May 2024	Funded from Parking reserve

Directorate	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non-delivery £	Value to be mitigated on a one-off basis in year £	Value to be mitigated ongoing (achieved alternatively) £	Reason	Mitigating Actions
Economy, Environment & Communities	OP5 - Increase off-street parking charges	55,000	5,000	5,000	0	Partial delay as not allowed to advertise changes after elections in May 2024	Funded from Parking reserve
Economy, Environment & Communities	2023/24 - Increase in bulky waste charges	136,000	15,000	15,000	0	Reduction in demand when introduced in February 2024.	Mitigated by trade waste surplus income.
Economy, Environment & Communities	OP72 – Full cost recovery of penalty notices for fly tipping	5,000	3,669	0	0	Plan for delivery currently being reviewed.	No mitigation currently identified
Economy, Environment & Communities	2023/24 - Parking dispensation charging of £15 per vehicle per day	14,625	10,969	10,969	0	Delay in required system changes to implement change	Funded from Parking reserve
Economy, Environment & Communities	2023/24 - Regeneration and Economy Team review	260,193	260,193	260,193	0	Delay in implementing new structure	Currently mitigated by one off external funding grants
Economy, Environment & Communities	2023/24 - Improvement to DD collection processes	10,000	10,000	10,000	0	Delays in implementing required system changes due to compatibility.	Mitigated by additional income across the service
Economy, Environment & Communities	2023/24 - Increase rental income from Park Lodges	4,034	4,034	0	4,034	Unachievable due to only partial increase in rates	Mitigated by rental of clock tower
Economy, Environment & Communities	OP54 – Charge developers for travel plans	30,000	30,000	0	30,000	Plan for delivery currently being reviewed.	Mitigated by under spend on expenditure budgets within the service
Economy, Environment & Communities	2023/24 - Income generation review of fees and charges – increase bereavement charges by 5%, registrars and interment fees by 3%	93,646	93,646	0	0	Charges increased but savings not achieved due to reduced demand due to competitor from September	No mitigation currently identified

Directorate	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non-delivery £	Value to be mitigated on a one-off basis in year £	Value to be mitigated ongoing (achieved alternatively) £	Reason	Mitigating Actions
Economy, Environment & Communities	OP69 – Other waste disposal – (e.g. grey bin, plasterboard, textiles)	280,000	280,000	280,000	0	Unachievable based on current pressures within the service	Mitigated one off through use of corporate reserve and reported centrally not within EE&C.
Economy, Environment & Communities	2023/24 - Review of Libraries Management	60,679	40,392	0	0	Delay in implementation of change due to sickness absence.	No mitigation currently identified
Economy, Environment & Communities	P2 – Registrars change of name deeds	3,000	3,000	0	3,000	Change of name deed not yet implemented	Achieved through additional income streams within service
Economy, Environment & Communities	P6 - Rewilding of all urban grassed areas - to manage public grassed open spaces and verges for biodiversity rather than visual appearance	50,000	50,000	50,000	0	Plan for delivery currently being reviewed.	Achieved through one off staff and materials saving
Economy, Environment & Communities	OP34 – Fees and Charges (Planning)	12,000	12,000	0	0	Prices have increased but has resulted in lower demand for services	No mitigation currently identified
Total Economy, Environment & Communities		2,223,630	1,766,881	1,376,525	51,881		
Centrally Held	OP76 – Additional Third Party spend (TPS)	3,000,000	3,000,000	0	0	Plan for delivery currently being reviewed.	No mitigation currently identified
Centrally Held	OP77 – Triple Value Impact (TVI) workshop	2,700,000	2,700,000	0	0	Plan for delivery currently being reviewed.	No mitigation currently identified
Total Central		5,700,000	5,700,000	0	0		
Total		15,859,233	12,457,013	1,720,069	1,681,921		

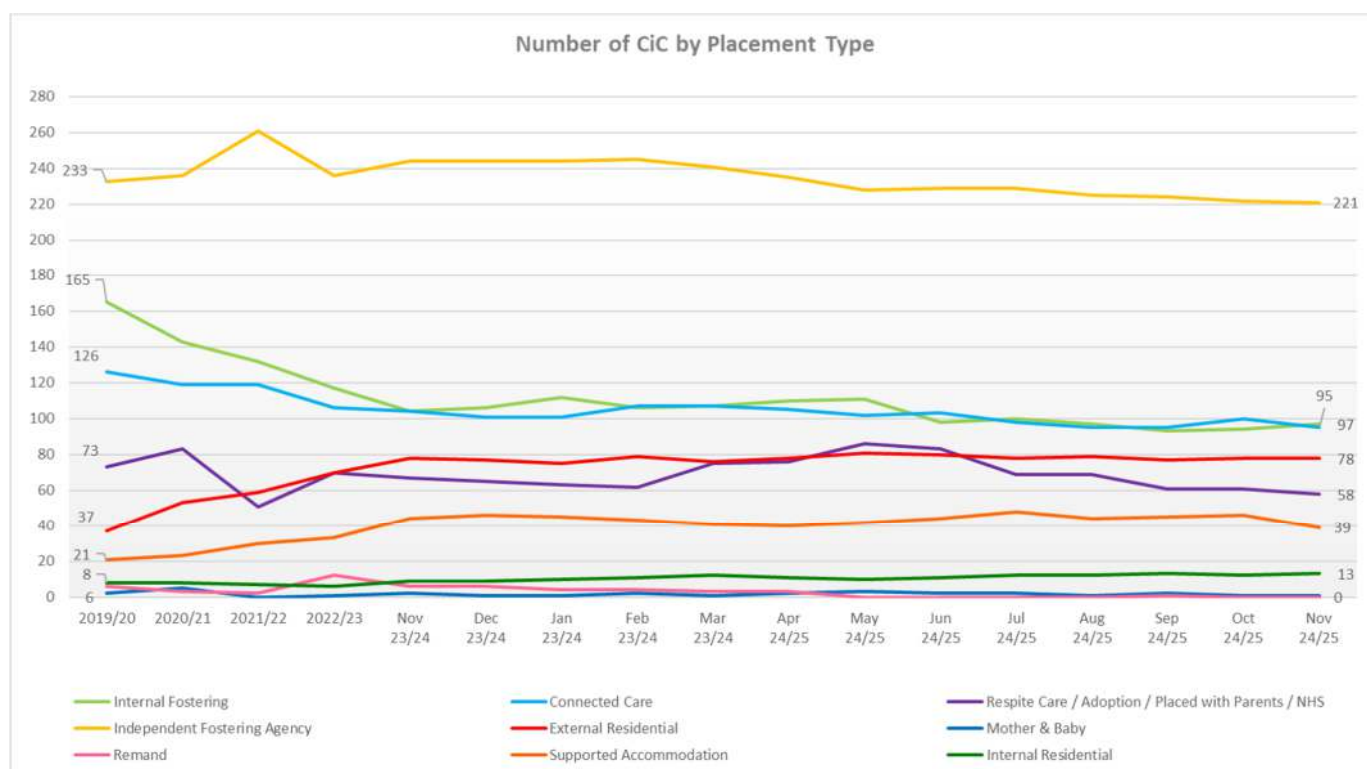
Appendix 6 – Performance data relating to demand within Children’s Services

Children’s Demand Services

Number of Children in Care by Placement Type

Year	2019/20	2020/21	2021/22	2022/23	Nov 23/24	Dec 23/24	Jan 23/24	Feb 23/24	Mar 23/24	Apr 24/25	May 24/25	Jun 24/25	Jul 24/25	Aug 24/25	Sep 24/25	Oct 24/25	Nov 24/25
Total CiC	671	673	661	651	658	655	655	659	663	660	663	650	636	622	611	614	602

As of November 2024, there was 602 children in care in Walsall. The graph below shows these children and young people (C&YP) by placement type and demonstrates the continuing placement sufficiency pressures, which has resulted in a change in the mix of placement types.



The graph shows how the reliance on higher cost placements has increased over the 12 month and 5-year period, with the number of External Residential placements increasing from 37 in 2019/20 to 78 in November 2024. Although, the use of Independent Fostering Agencies (IFA) had previously continued to rise, there has been a reduction in recent months bringing the total number of IFA placements to 221. In comparison, the use of lower cost placements has decreased, with the number of Internal Fostering placements reducing from 165 in 2019/20 to 97 in November 2024, and Connected Care placements reducing from 126 in 2019/20 to 95 in November 2024.

Number of children entering and leaving care

The table below illustrates the number of children entering care to date for 2024/25 and the prior four-year inflow trends by placement type.

Placement Type	Apr - Nov 20/21	% of total	Apr - Nov 21/22	% of total	Apr - Nov 22/23	% of total	Apr - Nov 23/24	% of total	Apr - Nov 24/25	% of total
Internal Fostering	31	26%	21	19%	28	29%	17	13%	12	16%
Connected Care	19	16%	12	11%	9	9%	16	12%	10	13%
Respite Care / Adoption / Placed with Parents / NHS	17	14%	13	12%	13	13%	6	5%	13	17%
Independent Fostering Agency	34	28%	42	38%	29	30%	45	34%	23	30%
External Residential	8	7%	11	10%	7	7%	17	13%	4	5%
Mother & Baby	2	2%	2	2%	2	2%	5	4%	0	0%
Remand	3	2%	1	1%	5	5%	1	1%	1	1%
Supported Accommodation	7	6%	10	9%	5	5%	25	19%	12	16%
Internal Residential	0	0%	0	0%	0	0%	1	1%	2	3%
Total CiC	121		112		98		133		77	

The number of children entering care from April to November in 2024/25 is lower than that of the other prior years, with a total of 77 C&YP (as at 02/12/24). This reduced number has supported achieving cost avoidance savings in year and reduced the financial impact to the overall position. However, it should be noted that the reduced use of lower cost placements, such as internal fostering, described above, is also mirrored for those entering care, with internal fostering reducing to 16% of total placements used.

During 2023/24, 200 C&YP entered care, an increase of 20% on the prior year. In addition to the increased numbers, there was an additional reliance on IFA's and External Residential placements as seen above. This extraordinary growth and increased reliance on higher cost placements has created a pressure in 2024/25 over and above the budgeted investment of £660k.

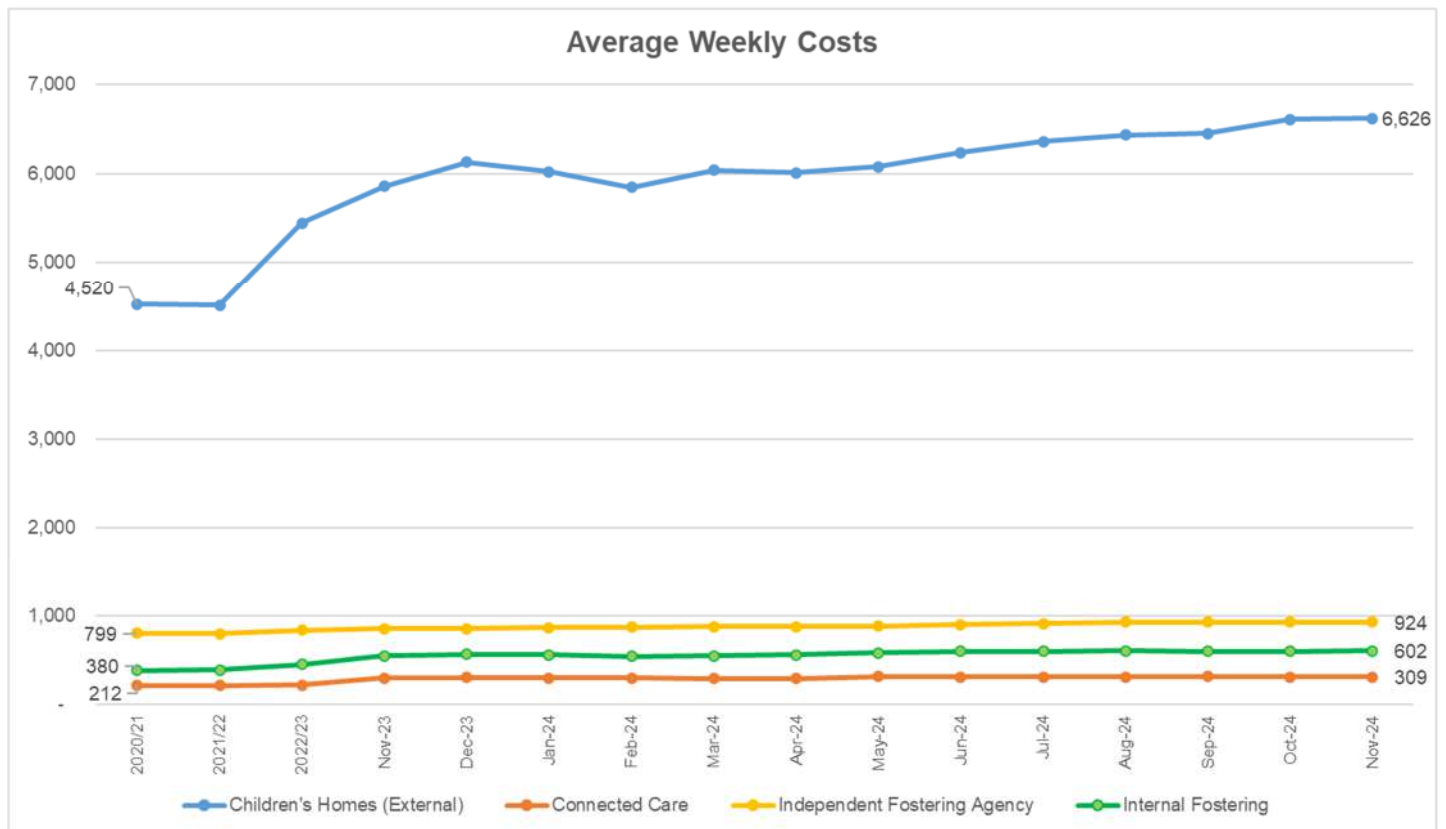
The table below shows the number of C&YP leaving care to date for 2024/25 and the prior four-year outflow trends. To note, this excludes those that have turned 18 as the financial impact of these have been considered within the forecast and budget.

	Apr - Nov 20/21	Apr - Nov 21/22	Apr - Nov 22/23	Apr - Nov 23/24	Apr - Nov 24/25
Number of C&YP leaving care	-71	-84	-81	-72	-92

From April to November 2024, there were 92 C&YP who left care. This is higher than that of the prior four financial years, however 29 of these were placed with parents so do not have an impact on the placements budget.

Average weekly costs of placements

The chart below shows the average weekly cost of the four most utilised placement types for Walsall's CiC. The average weekly cost for an external residential placement has significantly increased from £4.2k to £6.6k (56%) over the last 5 financial years, and from £5.9k 12 months ago (13%). There are currently seven placements over the cost of £10k per month which is influencing this average cost. When removed the average cost reduces to £6,114 per week. This is significantly higher than the average weekly cost of an Internal Fostering placement of £602 p/w and Connected Care placement of £309 p/w.

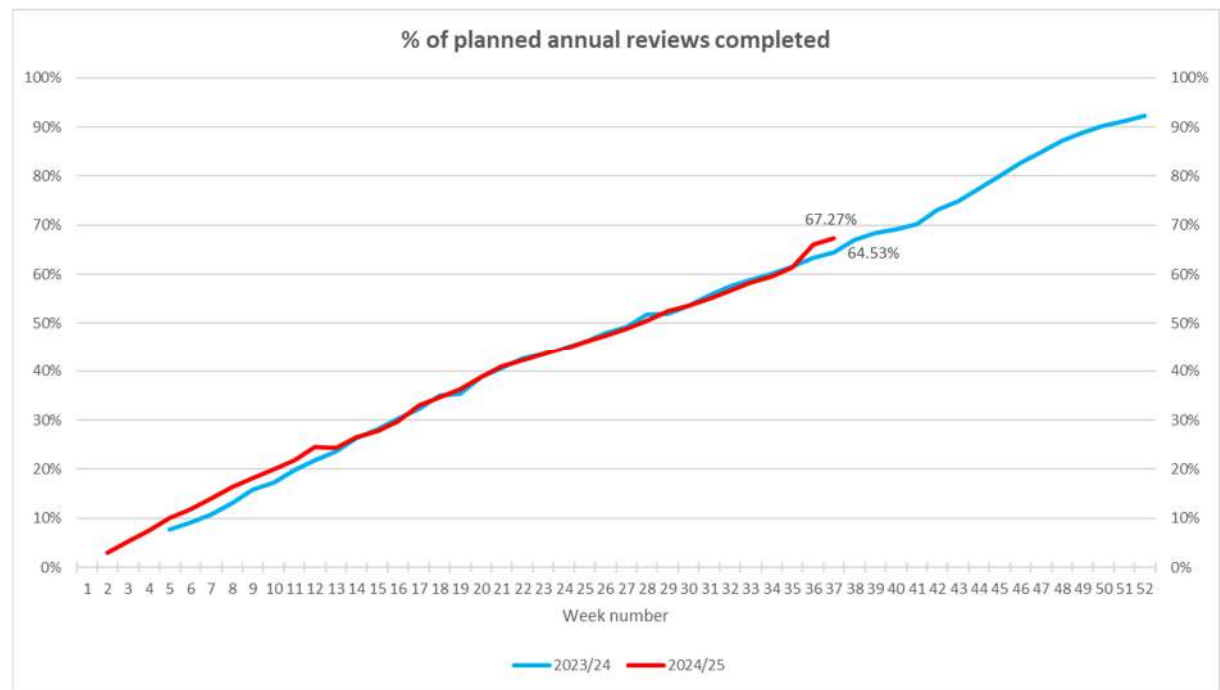


In recognition of the financial impacts above, the service will continue to focus on stepping C&YP down to lower cost placements where possible during 2024/25

**Appendix 7 – Performance data relating to demand within Adult Social Care
(P9 December 2024, utilising data to 30th November 2024)**

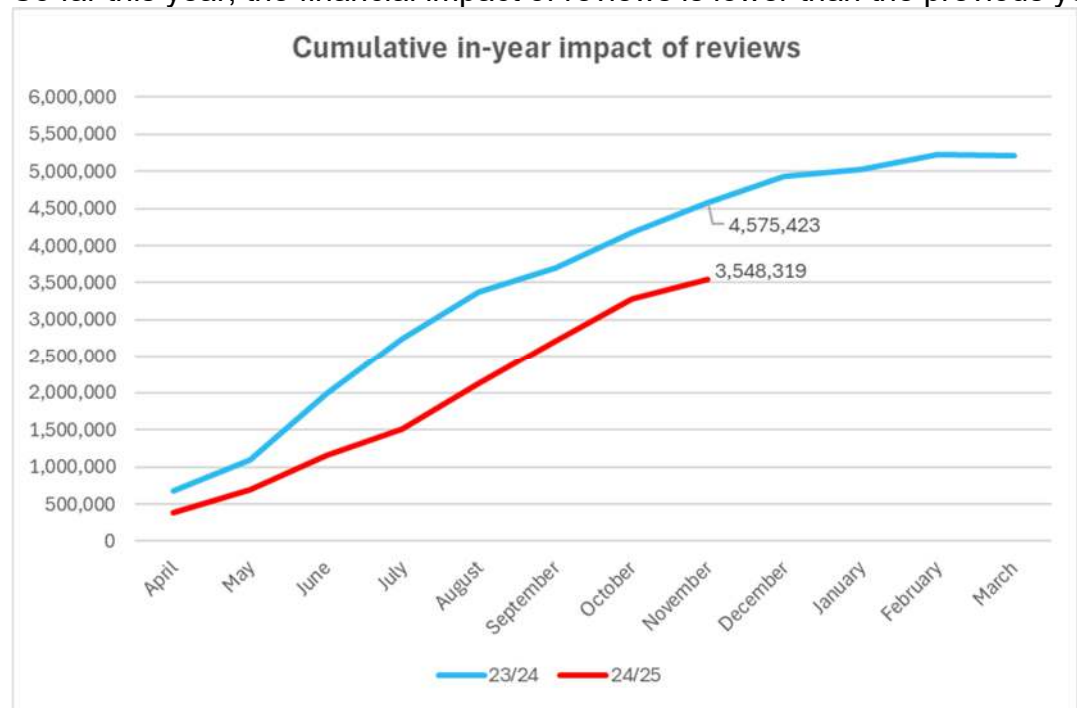
Reviews

Service users should receive a minimum of one planned review in a 12-month period, additionally unplanned reviews take place for several reasons.



The above graph, using Weekly Numbers data, indicates that the rate of completed reviews is currently in-line with the previous year. For 2024/25, 67.27% of planned reviews have been completed by the end of week 37 (15th December 2024) compared to 64.53% for 2023/24.

The graph below, using data from the Spend Overview Dashboard, shows that the net total in-year impact of reviews resulting in a new service plan for 2023/24 was £5.2m. So far this year, the financial impact of reviews is lower than the previous year.



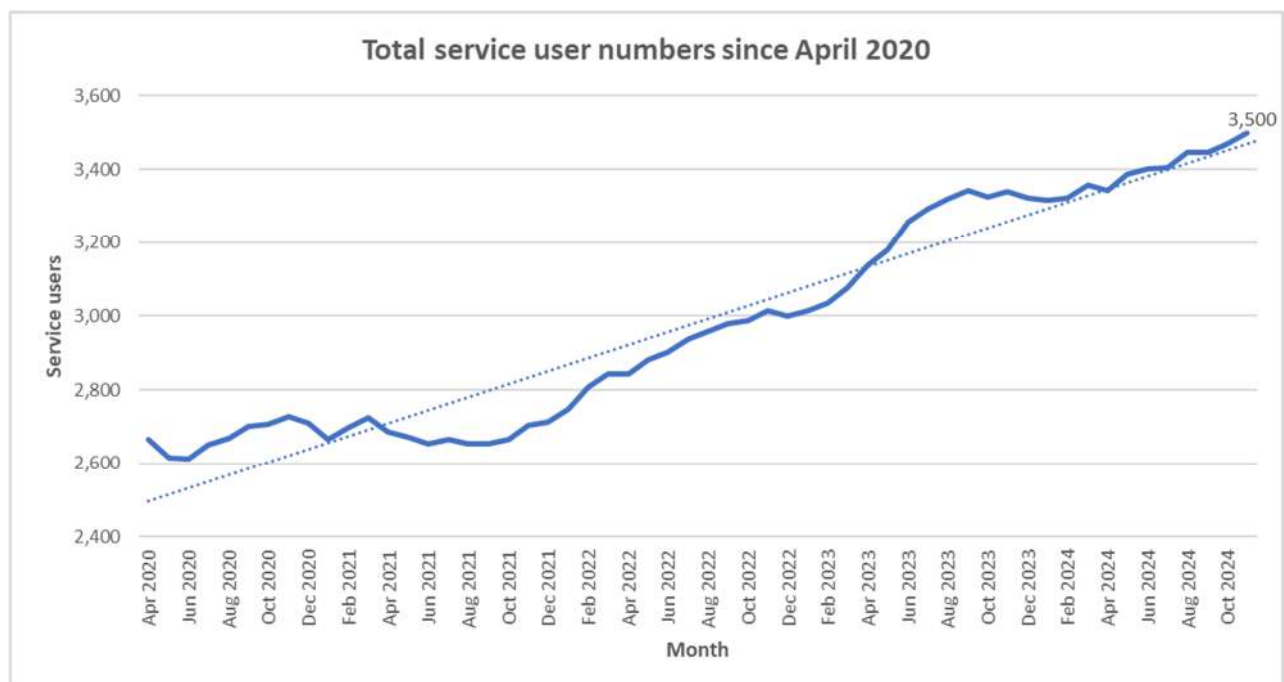
Service User Numbers

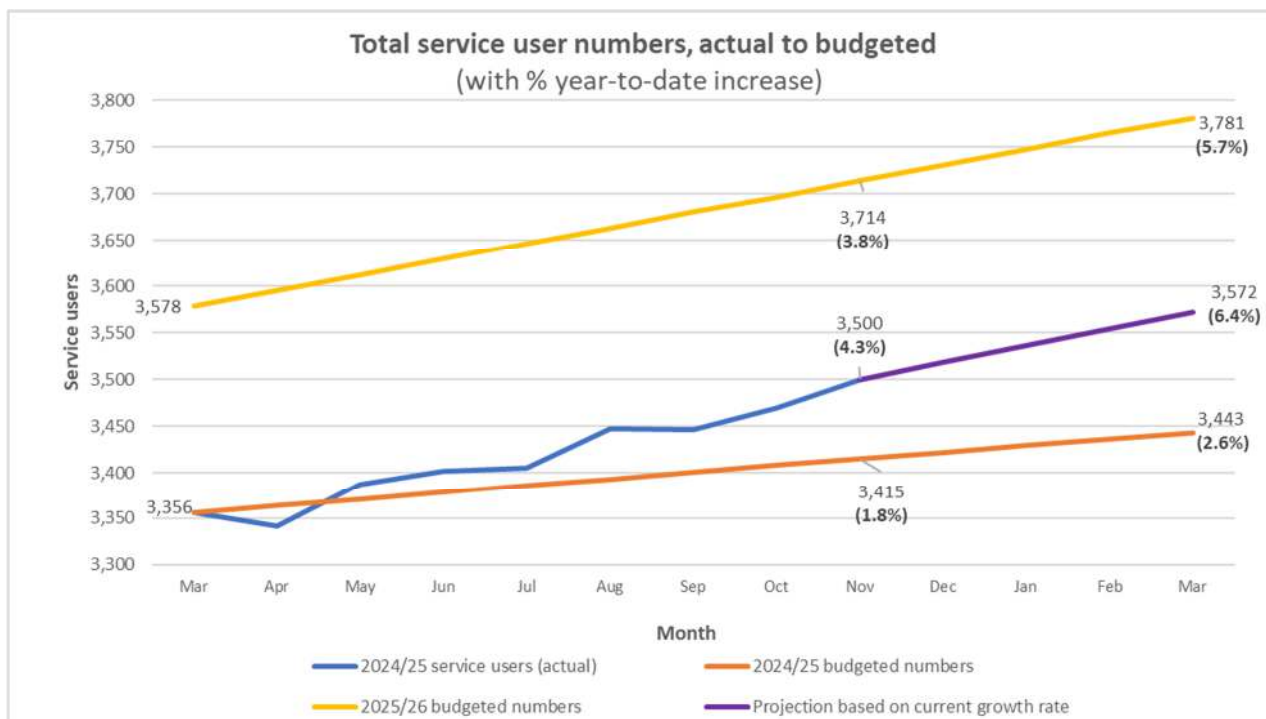
Attrition rate (current year effect)

	Budgeted (Apr to Nov)			Actual (Apr to Nov)			Variance (Apr to Nov)		
	Number	TOTAL	Average cost	Number	TOTAL	Average cost	Number	TOTAL	Average
New service users	1,139	18,088,057	15,881	1,221	22,460,480	18,395	82	4,372,423	
Deceased service users	(555)	(9,057,782)	16,320	(441)	(9,901,385)	22,452	114	(843,603)	
Ended service users	(525)	(9,014,632)	17,171	(636)	(11,492,499)	18,070	(111)	(2,477,867)	
TOTALS	59	15,643		144	1,066,597		85	1,050,953	

The table above shows that the number of new service users on 30th November 2024 was 82 more than budgeted. There were also 114 fewer client deaths than budgeted, and 111 more ended care packages than budgeted. Overall, there are 85 more service users in receipt of care than budgeted. Average new user costs have been markedly higher than budgeted, as have average deceased user costs, whilst average ended user costs have only been slightly higher than budgeted.

The graph below shows that user numbers have continued to increase since summer 2020, reaching 3,500 service users at the end of November 2024. As a reminder, these are not unique service users, services users with more than one care setting will be counted multiple times. However, a cross-check across care settings has shown 3,363 unique service users.

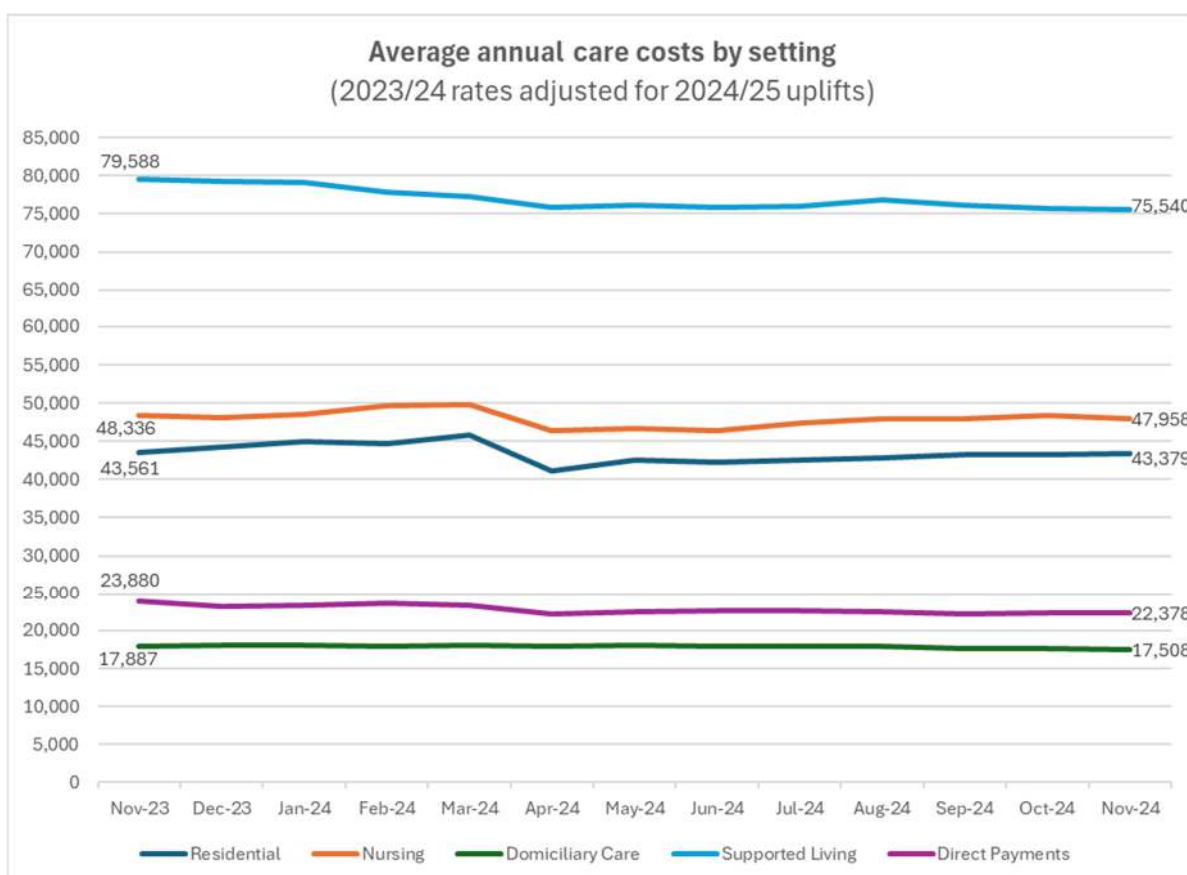




The above graph compares the actual number of service users for each month to the number budgeted for, along with a projection for the remaining months of 2024/25 (based on the growth rate since April 2024) and the 2025/26 budgeted numbers.

Average costs

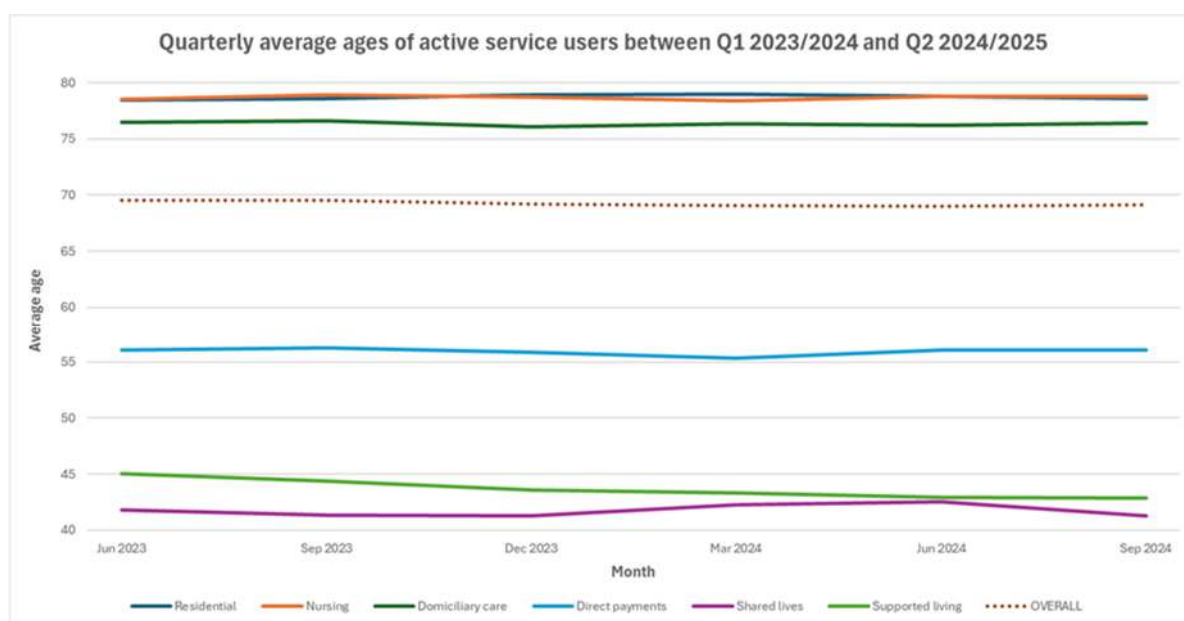
The following graph shows the average, full year costs for each care setting for the most recent 12-month period. The averages for 2023/24 have been increased by the 2024/25 uplift percentages to allow for a true comparison between the two years. Please note that while most 2024/25 uplifts been processed, some remain outstanding, so we are likely to see higher average rates in future months.



Care Setting	Nov-23	Nov-24	Change £	Change %
Residential	43,561	43,379	(182)	-0.42%
Nursing	48,336	47,958	(378)	-0.78%
Domiciliary Care	17,887	17,508	(379)	-2.12%
Supported Living	79,588	75,540	(4,048)	-5.09%
Direct Payments	23,880	22,378	(1,503)	-6.29%

Average ages

The final graph shows the average service user age for each care setting from Quarter 1 of 2023/24 to Quarter 2 of 2024/25. Overall, the average age of service users has decreased by 146 days, with the highest decrease in Supported Living.



Average ages				
Care setting	Jun 2023	Sep 2024	Change	
Residential	78.46	78.57	0.11	41 days
Nursing	78.51	78.80	0.29	105 days
Domiciliary care	76.49	76.38	-0.11	-39 days
Direct payments	56.08	56.06	-0.03	-9 days
Shared lives	41.82	41.27	-0.56	-204 days
Supported living	45.03	42.84	-2.19	-800 days
Day care	65.48	57.22	-8.27	N/A
OVERALL	69.54	69.14	-0.40	-146 days

Average ages			
In	Out	Change	
81.03	83.10	-2.07	2 years 27 days
77.01	79.00	-1.98	1 year 358 days
61.57	66.00	-4.43	4 years 155 days
33.69	39.82	-6.13	6 years 12 days
32.89	49.61	-16.72	16 years 262 days
56.21	65.99	9.78	N/A
73.80	77.74	-3.93	3 years 93 days

Appendix 8 – Predicted re-phasing of capital funded schemes 2024/25 to 2025/26

Project	£m
Council Funded	
Children in care out of borough placements	0.15
Civic Centre Heating	0.20
Council House Smoke & Heat Detection Fire Alarm	0.06
Council House General Heating	0.10
Council House Windows	0.31
Middlemore Lane Hwrc	3.48
Hatherton Road Car Park	0.21
Safe And Secure Environment	0.40
Enabling Technology	0.27
Proud Card Payments Digital Website	0.12
New Art Gallery	0.04
Archiving Systems Moving To Customer Access	0.04
Development Team Capitalisation Of Posts	0.50
Homelessness Temp accommodation	0.50
Enabling Support Services/One Source System	0.16
Enterprise Zones	0.35
Allotment Boundary Improvement Works	0.02
Single library management system	0.01
Darlaston library integration	0.06
Radio frequency identification self-issue	0.01
Rushall Olympic Football Club	0.01
Maintaining A Safe And Secure Environment	0.03
Telephony Cloud Based System	0.09
Information Governance: Service Improvements	0.02
Programme Management Council Match	0.73
Social Housing Decarbonisation	0.06
My CMIS (Content management interoperability Services)	0.01
Town Deal Community Capital	0.28
Standard Addressing Implementation	0.05
External Funded	
Basic Need	5.90
Capital maintenance	0.45
Purchase Of Dispersed Temporary Accommodation	0.66
Devolved Formula Capital	1.07
Bloxwich Town Deal	6.55
Walsall Town Deal	5.06
Land And Property Investment Fund	4.53
Growing Places Fund	0.59
Willenhall Masterplan Transport Levelling Up Fund	2.33
Willenhall Masterplan	13.63
Future High Street Fund	1.09
Nature Recovery In Partnership With Canal & River Trust	0.03
Nature recovery in partnership with canal & river trust-s10	0.01
West midlands strategic transport plan (stp) 'movement for growth'	0.76

Project	£m
Wolverhampton street s106	0.05
Highways CCTV (upgrade)	0.03
Food Waste Collection Capital Grant	1.85
A41 Moxley Transforming Cities Fund	0.11
Academies	0.22
Black Country Local Enterprise Partnership Reinvestment Digital Fund	0.17
Department of Business, Energy and Industrial Strategy - local Authority Delivery Sch & Home Upgrade Grant	0.01
One Palfrey Big Local Park Improvement Project	0.36
Active Travel Fund (Tranche 4)	2.30
Home upgrade grant 2	0.27
Home Upgrade Grant 2 Midland Energy Hub	0.08
Walsall Archives For All	0.09
DFT (Department for transport) Traffic Signal Obsolescence Grant	0.28
Total	56.75

Appendix 9: Financial Health Indicators – December 2024

Treasury Management	2023/24 Actual	2024/25 Target	2024/25 Actual
Average Interest Rate (Borrowing)			
- Excluding other local authorities	4.13%	5.46%	4.21%
- Including other local authorities	4.16%	5.51%	4.24%
Gearing Effect on Capital Financing Estimates	4.20%	5.00%	4.28%
Net Borrowing Costs / Council Tax Requirement and NNDR contribution	1.55%	12.50%	2.33%
Capital Financing Requirement (£m)	433.11	446.29	446.29
Authorised limit for external Debt (£m)	465.41	483.80	483.80
Investment Rate Average (excl Property fund)	4.94%	4.00%	5.03%

Balance Sheet Ratios	2019/20	2020/21	2021/22	2022/23	2023/24
Current Assets: Current Liabilities	2.39	2.01	1.96	1.74	1.91
Useable Reserves: General Revenue Expenditure	0.73	1.02	1.07	0.77	0.85
Long Term Borrowing: Tax Revenue (Using both council tax and NNDR for tax revenue)	1.43	1.83	1.49	1.19	1.15
Long Term Assets: Long Term Borrowing	1.86	1.83	2.14	2.73	2.71
Total School Reserves: Dedicated School Grant	0.05	0.08	0.08	0.06	0.07

Revenues Performance % collected for financial year	2022/23 Actual Collected in total as at 31.12.24	2023/24 Actual Collected in total as at 31.12.24	2024/25	
			Profiled 2024/25	Actual 2024/25
Council tax %	95.9%	94.7%	74.6%	73.9%
Total Council Tax collected (£m)	£152,266,756	£156,921,152	£133,100,000	£131,824,869
National Non Domestic Rate %	98.4%	97.7%	78.0%	79.2%
Total NNDR collected (£m)	£69,700,709	£68,245,203	£61,450,000	£62,445,525

Debtors and Creditors Performance	2023/24 Actual	2024/25	
		Target	Actual
Sundry Debtors Collection – Average number of days to collect debt	25 days	24 days	24 days
Average number of days to process creditor payments*	5 days	8 days	5 days

Management of Resources	2024/25		
Service Analysis	Target	Actual	Variance
Adult Social Care and Public Health	91,848,404	97,616,485	5,768,081
Children's and Education Services	90,124,059	95,443,624	5,319,565
Economy, Environment and Communities	42,439,889	44,577,087	2,137,198
Resources and Transformation	46,464,979	45,153,298	(1,311,681)
Council Wide	7,141,486	1,984,798	(5,156,688)
NNDR/Top Up	(125,986,393)	(125,986,393)	0
Total Net Revenue Expenditure	152,032,424	158,788,900	6,756,476
General Reserves	Minimum £7.8m Maximum £19.4m	N/A	N/A
Council Funded Capital Expenditure	68,856,538	58,294,644	(10,561,894)
External Funded Capital Expenditure	100,514,867	52,041,247	(48,473,620)
Total Capital Expenditure	169,371,405	110,335,891	(59,035,514)
Capital Receipts	3,000,000	3,000,000	0

Management of Resources	2023/24		
Service Analysis	Target	Actual	Variance
Adult Social Care, Public Health and Hub	76,864,476	90,266,195	13,401,719
Children's Services			
- Children's and Education	81,704,822	87,462,134	5,757,312
- Customer Engagement	12,147,505	12,693,031	545,526
Economy, Environment and Communities	45,613,075	44,668,154	(944,921)
Resources and Transformation	50,925,395	50,489,250	(436,145)
Capital Financing	(5,546,678)	(9,777,391)	(19,179,688)
Central budgets	(117,545,553)	(117,545,553)	0
Total Net Revenue Expenditure	144,163,042	158,255,820	(856,198)
General Reserves	N/A	19,558,671	N/A
Council Funded Capital Expenditure	60,253,122	26,407,323	(33,845,799)
External Funded Capital Expenditure	84,040,016	64,349,023	(19,690,993)
Total Capital Expenditure	144,293,138	90,756,346	(53,536,792)
Capital Receipts	2,925,000	2,253,067	(671,933)

What this tells us

Treasury Management	
Average Interest Rate (Borrowing)	The average interest rate we are paying on the money we have borrowed compared to our target.
Gearing Effect on Capital Financing Estimates	Shows how a 1% increase in interest rates would affect the total interest cost to the council.
Net Borrowing Costs / Tax Requirement	Borrowing not financed by a grant from government, as a proportion of our Net Revenue Expenditure
Capital Financing Requirement (£m)	How much money we currently borrow to finance our capital programme.
Authorised limit for external Debt (£m)	The maximum amount of debt we should have at any one time
Investment Rate Average	The average interest rate we are receiving on the money we have invested.

Balance Sheet Ratios	
Current Assets: Current Liabilities	Our ability to meet our liabilities
Useable Reserves: General Revenue Expenditure	If our reserves are adequate to meet potential future variations.
Long Term Borrowing: Tax Revenue Using only council tax for tax revenue Using both council tax and NNDR for tax revenue	The effect of long-term borrowing on our budget.
Long Term Borrowing: Long Term Assets	This allows us to understand the relationship between the money we borrow and the assets we have as they both change over time.
Total School Reserves: Dedicated School Grant	If school's reserves are at an appropriate level.

Revenues Performance	
% Collected for Financial Year	As a percentage the amount of council tax we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that its related to, but this won't be included in this figure
Council Tax (%)	
National Non Domestic Rate (%)	As a percentage the amount of Business rates we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that it related to.
Total Council Tax Collected (£m)	This tells us the amount of council tax we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that it relates to, but this won't be included in this figure.
Total NNDR Collected (£m)	This tells us the amount of Business Rates we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that it relates to, but this won't be included in this figure.
Sundry Debtors Collection Average number of days to collect debt	How long on average it takes us to collect money owed to us.
Average number of days to process creditors payments	How long on average it takes to pay our bills.

Management of Resources	
Service Analysis	
Children's Services Economy and Environment Adult Social Care Resources and Transformation Council Wide	Shows our forecast for how much we will spend on these services compared to what we planned and compared to how much we spent in the previous year.
General Reserves	Our forecast year end position on reserves against our opening balance.
Contingency	How much we have set aside and for unplanned expenditure, and how much we have left to spend.
Capital Expenditure	Forecast of our spend on capital programmes against our target
Capital Receipts	Forecast of how much money we expect to receive from selling some of our assets, against our target.

Appendix 10 - Prudential Indicators as at 31st December 2024

Prudential Indicator		Actual	Target	Actual Position at 31-March-25	Variance to target	
		2023/24	2024/25			
		£m	£m	£m	Numerical Variance	% Variance
Prl 1	Capital Expenditure	90.760	188.800	109.450	-73.350	-42%
This indicator is required to inform the council of capital spending plans, it is the duty of a local authority to determine and keep under review the amount that it can afford to allocate to capital expenditure. Capital expenditure may be funded by grant, capital receipts and borrowing.						
Prl 2	Ratio of financing costs to net revenue stream	4.88%	6.66%	4.18%	-2.48	-37%
Financing costs - Divided by (Interest charged on loans Less Interest earned on investments)		Budget requirement (Revenue Support Grant + NNDR +Council Tax)			The ratio of financing costs to net revenue stream (General Fund) as a %	
Prl 3	Estimates of the incremental impact of new capital investment decisions on Council Tax	£89.66	£122.07	£122.07	0.00	0%
This is a notional amount indicating the amount of council tax band D that is affected by the capital programme in the budget report compared to existing approved commitments and current plans.						
Prl 4	Capital Financing Requirement	433.114	446.285	446.285	-28.769	-6%
This represents the underlying level of borrowing needed to finance historic and future capital expenditure. It is updated at end of the financial year.						
Prl 5	Authorised Limit for external debt	465.410	583.800	583.800	0.00	0%
The council may not breach the limit it sets, so it is important to allow prudent room for uncertain cash flow movements and borrowing in advance of future need.						
Prl 6	Operational Limit for external debt	423.100	530.730	530.730	0.00	0%
This has been set at the level of the capital financing requirement less the CFR items relating PFI and finance leases.						
Prl 7	Gross Borrowing exceeds capital financing requirement	No	No	No		
The CFR represents the underlying level of borrowing needed to finance historic capital expenditure. Actual net borrowing should be lower than this because of strong positive cash flow and balances. It would be a cause for concern if net borrowing exceeded CFR.						
Prl 8	Authority has adopted CIPFA Code of Practice for Treasury Management	Yes	Yes	Yes		
To ensure that treasury management activity is carried out within best professional practice.						
Prl 9	Total principle sums invested for longer than 364 days must not exceed	0.0	25.0	0.0		

The council is at risk when lending temporarily surplus cash. The risk is limited by investing surplus cash in specified investments and by applying lending limits and high credit worthiness. These are kept under constant review.

Prudential Indicator continued		Upper Limit	Lower Limit	Actual 2023/24	Actual Position at 31-March- 2025
Prl 10	Fixed Interest Rate Exposure	95.00%	40.00%	88.03%	100.00%
Prl 11	Variable Interest Rate Exposure	45.00%	0.00%	11.97%	0.00%
Prl 12	<i>Maturity Structure of Borrowing</i>				
	Under 12 months	25.00%	0.00%	12.85%	7.88%
	12 months and within 24 months	25.00%	0.00%	3.95%	16.03%
	24 months and within 5 years	40.00%	0.00%	24.69%	23.83%
	5 years and within 10 years	50.00%	0.00%	0.00%	0.00%
	10 years and above	85.00%	30.00%	58.51%	52.25%

Local Indicators as at 31st December 2024

Local Indicators		Actual 2023/24	Target 2024/25	Actual Position as at 31-March- 2025	Variance to target		Met
					Numerical Variance	% Variance	
L1	Full compliance with prudential code	Yes	Yes	Yes	-	-	Y
L2	Average length of debt	17.74	Lower Limit 15 years, Upper limit 25 years	15.58	-	-	Y
This is a maturity measure and ideally should relate to the average lifespan of assets.							
L3a	Financing costs as a % of council tax requirement	2.31%	20.00%	3.31%	-16.69	-83.47%	Y
L3b	Financing costs as a % of tax revenues	1.55%	12.50%	2.33%	-10.17	-81.36%	Y
These are a variation to Prl 3 excluding investment income and including MRP (amount set aside to repay debt costs). The target figure of 12.5% represents an upper limit of affordable net borrowing costs as a percentage of tax revenues for the authority. The actual level of net borrowing costs is currently less than the upper limit, which in the main is linked to the work undertaken by the service to seek to secure favorable rates on investments and reduced costs on borrowing, thus reducing the overall net borrowing costs.							
L4	Net actual debt vs. operational debt	58.61%	85.00%	52.38%	-32.62	-38.38%	Y
This assists the monitoring of the authority's debt position.							
L5	Average interest rate of external debt outstanding excluding OLA	4.13%	5.46%	4.21%	-1.25	-22.96%	Y
L6	Average interest rate of external debt outstanding including OLA	4.16%	5.51%	4.24%	-1.27	-22.99%	Y
The measure should be as low as possible. Other Local Authority debt (OLA) is managed on our behalf by Dudley council.							

L7	Gearing effect of 1% increase in interest rate	4.20%	5.00%	4.28%	0.04%	This would increase the average interest rate payable from 4.24% shown in L6 to 4.28%	Y
This relates risk management principles to the monitoring of the TM strategy. It measures the effect of a change in interest rates and the effect it may have on the capital financing costs.							
L8	Average interest rate received on STI vs. At Call rate	1.02%	20.00%	2.80%	-17.20	-86.00%	N
L9a	AT call investments	4.92%	3.98%	5.00%	1.03	25.79%	Y
L9b	Short Term Investments	4.97%	4.00%	5.14%	1.14	28.50%	Y
L9c	Long Term Investments	5.00%	4.20%	5.02%	0.82	19.52%	Y
L9d	Property Fund Investments	4.47%	4.10%	4.36%	0.26	6.34%	Y
L10	Average interest rate on all ST investments (ST and AT call)	4.94%	3.99%	5.03%	1.04	26.00%	Y
L11a	Average rate on all investments (ex. Property fund)	4.94%	4.00%	5.03%	1.03	25.61%	Y
L11b	Average rate on all investments (inc. property fund)	4.83%	4.03%	4.86%	0.83	20.60%	Y
L12	% daily bank balances within target range	99%	99%	99%	0.00	0.00%	Y
This measures how good our daily cash flow prediction is. A figure of 98% and above indicates a high level of accuracy.							

Cabinet – 12 February 2025

Walsall Net Zero Climate Change Strategy

Portfolio: Councillor Flint – Health and Wellbeing

Related portfolios: All

Service: Climate Change

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 Climate change will threaten the wellbeing of our residents and disrupt our economy. By achieving Net Zero by 2041, the council will mitigate this risk.
- 1.2 In addition to achieving carbon neutrality, the borough will need to adapt to make communities and infrastructure resilient to a more hostile climate.
- 1.3 Seizing the opportunities of the transition to a net zero economy presents a significant economic opportunity for the borough. This transition to a green economy must be a 'just transition' to ensure no one is left behind.

2. Summary

- 2.1 A Walsall Net Zero 2041 Strategy has been prepared identifying key priorities and the actions necessary to eliminate the borough's carbon emissions and adapt to the consequences of climate change.
- 2.2 To deliver the borough-wide objectives of the Strategy, a 'Walsall Net Zero Partnership' will be established. This will comprise of key anchor organisations and agencies.
- 2.3 An accompanying three-year Walsall Council Action Plan has also been developed. This details the actions the council will take to eliminate its own carbon emissions, and how it can use its regulatory, spending and convening powers to deliver the priorities detailed in the Walsall Net Zero 2041 Strategy.

3. Recommendations

- 3.1 That the Cabinet approves the content of the Walsall Net Zero 2041 Strategy.

- 3.2 That the Cabinet approves the Walsall Council Net Zero Action Plan.
- 3.3 That the Cabinet approves the establishment of a Walsall Net Zero Partnership.

4. Report detail – know

Context

- 4.1 The Council declared a climate emergency in September 2019 with a target to become a net zero authority by 2050 in line with the UK Governments Climate Change Act 2008 (2050 Target Amendment; Order 2019).
- 4.2 In October 2022 the Council updated the scope and target date to achieve carbon neutrality. The Council committed to work with all relevant partners and stakeholders to make the whole borough net zero by 2041 in line with the regional target agreed with the West Midlands Combined Authority.
- 4.3 The adoption of the 2041 target and the wider scope has necessitated a review of our current Climate Emergency Action Plan to reflect the new borough wide approach to tackling climate change.
- 4.4 The council Climate Change Task Force (which comprises of senior service managers) oversees the delivery of the council's Climate Change Action Plan has directed that a borough-wide climate change strategy be drafted to reflect the broader scope and ambition of the updated net zero target. A Walsall Net Zero 2041 Strategy has now been produced (**Appendix A**).
- 4.5 The Walsall Net Zero 2041 Strategy draws heavily on the vision of the We are Walsall 2040 Borough Plan and its accompanying evidence base. This indicated six in ten Walsall residents are concerned about climate change and nine in ten think it is important for organisations and people to work together to reduce our impact on the environment.
- 4.6 The Net Zero 2041 Strategy frames net zero as an economic opportunity with the aspiration to make Walsall a leading player in the green industrial revolution. The aspirations of Walsall Net Zero 2041 Strategy are summarised in a vision statement:

‘Our vision is to transform Walsall into a healthier, clean and green, carbon-neutral, climate-resilient borough by 2041. We aim to lead the green industrial revolution, ensuring a just transition to a net zero economy, where all residents enjoy clean air, green spaces, and a thriving natural environment.’
- 4.7 The Walsall Net Zero 2041 Strategy divides the interventions that need to be taken to achieve net zero into six themes. Each theme addresses the different aspects of our economy and lifestyles that contribute to climate change, represents a sector where significant greenhouse gas emissions

occur, or where there are opportunities for reducing emissions. The six themes are:

- Energy.
- Circular and Green Economy.
- Homes Workplaces and Public Buildings.
- Transport and Travel.
- Natural Capital and Land Use.
- Resilience and Adaptation.

- 4.8 The Strategy divides the measures needed to take to achieve net zero into those where the council can take a lead in implementation and those where partners across the borough will need to take a lead.
- 4.9 To deliver the measures where the council can take a lead an accompanying three-year Walsall Net Zero Action Plan (**Appendix B**) has been developed. The actions identified include enabling actions (e.g. embedding climate change considerations into all council decision making) and direct actions which will be implemented by the relevant council service (e.g. decarbonising the council fleet).
- 4.10 To deliver the borough wide elements of the Strategy a 'Walsall Net Zero Partnership' will be established. This partnership will aim to recruit key stakeholders and anchor organisations (e.g. Network Rail, Royal Wolverhampton NHS Trust, Environment Agency, local business, utility companies, education providers, social housing providers). It will have a remit to:
- Promote collaborative working and engagement with government, utilities, businesses, community groups and other partners in Walsall.
 - Investigate steps that may be taken by the partnership to achieve net zero and the adaption measures required to provide climate change resilience.
 - Produce a Walsall Net Zero Partnership Plan that is realistic, measurable, and deliverable and progress with delivery of targets within this plan.
- 4.11 The target date for establishing the Walsall Net Zero Partnership is Q1 2025.

Council Plan priorities

- 4.12 The Strategy encourages economic growth, active and healthy living, up-skilling our people for green opportunities, and foster a clean and green future for Walsall. These ambitions align with the five principles in Walsall Council Plan 2025-2029. (i.e. Focusing on Prevention, Ensuring Equity, Working in Partnership, Being Insight-led and Acting Sustainably).
- 4.13 The Walsall Net Zero 2041 Strategy emphasises the green industrial revolution and the need for decarbonisation to be an economic opportunity if it is to happen at the pace and scale required to avoid the worst consequences of climate change. The Strategy aligns with the objectives of the council's Economic Strategy and Action Plan.

Risk management

- 4.14 Delivering the target of a net zero borough by 2041 will be a huge challenge. It will require supportive policies from national government (e.g. planning and resourcing).
- 4.15 The transition to low carbon technologies is already occurring. Failure to act will be a threat to businesses and jobs in high carbon industries (e.g. internal combustion engine supply chains).
- 4.16 Globally 2024 was the hottest year on record It was the tenth year in succession that has equalled or exceeded 1.0 °C above the pre-industrial period. Global temperatures exceeded the 1.5°C target set out in the Paris agreement for the first time. The consequences of a hotter climate for Walsall will be:
- More frequent extreme weather events causing economic damage.
 - Health impacts on the most vulnerable residents (e.g. from extreme temperature events).
 - Irreversible damage to ecosystems.
- 4.17 Implementing the Walsall Net Zero 2041 Strategy will help reduce carbon dioxide emissions and identify the resilience measures required for the borough to adapt to the consequences of climate change.

Financial implications

- 4.18 There are significant financial implications to pursuing a Net Zero 2041 target for the borough. The actions required will represent a mix of committed and desired interventions by multiple partners.
- 4.19 Significant additional investment will be needed for the Net Zero 2041 vision to be realised. There will be a need to explore potential sources of funding through existing avenues as well as develop innovative approaches to ensure projects can be delivered.
- 4.20 Some actions, such as retrofit programmes, already have funding committed while other programmes will require feasibility studies or business cases to be developed to determine their viability and funding will need to be secured to make them happen. This is particularly relevant for some of the larger projects.
- 4.21 Partners will need to develop financial business cases which consider the whole-life-cost of projects. Low carbon projects often pay for themselves because of reduced energy costs but require higher up-front investment than fossil fuelled alternatives.
- 4.22 The cost of delay in delivering the measures necessary to avoid the worst consequences of climate change are likely to be significant.

Legal implications

- 4.23 The legal framework for this work is set out in the Climate Change Act 2008 (CCA2008) and the Climate Change Act 2008 (2050 Target Amendment) Order 2019. The Order sets the expectation that the UK will achieve net zero by 2050.
- 4.24 Currently there is no statutory obligation on local government to deliver net zero meaning there are no direct legal implications to adopting the Walsall Net Zero 2041 Strategy.

Procurement Implications/Social Value

- 4.25 The greenhouse gas emissions resulting from the goods and services the council purchases are termed 'scope 3 emissions'. Council scope 3 emissions currently account for approximately 10 % of Walsall's geographic emissions. The scale of these emission means harnessing the purchasing power of the council via sustainable procurement practices offers a significant opportunity to reduce emissions, decarbonise supply chains, and kick start the green economy in Walsall.

Property implications

- 4.26 Council properties are responsible for a significant proportion of the council's direct greenhouse gas emissions. The Walsall Council Net Zero Action plan details the measures the council will take to eliminate emissions from its own estate.

Health and wellbeing implications

- 4.27 The Strategy supports active transport, healthy living style and increase of blue/green spaces which promotes health and wellbeing significantly. Reducing fossil fuel burning and electrification will improve air quality at local level. Support in retrofitting homes and enhancing carbon literacy of local communities help to improve climate resilience during extreme weather events.

Reducing Inequalities

- 4.28 The Strategy helps to address inequalities within our communities. Climate impacts, like flooding, poor air quality, and energy insecurity, often affect low-income areas more severely, where residents may lack the resources to cope or recover. By investing, and encouraging our partners to invest, in green infrastructure, affordable public transport, and energy-efficient housing, we can create jobs, lower energy bills, and improve health outcomes, particularly for vulnerable groups.
- 4.29 Supporting sustainable local businesses and community-led projects also promotes economic resilience. Through fair climate policies, the council can

ensure that the benefits of a greener, healthier future are shared by all residents.

- 4.30 The potential of net zero policies to exacerbate inequalities has long been recognised. Achieving a fair and equitable transition to a net zero future is described as a 'just transition'. Achieving a just transition is a key element of the Walsall Net Zero 2041 Strategy vision.

Staffing implications

- 4.31 There will be staffing challenges delivering the priorities identified in the draft Net Zero 2041 Strategy.
- i. The council has a small climate change team comprising of a Climate Change Programme manager and two Net Zero Project officers. However, delivery of the Walsall Net Zero Action Plan will require resources from all council services which are often stretched performing their core functions.
 - ii. The structure of the proposed Walsall Net Zero Partnership is modelled in those established by other local authorities. The experience of other local authorities suggests a funded secretariat dramatically increases the effectiveness of such partnerships (e.g. Devon).

Climate Impact

- 4.32 Climate impact is the subject of this report.

Consultation

- 4.33 The Walsall Net Zero 2041 Strategy draws on the vision of the We are Walsall 2040 Borough Plan and its accompanying evidence base.
- 4.34 There has been extensive internal consultation on the Walsall Net Zero 2041 Strategy by the council's Climate Change Task Force and the wording in the Action Plan has been agreed with the relevant service leads.
- 4.35 The proposed Walsall Net Zero Partnership will be responsible for collating the views of key stakeholders when developing its Walsall Net Zero Partnership Plan.

5. Decide

- 5.1 Cabinet is asked to adopt the Walsall Net Zero 2041 Strategy.
- 5.2 Cabinet is asked to approve the creation of the Walsall Net Zero Partnership.
- 5.3 Cabinet is asked to adopt the council Net Zero Action Plan (2025 – 2028).

6. Respond

- 6.1 Delivery of the council Net Zero Action Plan will continue, with business cases brought forward on specific measures, as required.

7. Review

- 7.1 The council's Climate Change Task Force will meet quarterly to provide oversight of delivery of the Walsall Net Zero 2041 Strategy and Walsall Council Net Zero Action Plan. It will consider any additional interventions required to achieve our vision. A performance review will be submitted to Cabinet and full Council annually to report on progress.
- 7.2 The Walsall Net Zero Partnership steering group will meet quarterly to review the development and delivery of a borough wide Walsall Net Zero Partnership Plan.

Appendices

Appendix A: Walsall Net Zero 2041 Strategy

Appendix B: Walsall Council Net Zero Action Plan

Background papers

None.

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Dave Brown
Executive Director

31 January 2025



Councillor Flint
Portfolio Holder

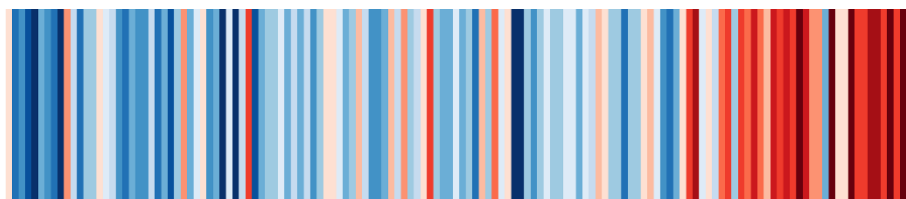
31 January 2025

Walsall

Net Zero 2041

Strategy

Our plan for the Green Industrial Revolution and a Just Transition to a Net Zero Borough



Foreword

In 2019 our council declared a climate emergency, recognising the serious and accelerating environmental, social, and economic challenges we face due to consequences of climate change. In 2022 we followed this by adopting a target date for reaching Net Zero carbon emissions across our borough no later than 2041. This ambitious target is underpinned by science and aligns with that set by the West Midlands Combined Authority. To succeed we need to work together with our partners in Walsall and the wider region to develop and implement policies that reduce carbon emissions and enable a just transition to a cleaner greener future.

This strategy builds on the climate change pledges in our recently approved We Are Walsall 2040 Borough Plan, which commits the council to work in partnership with businesses, communities, and public bodies to deliver our climate change ambitions and ensure Walsall will be a clean and green borough fit for future generations.

Much has already been achieved, with our partners capitalising on opportunities for energy efficiency and investment in low carbon technologies. Walsall Council has an ongoing programme to reduce energy usage in buildings and infrastructure. This has included the installation of renewable energy and heat pumps in public buildings, an extensive programme to upgrade our borough's housing stock, and the conversion to streetlights to utilise LED lamps. However, there is much work still to do if we are to make significant reductions in emissions as we face the challenges of climate change. This Net Zero 2041 strategy sets out our priorities in a long-term pathway to a transition to a Net Zero future in Walsall. It builds on the considerable work achieved by our public, private and community sector partners as we continue to shape our energy future by developing clean, low-cost solutions to reducing the borough's carbon footprint.

The transition to net zero economy will require unprecedented change in how we all do things. It is vital that we work hard to ensure this is a just transition, we must ensure greening the economy is undertaken in a way that is as fair and inclusive by creating decent opportunities for all our residents. This can only be achieved with everyone's input. We need government, businesses, public sector, community organisations, and residents to play their part. It is also essential that carbon management and energy efficiency become core values throughout the borough and that everyone takes responsibility for reducing greenhouse gas emissions.

By working together to ensure that this strategy is supported and implemented, we can make Walsall a leader in low carbon skills, innovation, and investment to strengthen our businesses and communities.

Councillor Flint

Portfolio for Health and Wellbeing

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Executive Summary

Walsall Council has declared a climate emergency, recognising the urgent need to address climate change. We have set an ambitious target to achieve net zero greenhouse gas emissions by 2041. This target aligns with the target declared by the West Midlands Combined Authority. This Net Zero 2041 strategy outlines the pathway to a net zero future for Walsall, emphasising economic growth and collaboration with local partners and communities.

Our Vision

Our vision is to transform Walsall into a healthier, clean and green, carbon-neutral, climate-resilient borough by 2041. We aim to lead the green industrial revolution, ensuring a just transition to a net zero economy, where all residents enjoy clean air, green spaces, and a thriving natural environment.

Economic Opportunities and Green Jobs

The transition to a Net Zero economy presents significant economic opportunities for Walsall. By leading the green industrial revolution, Walsall can create new jobs, stimulate economic growth, and attract investment. Key sectors poised for growth include:

- **Construction and Retrofit:** Upgrading homes and buildings for energy efficiency will create demand for skilled workers in insulation, heat pump installation, and renewable energy systems.
- **Renewable Energy:** Expanding renewable energy projects will generate jobs in installation, maintenance, and innovation.
- **Green Manufacturing:** Developing low-carbon technologies and products will position Walsall as a hub for green manufacturing and innovation.

A Just Transition

Ensuring a just transition is central to Walsall's Net Zero 2041 strategy. This means making the shift to a net zero economy fair and inclusive, providing opportunities for all residents, and addressing inequalities. The key elements of a just transition are:

- **Job Creation:** Focusing on creating high-quality green jobs that are accessible to all, particularly those in disadvantaged communities.
- **Skills Development:** Partnering with educational institutions to provide training and reskilling programs, ensuring the workforce is equipped to take advantage of green job opportunities.
- **Economic Inclusion:** Targeting investments in low-carbon projects to reduce fuel poverty and improve living standards across the borough.

Our six strategic themes

Achieving our net zero vision will be a challenging and complex undertaking that will require the collective effort of everyone. We all contribute to greenhouse gas emissions, either directly or indirectly in our daily lives, work, or business activities.

To make our task more manageable, this strategy breaks down the actions we need to take into six strategic themes. Each theme addresses an aspect of our economy or lifestyles that contributes to climate change. We will need to address all six themes simultaneously if we are to make significant progress towards limiting greenhouse gas emissions and addressing the consequences of climate change.

Our six themes are:

- **Energy:** Focusing on reducing energy consumption, increasing efficiency, and transitioning to renewable energy sources.
- **Circular and Green Economy:** Promoting sustainable production and consumption, reducing waste, and supporting green skills and business opportunities.
- **Homes, Workplaces, and Public Buildings:** Improving energy efficiency in buildings, retrofitting existing buildings, and ensuring new buildings are net zero ready.
- **Transport and Travel:** Reducing emissions from transport by promoting active travel, enhancing public transport, and supporting the transition to electric vehicles.
- **Natural Capital and Land Use:** Protecting and enhancing green spaces, promoting biodiversity, and integrating natural capital into development and regeneration decision making.
- **Resilience and Adaptation:** Preparing for the impacts of climate change by building resilient communities and infrastructure.

Walsall Net Zero Partnership

Walsall Council is responsible for approximately ten percent of our borough's greenhouse gas emissions. However, implementing the actions necessary to achieve a net zero borough by 2041 will require the collective effort from all stakeholders, including government, public sector organisations, businesses, and residents.

This strategy divides the priorities and actions necessary to achieve net zero into two categories:

- **Our priorities:** Actions the council can directly influence via its purchasing, regulatory and convening powers. These priorities have been incorporated into our Walsall Council Net Zero Action Plan.
- **Borough wide priorities:** Those actions that will require the active engagement of stakeholders across the borough. These priorities will need to be delivered by partners across our borough.

To assist partners to deliver the borough wide priorities a Walsall Net Zero Partnership will be established. This partnership will comprise of anchor institutions, transport bodies, businesses, government and regional partners. It will have a remit to coordinate net zero activities, produce a borough wide Walsall Net Zero Partnership Plan and monitor progress towards net zero.

Funding and Resources

Significant investment is needed to realise our net zero vision. This strategy emphasises the importance of securing funding from government and private sources, developing business cases for projects, and leveraging existing resources efficiently.

Conclusion

The Net Zero 2041 Strategy is a comprehensive plan to transform Walsall into a sustainable, resilient, and prosperous borough. By working together, Walsall can lead the green industrial revolution, create economic opportunities, and ensure a just transition to a low-carbon future.

1 Introduction

Climate risk for Walsall

In the coming decade, Walsall will very likely encounter more extreme weather events as a result of climate change caused by the burning of fossil fuels. According to the UK Met Office, 2024 was the warmest year on record, with 2023 the second warmest year. Increased rainfall in winter, will make flooding more frequent, affecting homes, businesses and infrastructure. In summer, a higher chance of extreme heat events will pose health risks, particularly to vulnerable populations.

Our Net Zero target

To limit the consequences of climate change Walsall Council has declared a climate emergency and set a target to become a Net Zero Borough by 2041. Achieving this target will be a huge challenge due to the urgency of the situation and will require everyone to work together to bring about the changes required to achieve our goal. Our 2041 target is a science-based target derived from the UK carbon budget (a legally binding requirement of the Climate Change Act 2008), and the nationally determined contributions resulting from the Paris Agreement.

This Net Zero 2041 strategy establishes a framework for how Walsall Council will work alongside our partners, to eliminate the burning of fossil fuels and prepare our communities for the consequences of climate change.

Our vision

Our vision is to transform Walsall into a healthier, clean and green, carbon-neutral, climate-resilient borough by 2041. We aim to lead the green industrial revolution, ensuring a just transition to a net zero economy, where all residents enjoy clean air, green spaces, and a thriving natural environment.

Co - benefits

The actions we need to take to achieve net zero will not only enable us to meet national and global emission reduction targets, but they are also an opportunity to create a prosperous and healthy borough for all, with significant co-benefits such as:

- **Economic Growth:** Investments to insulate homes and swap gas boilers for low-carbon heating sources, such as heat pumps, will create economic growth and job opportunities through a green industrial revolution.
- **Health Benefits:** Transitioning to net zero and mitigating the impact of climate change will have significant health benefits. For example, eliminating the burning of fossil fuels will reduce air pollution. This will lead to fewer health issues such as asthma and other respiratory diseases. Increased active travel and access to green spaces will promote physical and mental health and reduce NHS costs.
- **A Just Transition:** Targeting low-carbon investments in ways to reduce fuel poverty and provide job opportunities to disadvantaged communities will reduce poverty and inequality.
- **Ecological Emergency:** The actions to reduce carbon emissions will contribute to the preservation of natural habitats, biodiversity and the ecosystems on which we all depend.

2 A local approach to a global issue

Global

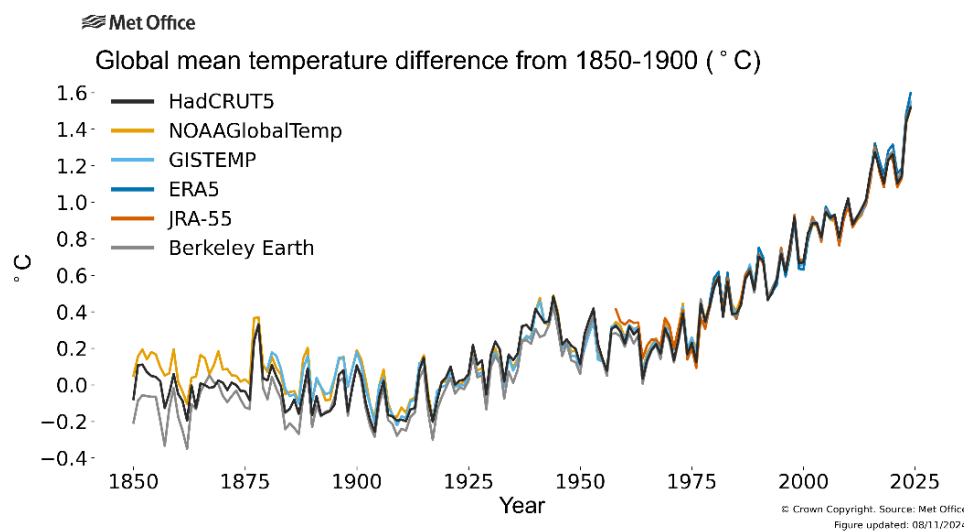
The Paris agreement

To tackle climate change and its negative impacts, world leaders at the 2015 UN Climate Change Conference (COP21) in Paris reached the historic Paris Agreement. The Agreement is a legally binding international treaty and came into force on 4 November 2016.

The UK is one of the 195 countries and states that have joined the Paris Agreement. Its overarching goal is to limit the increase in the global average temperature to 1.5°C and ideally to keep the increase below 2°C compared to pre-industrial levels to avoid the most catastrophic effects of climate change.

Urgent action is needed, globally, at national level, and locally as temperatures are already approaching 1.5°C above pre-industrial levels.

Global mean temperature difference from pre-industrial conditions.



The chart to the left shows the average global land and sea level temperature rise since the start of the industrial revolution.

The average global temperature for 2024 is forecast to be 1.46 °C above the average for the pre-industrial period. This will be the 11th year in succession that temperatures will have reached at least 1.0 °C above pre-industrial levels.

Source: UK Met Office

National

UK Climate Change Act

In 2008 the UK government became the first nation to set legally binding carbon reduction targets. In 2019 the Government amended the Climate Change Act to introduce a long-term, economy-wide target for the United Kingdom to achieve Net Zero greenhouse gas emissions by 2050.

The [Climate Change Committee](#) monitors progress in the Climate Change Act on behalf of parliament. Its report in June 2023 identified a need for urgency in implementing net zero policies and emphasised the need to empower and inform households and communities to make low-carbon choices.

Local

Walsall Council's climate emergency declaration

In 2019 Walsall Council declared a climate emergency, recognising the serious and accelerating environmental, social, and economic challenges we face due to consequences of climate change.

In 2022 we updated the scope and target date to achieve carbon neutrality. Walsall Council committed to work with all relevant partners and stakeholders to make the whole borough Net Zero by 2041. Our 2041 target is aligned with the ambitions of our partners in the West Midlands Combined Authority.

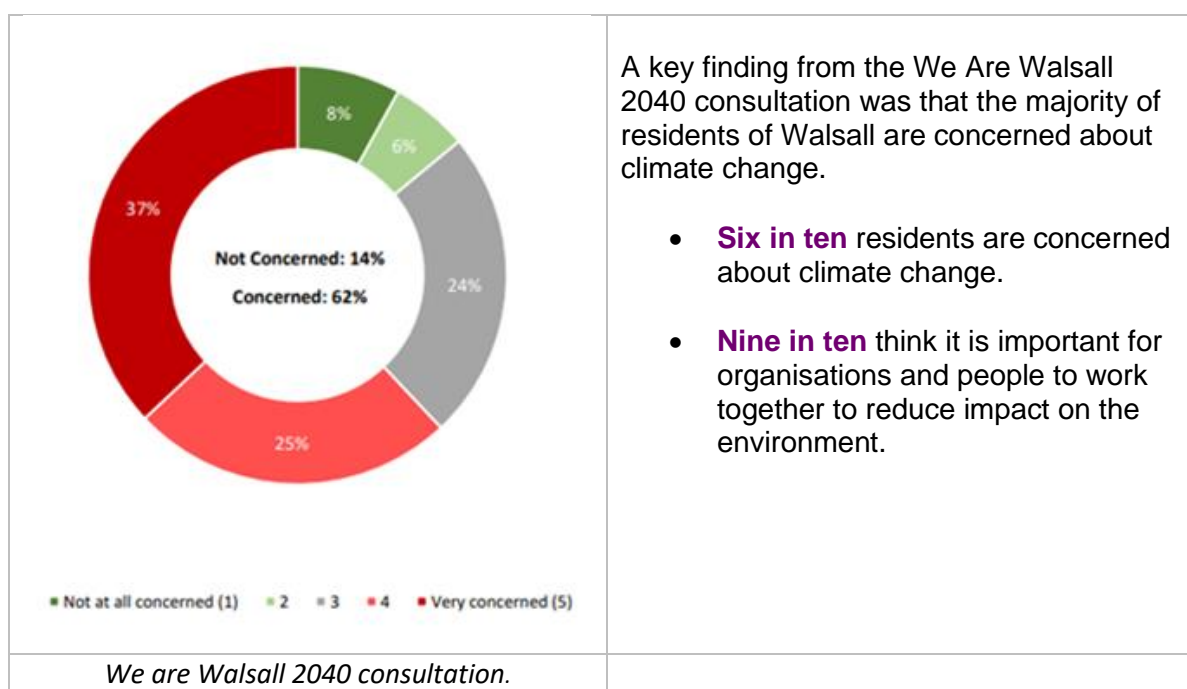
We Are Walsall 2040 Borough Vision

Climate change is a concern for the majority of residents in Walsall, particularly younger people.

The We are Walsall 2040 engagement programme was carried out from June 2022 – March 2023 and sought a wide range of views, opinions, and priorities on what matters now and for the future of Walsall.

We consulted extensively on the draft strategy framework to ensure all had an opportunity to shape the plan for the borough over the next 18 years. Over 8,300 views have been received and heard. Alongside this, we collated data and information from a variety of sources to understand what issues we have now and what challenges we may face in Walsall by 2040. The insight from the data and engaging with people have been used together to understand key priorities on our goal towards a thriving 2040 for Walsall. Following this consultation, the council and partners developed our We Are Walsall 2040 long-term vision.

Our 2041 target for reaching net zero aligns closely with the timelines and objectives of our We Are Walsall 2040 vision for a thriving, cleaner greener Walsall.



3 A Just Transition

The United Nations Sustainable Development Goals

In 2015, the United Nations 17 Sustainable Development Goals (SDGs) were adopted by all UN members, including the UK. The SDGs aim to mobilise efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind. They address a range of needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection.



What is a Just Transition?

The potential of Net Zero policies to exacerbate inequalities has long been recognised. Achieving a fair and equitable transition to a net zero future is described as a 'just transition'. This concept aligns with the UN Sustainable Development Goals particularly focusing on poverty eradication (goal 1), clean energy for all (goal 7), decent work for all (goal 8), and climate protection (goal 13).

To achieve a just transition the costs and benefits of the energy transition must be shared equitably. This means making sure that those who are most affected by the changes get the support they need so that no one is left behind. Climate change will affect all sections of society, however, both the consequences of climate change, and the measures required to achieve net zero will disproportionately affect those who are more socio-economically disadvantaged. For example:

Cost of Inaction: The potential economic, environmental, and health costs of not acting on climate change are substantial. Research by [The Grantham Institute on Climate Change and the Environment \(London School of Economics\)](#) estimates under current policies, the total cost of climate change damages to the UK could increase from 1.1% of GDP at present to 3.3% by 2050 and 7.4% by 2100.

Energy Costs: Net zero policies often involve a shift to renewable energy sources, which can initially be more expensive due to high upfront costs. This could lead to increased energy costs and increase rates of fuel poverty.

Health Benefits: Achieving Net Zero emissions can result in significant benefits to human health, addressing the range of health impacts caused by climate change. These benefits can be particularly significant for more disadvantaged communities as they will be disproportionately affected by climate change.

Job Opportunities: The greening of the economy can result in the loss of well-paid jobs in traditional high carbon industries. However, the transition to a net zero economy can create new job opportunities in green industries. This can only benefit our less affluent communities if they are able to access these opportunities. Developing 'green skills' and reskilling those workers leaving legacy high carbon industries is a key priority of our Net Zero 2041 strategy.

Whilst there are challenges associated with the transition to a net zero future, there are also significant opportunities. Our Net Zero 2041 strategy seeks to embrace to opportunities of a green economy to bring about a just transition for all.

4 A Green Industrial Revolution

Walsall is proud of its industrial heritage. Its buildings and other landmarks are testament to those who worked the leather and manufactured, chains, buckles and locks. Our canal network was built to transport the coal and limestone that powered the industrial revolution. It was the abundance of coal and other resources such as limestone and iron that enabled Walsall's growth.

The age of coal, oil and gas is now coming to an end and once again we find ourselves at an economic turning point. The transition to a net zero economy is a huge opportunity for Walsall to lead the green industrial revolution. It is a once in a generation opportunity to improve the lives of the people of Walsall. Our challenge is to decouple economic growth from carbon emissions and seize this opportunity to create a future that is healthier, more prosperous and sustainable.

The Walsall Council Economic Strategy and Action Plan identifies net zero as a priority action needed to create the jobs and prosperity that will provide growth opportunities in multiple sectors:

Housing

Housing stock will need to be designed or retrofitted to emit less carbon, providing opportunities in offsite construction and housing retrofit. With 80% of the buildings that will be occupied in 2050 already existing, there will be a significant long-term requirement for insulation installers, heat pump engineers and other retrofit professionals.

Transport

The future of both public and private transport in the borough will be increasingly electric. There will be new opportunities for companies providing vehicle charging infrastructure. The transition to electric vehicles will however mean significant changes for companies in the automotive supply chain and require retraining for those servicing vehicles.

It is also likely that private car ownership will decline, creating opportunities for those offering transport as a service (e.g. taxi and private hire operators).

Manufacturing

Walsall is a key manufacturing hub. The decarbonisation of the economy will present many new opportunities for our manufacturers. There will be long term requirements for low carbon heating solutions, renewable energy generation, insulation materials and the technologies needed for low carbon transportation. However, the transition also poses a threat to those companies manufacturing products for the carbon economy (e.g. internal combustion engines, mechanical drive trains and fossil fuelled boilers).

Circular Economy

The circular economy will encourage the development of new business models focused on reuse, repair, remanufacturing. Transitioning to a circular economy will create numerous opportunities in areas such as recycling and innovation-driven sectors.

Green Jobs and Skills

The Council Economic Strategy and Action Plan recognises that we face a massive shortfall in the skills required to deliver the transition to a net zero economy. Including shortages of housing insulation and retrofit specialists, ground and air source heat engineers, EV charging installers, commercial building energy efficiency specialists.

To unlock the opportunities provided by the green industrial revolution it will be necessary for the council and businesses to work closely with skills providers. It will be important to reskill those working in legacy, high carbon industries, to create high quality jobs and ensure a just transition.

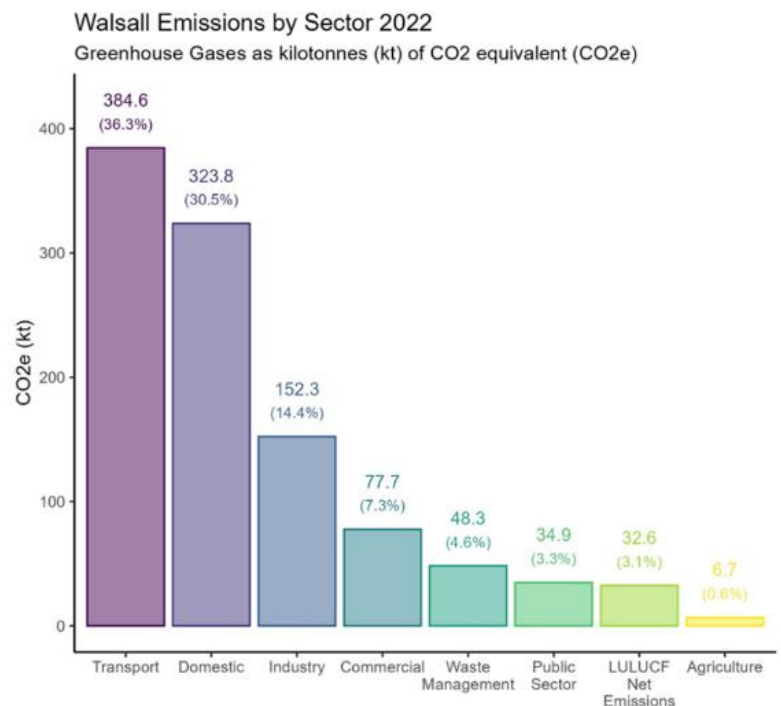
5 Current regional greenhouse gas emissions

Greenhouse gas emissions from Walsall

The Department for Energy Security and Net Zero (DESNZ) produces [annual estimates for greenhouse gas \(GHG\) emissions](#) by local authority and sector. Greenhouse gas emissions are measured in kilotonnes (1000 tonnes) of carbon dioxide (CO₂) equivalent.

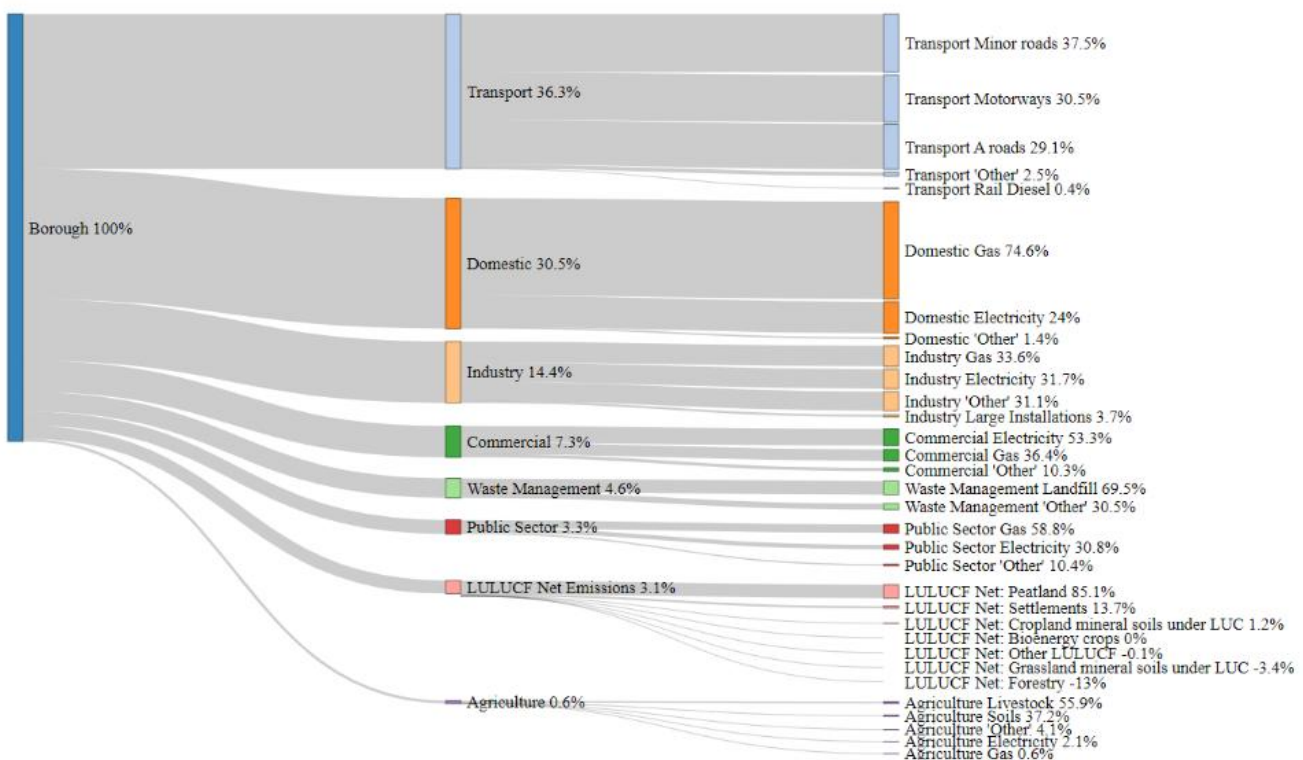
The latest data (2022) shows the sectors in Walsall with the highest emissions are Transport 36.3%, Domestic Sources 30.5% and with Industry contributing 14.4%. Waste Management 4.6%, Public Sector and Commercial operations contribute approximately 3% each. As Walsall is a predominantly urban borough, Agriculture and LULUCF (Land Use, Land Use Changes and Forestry) contribute the least, approximately 4% combined.

The chart below shows that three quarters of domestic emissions come from the burning of gas to provide heat and hot water for our homes. Industrial gas usage accounts for a third of the industry sector total and two thirds of the public sector emissions come from gas used to provide heat.



Analysis produced by Walsall Council's Business Insights www.walsallintelligence.org.uk
Data sourced from Department for Energy Security & Net Zero (DESNZ)

Walsall Greenhouse Gas Emissions by Sector 2022
Proportion of estimated emissions by Sector and Sub-Sector

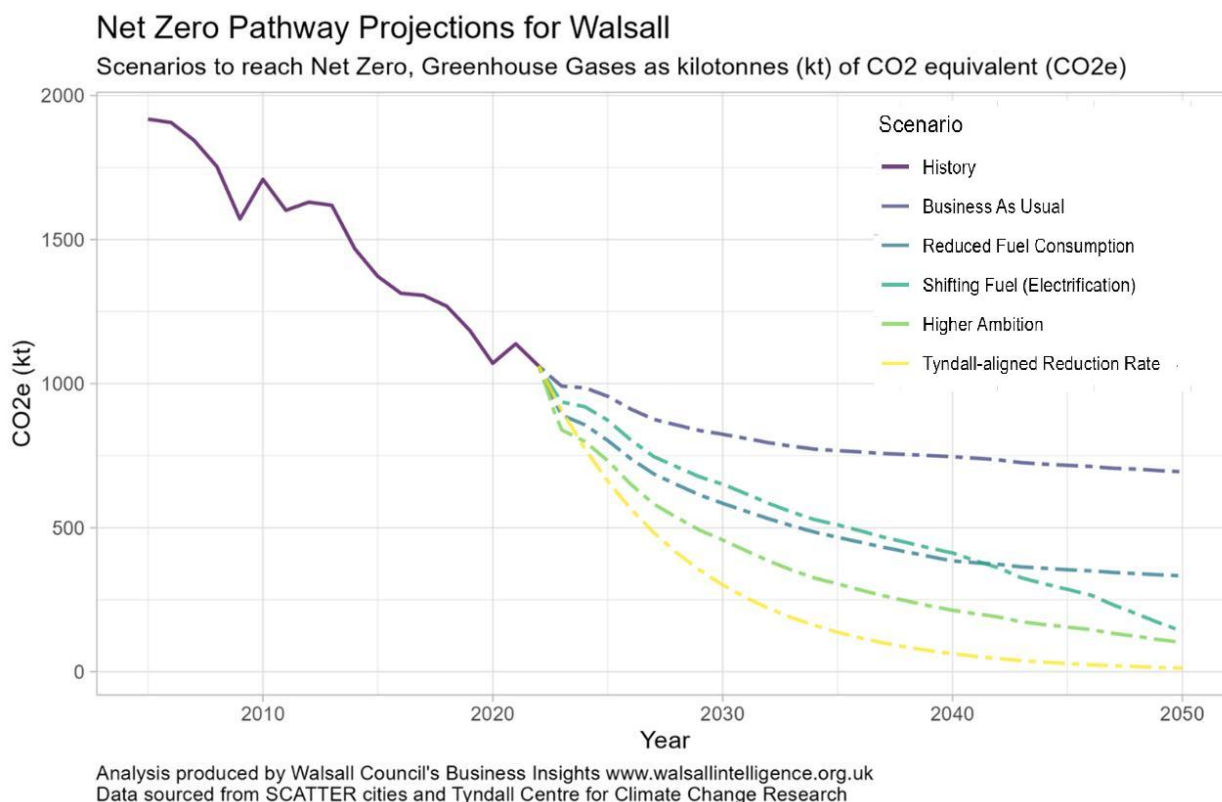


Analysis produced by Walsall Council's Business Insights www.walsallintelligence.org.uk
Data sourced from Department for Energy Security & Net Zero (DESNZ)

Net Zero pathway projections for Walsall

The chart below illustrates potential future GHG emission projections, based upon a series of scenarios. The scenarios cover a range of measures: from Business as Usual (if there was no substantial change), through to a steady reduction in fuel consumption, or shifting fuel consumption (i.e. the electrification of heat and transport).

The [Tyndall Centre for Climate Change](#) assesses the maximum cumulative GHG emissions allowable in Walsall if we are to make a fair contribution to the global and national decarbonisation effort. This 'carbon budget (2020 to 2100) was deemed to be 6900kt(CO₂e) for Walsall and forms the basis of our Net Zero 2041 target. At current rates of emissions our carbon budget will be spent in less than seven years.



The historic data illustrates the link between GHG emissions and economic activity. The financial crash of 2008-2009 and the Covid-19 pandemic (2020 – 2022) both had significant impacts on carbon emissions due to the decline in economic activity. The hike in gas prices following the Russian invasion of Ukraine also depressed demand and carbon emissions. However, these effects were not lasting, and emissions rebounded quickly after the initial shocks.

Long-term emissions decreased by over 40.0% from 2005 to 2022. This was mainly due to the decarbonisation of the electricity grid, with improvement in household energy efficiency and improvement in vehicle fuel efficiency also contributing. Structural changes in the UK economy (e.g., the decline in heavy industry) have also reduced emissions.

Pathways to net zero 2041 will be extremely challenging. We will need to pursue all the interventions in the 'higher ambition' scenario whilst accepting that innovation will also be required to accelerate future emissions reductions if we are to realise our vision for a thriving, clean and green Walsall.

6 The partnership approach

Achieving our Net Zero 2041 vision is a challenging and complex undertaking that will require the collective effort of everyone. We all contribute to greenhouse gas (GHG) emissions, either directly or indirectly in our daily lives, work, or business activities. We therefore all have a role to play in reducing GHG emissions.

The role of Walsall Council

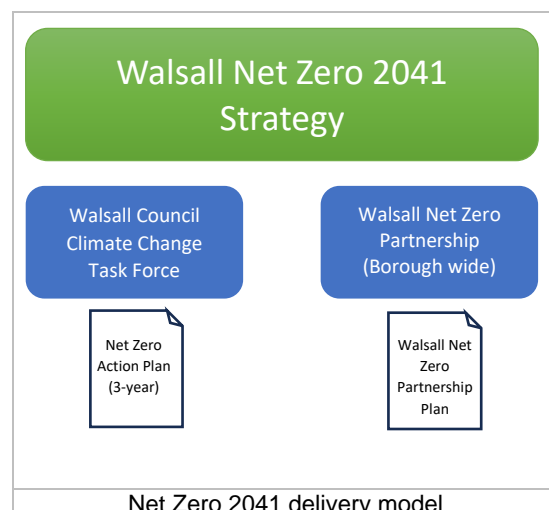
Whilst Walsall Council has a critical leadership role to play, achieving our borough's Net Zero 2041 ambitions will require all of us: the council, public agencies, private sector organisations, voluntary and community groups, as well as residents to do our part. Success depends on using our combined skills, assets, knowledge, powers, and effort to effect change. We must be honest about what is achievable, be inclusive in our plans and think sustainability and regeneratively in all that we do. We must be local, and resident focused, so the delivery is meaningful for people in Walsall and becomes an integral part of their everyday lives. It is for this reason that our Net Zero 2041 strategy focuses, not only on direct emissions of the council (e.g., heating our buildings and operating our fleet of vehicles), but emissions from the borough as a whole.

The council can use its policies to shape future development. We can make use of regulatory and enforcement powers to promote energy efficiency. It can incentivise and steer sustainable behaviour change amongst residents. As a service provider, it can use its purchasing power to decarbonise the supply chain and encourage green growth. As an enabler and an influencer, it can lobby for national change and by working in partnership with others, it can show the vital local leadership required to build a green economy in Walsall.

Our climate change action plan

This strategy divides the actions we need to take to achieve our net zero ambitions into those the council can take a lead in implementing 'our priorities' and those where our partners across the borough will need to take a lead 'borough wide priorities'.

The elements of this strategy where the council will lead delivery, have been incorporated into an accompanying three-year Net Zero Action Plan. These actions include enabling actions (e.g. embedding climate change considerations in all council decision-making) and direct actions which will be implemented by the relevant council service (e.g. decarbonising the council fleet).



The Walsall Net Zero Partnership

To deliver the elements of this strategy identified as 'borough wide priorities', a Walsall Net Zero Partnership will be established. The partnership will include key stakeholders ranging from the NHS, Natural England, UK Health Security Agency, local business, utility companies, education providers, social housing providers, and the voluntary and community sector, as well as our local communities. It will have a remit to:

- Enable collaborative working and engagement with government, utilities, businesses, community groups and other partners in Walsall.
- Investigate steps that may be taken by the partnership to achieve net zero and the adaptation measures required to provide climate change resilience.
- Produce a Walsall Net Zero Partnership Plan that is realistic, measurable, and deliverable and progress with delivery of targets within the plan.

Our Partners

The council will have a vital leadership role in achieving our vision of a clean and green Walsall. However, businesses, residents, voluntary and community organisations, health trusts, colleges, universities, social housing providers, each bring with them unique local knowledge, expertise, and resources. To deliver our Net Zero 2041 strategy we will work closely with all stakeholders to ensure policies are aligned and mobilise the resources required to transition to a green economy. Key partners include, but are not limited to:

- **National Government:** National government leadership is crucial to the delivery of our Net Zero 2041 strategy. It is responsible for making key regulatory decisions (e.g., the phasing out of gas boilers). Regulatory certainty, with clear long-term strategic priorities is required to attract private sector investment needed for the transition to a green economy. Government funding is also essential if we are to deliver decarbonisation projects at the scale required, to achieve not only our 2041 target, but also the legally binding target of a net zero UK by 2050 set out in the Climate Change Act 2008 (2050 Target Amendment) Order 2019.
- **West Midlands Combined Authority (WMCA):** The regional WM2041 net zero target is aligned with the Walsall target. The WMCA will be an important partner in delivering our vision. The trailblazer devolution Integrated Settlement will have a significant impact on the delivery of net zero projects in the Walsall. For example, it aims to give more local control over funding and increased local control of housing and public building retrofit initiatives.
- **Transport for West Midlands (TfWM):** As the regional transport authority for the West Midlands TfWM is responsible for coordinating transport services. Working with train, bus, and metro operators, it can use its budget to deliver schemes that improve connectivity, drive economic growth, and help cut carbon emissions by making it easier and more attractive for people to switch to public transport, and encourage more cycling and walking.
- **Statutory bodies:** These are organisations and government departments which are set out in legislation as having responsibility for certain sites, features, activities or actions. E.g. Health and Safety Executive, Natural England, Historic England, Environment Agency, Coal Authority, Forestry Commission, National Highways and Network Rail. Many provide statutory documents or best practice guidance which set out the approaches required to achieve net zero whilst minimising the negative effects on the things they have responsibility for. Some also provide funding opportunities for projects.
- **Other Public Sector Organisations:** Public sector organisations need to provide leadership by developing their own robust decarbonisation plans and promoting behaviour change amongst their employees and service users.
- **Businesses:** The business community will be a key partner in the energy transition. They have a vital role to play both in reducing their own emissions and seizing the opportunities for green growth arising from our transition to a net zero economy.
- **Schools, colleges, and universities:** The opportunities arising from the transition to net zero economy are substantial. To unlock these however we will need to work closely with providers to develop green skills in key sectors such as construction, housing and transport.
- **Social housing providers:** With control of over 20,000 homes in Walsall, our social housing providers are key partners in decarbonisation. Their experience in energy efficiency, and access to funding for retrofitting homes, is an opportunity to develop local green skills and supply chains.
- **Voluntary and Community Organisations:** Resident-led organisations are uniquely placed to educate, inform, and promote the individual behaviour change in our communities required for green healthy lifestyles.

7 Net Zero strategic themes

Our Net Zero 2041 strategy focuses on six themes to address the different aspects of our economy and lifestyles that contribute to climate change. Each theme represents a sector where significant greenhouse gas emissions occur or where there are opportunities for reducing emissions (mitigating) or improving resilience (adapting) to climate change. We will need to address all six themes simultaneously if we are to make significant progress towards limiting carbon emissions and addressing the consequences of climate change.

Our six themes are:

- **Energy:** Energy production and use, particularly from fossil fuels, is our largest sources of carbon emissions. Improving energy efficiency and increasing the use of renewable energy sources are key achieving our Net Zero 2041 target.
- **Circular and Green Economy:** A circular economy aims to reduce waste and make the most efficient use of resources. This includes actions such as recycling, reusing materials, reducing food waste, and designing products to be more durable and recyclable. The green economy refers to a transformative shift that aims to reconcile economic growth with environmental sustainability.
- **Homes, workplaces, and public buildings:** Buildings are responsible for the majority of carbon emissions from Walsall. These emissions are primarily from the fossil fuels we use for heating but also come from the energy we use for cooling and operating appliances. Improving the energy efficiency of our buildings and using cleaner sources of energy will significantly reduce carbon emissions.
- **Transport and Travel:** Transport and travel is currently the largest single source carbon emissions in Walsall. Actions to reduce carbon emissions in this sector include improving fuel efficiency, promoting walking, cycling, the use of public transport, and transitioning to electric vehicles.
- **Natural Capital and Land Use:** How we manage our natural capital (e.g., forests, heathlands, and wetlands) and use our land, can have a significant impact on climate change. Walsall does not have enough available land to offset our emissions by carbon sequestration but how we use our land is important to maintain the carbon reserves we have in this natural capital, restore biodiversity, create healthy green spaces, and help to reduce the impacts of flooding.
- **Resilience and Adaptation:** Even with mitigation efforts, the consequences of climate change are unavoidable. This theme focuses on actions required to adapt to climate change and build resilient infrastructure and communities. These actions include considering climate change in the design of our buildings, flood protection measures, and encouraging behaviour change to help residents cope with extreme temperatures.

Energy

Background

The majority of greenhouse gas emissions come from energy use, specifically the release of carbon dioxide from burning of fossil fuels in boilers and internal combustion engines. The UK government has committed to decarbonising our electricity grid by 2030. The decarbonisation of heat and transport will be achieved primarily by replacing fossil fuels with electricity (e.g. by the adoption of heat pumps and electric vehicles). Heat networks that utilise waste heat will also have a role to play in decarbonising heat for our buildings

The energy used, and the resulting carbon emissions in our borough depend on factors such as economic activity, building quality, industrial practices, available transport options and residents' individual behaviour. In the short-term, behavioural change can decrease consumption by encouraging more energy efficient practices. Improving the energy performance of buildings, decarbonising industrial process, and decarbonising transport will take longer.

Power Down to Power Up - The Energy Hierarchy

The Energy Hierarchy are prioritised steps that can be taken to achieve a more sustainable energy system.

The first step is to minimise energy use. This not only reduces carbon emissions but also reduces energy bills.

The second step is to ensure energy is produced and consumed efficiently by using more efficient technologies (e.g. insulation, LEDs, low carbon heating systems, energy management systems).

The third step is to adopt renewable, low carbon energy sources.

Whole life costing

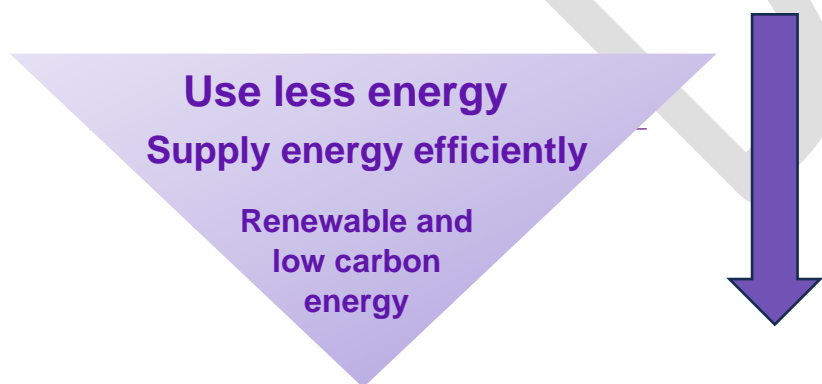
The shift towards low-carbon technologies sources comes with a risk of additional expenses due to the cost of deploying the infrastructure. It is important to consider whole-life costs when retrofitting or investing in new buildings and transport technologies.

Whole-life costing refers to the total costs and benefits of ownership of an asset building, or electric vehicle, and allows resource efficiency to be appropriately considered during the assessment of the actual cost of design, construction, and operation. This approach promotes the adoption of solutions such as low carbon design for new housing developments, the deployment of electric fleets.

Solar

Over the last decade, solar photovoltaics have improved in efficiency and due to economies of scale have made generating renewable electricity more affordable.

In recent years the council has installed solar photovoltaics on a number of its properties, such as the Civic Centre and Darlaston Leisure Centre. We will continue to invest and establish business cases for the installation of



more solar across our estate. We will encourage and support the adoption of solar energy in suitable locations across the borough.

Heat Pumps

The energy used to heat our homes, business and public buildings is responsible for around one third of UK of GHG emissions. Changing how we heat our buildings is essential to achieve net zero.

Heat pumps are a key technology for decarbonising heat. The Climate Change Committee projects that, to reach net zero, domestic heat pumps will be needed in at least half, and more likely up to 80%, of homes by 2050. Heat pumps are widely used in countries, such as Norway (60%) and Sweden (43%) but are in only installed 1% of UK homes. The UK Government has a target of 600,000 installations per year by 2028.

Heat Networks

Heat networks (also known as district heating schemes) supply heat from a central source to consumers, via a network of underground pipes carrying hot water. They can cover a large area or even an entire city or be local supplying a small cluster of buildings. This avoids the need for individual boilers or electric heaters in every building. Heat networks are sometimes described as “central heating for cities”.

The Energy Act 2023 provides the powers for government to implement Heat Network Zoning in England through regulations. These new regulations have the potential to transform the economic case for the development of heat networks in towns and cities in England.

Case Study: Walsall Energy Action Project

Funded by The National Lottery Community Fund's Climate Action Fund the Walsall Energy Action Partnership (WEAP) is a community partnership.

The aim of the WEAP project is to build a sustainable, climate-resilient and Net Zero Walsall together, in a fair and inclusive way. The project will drive community led action to reduce carbon emissions and climate inequalities among some of the most vulnerable in the community.



Behaviour Change

While national action is the most significant factor determining how fast we decarbonise our economy, individuals can also play a part in reducing carbon emissions.

This can be achieved by simple measures such as turning down thermostats, washing clothes at lower temperatures, insulating lofts, choosing energy efficient appliances, switching off appliances when not in use, changing to LED lighting. Despite their cost-saving benefits, these simple actions are often not carried out.

We will encourage and enable energy saving behaviour, deliver a borough-wide awareness campaign, and support community outreach projects.

Case Study: LED street light improvements

Walsall Council's plan to convert 23,000 streetlights to low energy LED lighting is completed in April 2024. The initiative began in April 2022 and is projected to deliver significant reductions in energy consumption and carbon emissions by around 70%.

Alongside the lantern conversion, the council have installed remote monitoring which can identify issues and control lighting levels.

With the ongoing upgrade scheduled, further savings are anticipated through dimming trials approved by the council in February 2024.



Energy – Our priorities:

Challenges and opportunities	Priorities	We will:
<p>Most greenhouse gas emissions are directly related to energy use, specifically the burning of fossil fuels in boilers and internal combustion engines (ICE).</p> <p>To achieve our Net Zero 2041 target, we need to reduce the CO₂ emissions that are released by the energy we use, for transport and powering our factories and buildings.</p>	<p>Priority 1: Decarbonising our power supply.</p>	<ul style="list-style-type: none"> • We will work with utility companies, regional and national government to ensure electricity grid reinforcement is undertaken to provide sufficient grid capacity to enable the electrification of heat and transport and deploy renewable electricity generation.
<p>The UK government has committed to decarbonising our electricity grid by 2030. The decarbonisation of heat and transport will be achieved primarily by replacing fossil fuels with electricity.</p> <p>To lessen the demand on the electricity grid it will be necessary for residents and businesses to install solar photovoltaic (PV) panels to generate power locally wherever practicable.</p> <p>Other low carbon energy sources of energy such as, biofuels, solar thermal and the use of waste heat via heat networks will also need to be considered.</p> <p>Hydrogen produced from low carbon sources may also be needed for industrial processes where high temperatures are required.</p> <p>The first step to reducing GHG emissions from energy is to reduce demand. This will be achieved by using more efficient vehicles, industrial processes, and buildings.</p>	<p>Priority 2: Promote adoption of clean energy alternatives to fossil fuels.</p>	<ul style="list-style-type: none"> • We will phase out gas boilers in all our buildings and replace these with heat pumps, connect to heat networks or use other low carbon sources of heat. • We will install solar arrays on our buildings wherever practicable (i.e., those buildings with suitable roofs). • We will encourage the deployment of solar PV on commercial buildings and homes.

Energy – Borough wide priorities

Businesses and other organisations:

- Undertake comprehensive energy audits to identify where energy is being consumed in the businesses and where efficiency measures can be applied.
- Optimise industrial process to reduce energy consumption and explore alternatives to fossil fuels.
- Install up to date building management systems (BMS) to actively manage heating and cooling in their buildings.
- Install renewable energy generation at their premises wherever possible.
- Large energy consumers should investigate technologies such as carbon capture utilisation and storage (CCUS) to capture carbon emissions from the energy they use.

Walsall Council:

- Show leadership by retrofitting and decarbonising our estate.
- Show leadership by converting our fleet to ultra-low emissions vehicles.
- Provide local energy advice to support residents.
- Rigorously enforce Minimum Energy Efficiency Standards (MEES) for domestic private rented properties.
- Implement a business support programme to support energy efficiency.

Residents:

- Install renewable energy such as solar panels or solar thermal in their homes.
- Switch to a renewable energy supplier.
- Plan to install a low carbon heating system for when they next need to replace their current heating system.

Government, regulators (Ofgem) and utilities:

- Ensure new renewable generation such as solar photovoltaic and new demand from electric vehicles and heat pumps receive timely and affordable connections to the network.
- Develop a resilient and smart electricity network to minimise the cost and delays caused by grid reinforcement.
- Use regulation to make sure networks are cost effective, competitive, and smart.
- Provide funding and regulatory certainty to encourage investment in alternative low carbon energy solutions (e.g., heat networks).

Regional Partners and Policy:

- WMCA: West Midlands Combined Authority Trailblazer deeper devolution deal.
- WMCA: WM 2041 Five Year Plan 2021 – 26.
- Department for Energy Security and Net Zero: Energy Act 2023; Industrial Decarbonisation Strategy 2021.

Circular and Green Economy

Background

UK Government and private sector funding is increasingly focused on net zero and sustainability. Whilst Walsall has some key business and assets relevant to the transition to a low carbon economy, there is a pressing need for a step change in investment and support in the borough's business and skills base if Walsall is to be a leader in the green industrial revolution.

Walsall has the opportunity to capitalise on the growth of the low carbon construction, retrofit and transport sectors. There are national shortages of housing retrofit specialists, heat pump engineers, electric vehicle technicians, commercial building energy efficiency specialists and manufacturing capacity for low carbon technologies. Our industrial and engineering heritage make Walsall uniquely placed to become a leader regionally and nationally to deliver these services.

The Walsall Economic Strategy and Action Plan (2022) will support the growth of low carbon exemplar innovation and skills hubs. The council will provide these hubs with pilot test sites to enable practical demonstrators that can be used to attract new investment and to establish Walsall as an emerging low carbon exemplar that is serious about leading the green industrial revolution.

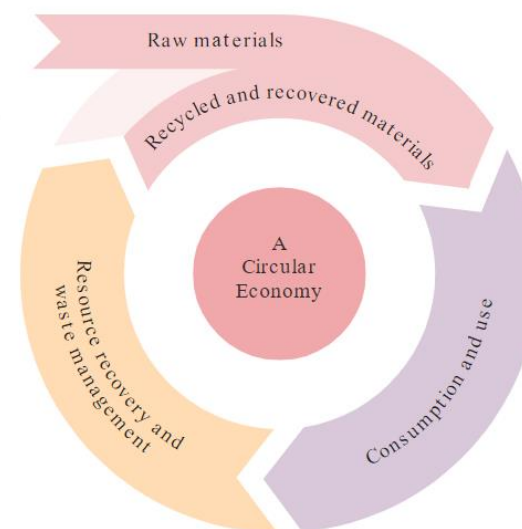
Circular Economy

The circular economy is a model of resource production and consumption that emphasises sustainability and waste reduction.

In this system, existing materials and products are shared, leased, reused, repaired, refurbished, and recycled for as long as possible.

It is about keeping materials in circulation through practices like maintenance, remanufacturing, and composting, rather than allowing these resources to become waste.

By adopting circular economy principles, Walsall can minimise resource use and create a more sustainable future. Developing recycling technologies is a green growth opportunity for the borough.



[Resources and waste strategy. Policy paper UK GOV. 2018](#)

Green Economy

We will continue to forge partnerships and collaborate with local educational providers to give the residents of Walsall the best available opportunities to gain experience, gain green skills and qualifications for the developing green economy.

We will continue to support local businesses to become more efficient and invest in low carbon and renewable technologies to enable Walsall to be leader in green technologies, innovation, and services.

Recycle and Reuse

In line with the wider circular economy approach, we will improve reuse and recycling rates.

Household recycling rates in Walsall are approximately 40%. The Government has set a target to recycle 65% of household waste by 2035, with no more than 10% going to landfill.

Environment Act 2021 stipulates that recyclable household waste, including food waste, must be collected separately from other household waste for recycling or composting (target date of March 2026).

The council will modernise, enhance and future-proof Household Waste Recycling Centres (HWRCs) and waste disposal facilities across the borough to enable residents to effectively reuse and recycle.

Composting and anaerobic digestion.

Composting is a cost effective, natural process that transforms food and garden waste into a valuable and nutrient rich food for gardens and green spaces. We will investigate the potential for increase composting of suitable waste from council buildings and local schools. Anaerobic digestion is the preferred technology for processing food waste.

Behavioural Change

Residents will be equipped to make better decisions if they are provided with the relevant information. The council will support and promote community initiatives to reduce waste and fly-tipping across the borough.

Plastic Waste

Plastic pollution is a huge global environmental challenge. It is predicted that unless action is taken there will be a threefold increase in the amount of plastic flowing into our oceans by 2040.

The council will work to phase out the use of single use plastics within council offices and buildings.

Case Study: Middlemore Lane facility

The redevelopment of the Middlemore Lane HWRC will provide capacity to deal with our waste as our population grows. It will increase the range of items that can be recycled and reused. We will partner with charitable partners in re-use schemes with the addition of a reuse facility on site. The facility will have solar panels to generate renewable energy, and the proposed plan will include green landscaping and green roofs where practicable.



Circular and Green Economy – Our priorities:

Challenges and opportunities	Priorities	We will:
<p>As part of building a thriving, clean and green Walsall, we need to promote economic and resource productivity, eliminate waste, and increase business opportunities by leading the green industrial revolution. We need to ensure the transition to a green economy is a 'just transition' that will stimulate skills development and jobs for all.</p> <p>The damage done to our environment by waste products can be avoided if more sustainable decisions are made at the production stage. The UK Government's waste management hierarchy places emphasis on preventing waste and re-use wherever possible.</p> <p>To eliminate the environmental impact of the products we buy, we need to change the way that we behave as consumers. We also need to change the way we treat end-of-life products. We will achieve this by adopting the principles of the circular economy (i.e., maintain-reuse-recycle-refurbish-remanufacture-recycle-compost).</p> <p>We also need to work to identify green business opportunities to encourage more circular, sustainable and resource-efficient business models. This will be achieved by using more sustainable materials to ensure manufacturing processes maximise resource and energy efficiency.</p>	<p>Priority 1: Produce goods and services more sustainably and transition to a circular economy.</p>	<ul style="list-style-type: none"> • We will embed net zero commitments across all our council strategies and policies, ensuring that we use our powers and influence to stimulate the demand for low carbon products and services.
	<p>Priority 2: Support local businesses to seize green growth opportunities and establish net zero supply chains to make Walsall an international centre of excellence for advanced manufacturing, modern construction methods, logistics and low carbon innovation.</p>	<ul style="list-style-type: none"> • We will align our economic development plan to recognising the potential of green growth to boost our local economy and competitiveness. • We will use our purchasing power to support localism, social value and the decarbonisation of the supply chain. • We will ensure that any national or regional funding initiatives that are managed by the council (e.g. Levelling Up funding) align with our Net Zero 2041 objectives.
	<p>Priority 3: Support green skills.</p>	<ul style="list-style-type: none"> • We will work with local colleges and schools to provide good quality training and make Walsall a leading centre for green and sustainable technologies, products, and services.
	<p>Priority 4: To make Walsall a leader in waste technology, close the gap in our recycling rate, and be known as a high performer regionally.</p>	<ul style="list-style-type: none"> • We will develop a circular waste management system, where we reduce the amount of waste generated, increase the separation and collection of recyclable materials, and promote the recovery of energy and nutrients from organic waste.

Circular and green economy - Borough wide priorities.

Businesses and other organisations:

- Explore green business opportunities in the retrofit, automotive and sustainable transport sectors.
- Review processes to look where efficiencies in design and production can be achieved.
- Conduct carbon audits to monitor the carbon content on the goods and services they deliver.
- Decarbonise their supply chains by making sustainability part of their procurement policy.
- Support the development of green skills and the reskilling of the region's workforce.
- Work with the Walsall Economic Forum, Walsall Net Zero Partnership, Midlands Engine, WMCA and other bodies to make the region a leader in the green industrial revolution.

Walsall Council:

- Make sustainability central to procurement policy to ensure the goods and services we buy on behalf of our residents have the lowest possible carbon content and encourage the supply chain to decarbonise.
- Support low carbon supply chains to foster innovation and skills development in key sectors such as energy, transport, and waste.
- Support local business in assessing finance to transition to sustainable business practices and the production of sustainable goods and services.
- Ensure that Walsall has the right infrastructure and technology to process waste and recycling.
- Support residents to reduce waste, reuse and recycle.

Residents:

- Reduce the amount of waste by using reusable products.
- Repair rather than replace to extend the life of the things they own.
- Recycle as much as possible and segregate waste for collection.
- Minimise food waste and where not possible compost or segregate for collection.
- Buy products and services from local business whenever possible.
- Cut down the number of plastics they use and buy sustainable products.

Schools, Colleges, Universities, and training organisations:

- Embed carbon literacy in academic and vocational training courses.
- Provide courses and apprenticeships for young people to equip them to thrive in the green economy.
- Provide training to reskill those working in legacy high carbon industries.
- Work with Voluntarily, Community and Faith Organisations, and our communities, to reduce waste and increase reuse and recycling.

Regional Partners and Policy

- We Are Walsall 2040 vision: By 2040/41 Walsall will be a regional leader in sustainability with a leading Net Zero economy. All public sector partners will be carbon neutral in their operations with sustainable public buildings and new homes will be carbon neutral.
- Walsall Council Economic Strategy and Action Plan.
- Environment Act 2021.
- HM Government: Public Services (Social Value) Act (2013).
- HM Government: The Ten Point Plan for a Green Industrial Revolution.

Homes, Workplaces and Public Buildings

Background

Buildings are responsible for over 40% of GHG emissions in our borough. To achieve our Net Zero 2041 target, we need to reduce the use of energy in building, particularly the energy used to heat our homes, commercial and public buildings.

Making our buildings more energy efficient will not only reduce GHG emissions, but it will also reduce costs for building operators. For homes, it will reduce energy bills and contribute to efforts to reduce fuel poverty and improve the health of residents.

Making buildings net zero will require owners of existing homes and buildings to make improvements to current levels of insulation to reduce heat loss through the building fabric well beyond the basic measures they might already have in place. It will also require fossil fuelled heating systems to be replaced with low carbon alternatives such as heat pumps. On-site energy generation will need to be installed wherever practicable. All new buildings will need to be net zero ready.

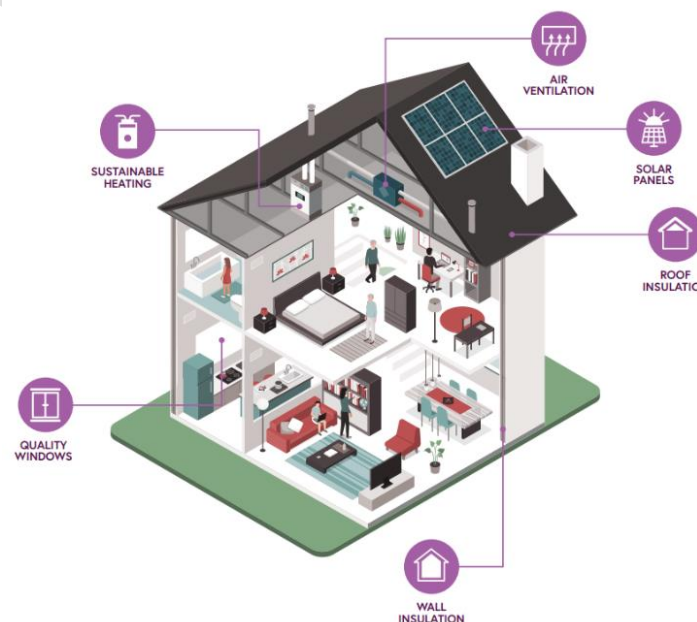
Decarbonisation of our buildings will be a colossal undertaking but also a huge opportunity for our region's construction, industrial and business sectors as we grow our green economy.

Domestic Energy Efficiency

80% of the homes we will be living in by 2050 have already been built. A nationwide programme of deep retrofits and refurbishment of existing housing is the only way to deliver the necessary carbon savings. Retrofitting homes will have significant co-benefits, making them cheaper to run and healthier to live in.

The [Institute of Engineering and Technology and Nottingham Trent University](#), have quantified the co-benefits improving the quality of homes. They estimate that a deep retrofit programme could reduce social care costs by between £1,700 and £4,500 per person per annum and cut GP visits by almost 50%.

Deep retrofit measures include external wall insulation, high quality glazing, mechanical heat recovery and the adoption of renewable energy technologies such as solar power and heat pumps.



IET – Nottingham Trent University

Public Sector Energy Efficiency

In order to accelerate the transition to low-carbon and renewable technologies in the public sector, the Department for Energy Security and Net Zero (DESNZ), introduced the Public Sector Decarbonisation Scheme (PSDS) with the aim to reduced emissions from public sector buildings by 75% by 2037.

The council will continue to evaluate the potential for the introduction of energy efficiency measures and technologies within its estate. We will conduct feasibility studies and develop business cases for their adoption wherever practicable.

Case Study: Darlaston Leisure Centre

In 2022, Walsall Council was awarded £2.6 million funding from the government's Public Sector Decarbonisation Scheme.

As a result of the funding, the council has been able to upgrade energy equipment within the facility and install a new, greener heating system with air source heat pumps, replacing fossil fuelled boilers. The work has involved the installation of 288 photo voltaic solar panels on the roof to generate electricity to power the heat pumps and help meet the leisure centre's electrical requirements. Internally, low energy LED lighting has been installed to improve efficiency.



Homes, workplaces, and public buildings - Our priorities:

Challenges and opportunities	Priorities	We will:
<p>Buildings are responsible for over 40% of CO₂ emissions in our borough. We need to reduce the excessive use of energy, particularly that used for heating homes, commercial and public buildings, to achieve our Net Zero objectives.</p> <p>Making our homes more energy efficient will not only reduce CO₂ emissions, but it will also help residents to live in warm homes which are cheaper to run and healthier to live in. It will contribute to efforts to reduce fuel poverty which at 19.7% in Walsall is the 9th highest for all English local authorities (<i>based on 2021 data released in April 2023</i>).</p> <p>Owners of existing homes and buildings will need to make improvements to current levels of insulation well beyond the basic measures they might already have in place (e.g., by retrofitting buildings with external wall insulation, and upgraded glazing).</p> <p>Making our homes net zero will also require fossil fuelled heating systems (e.g., gas boilers) to be replaced with low carbon alternatives such as heat pumps or by connection to a low carbon heat network.</p> <p>All new buildings will need to be net zero ready.</p> <p>Decarbonisation of our buildings will be a huge opportunity for our region's construction, industrial and business sectors as we grow our green economy.</p>	<p>Priority 1: Reduce carbon emissions and eliminate fuel poverty by reducing the heat demand of existing homes.</p> <p>Priority 2: Reduce the energy demand from existing commercial and public buildings.</p> <p>Priority 3: Reduce the energy demand of new buildings.</p>	<ul style="list-style-type: none"> • We will continue to implement the Council's Home Energy Conservation Act (HECA) to tackle fuel poverty. This will include advice to help households access retrofit funds (e.g., ECO 4, ECO Flex). • We will work to secure funding for the retrofitting of domestic properties across our borough to improve their Energy Performance Certificate (EPC) rating to at least a C. • We will ensure that landlords and agents, are aware of their legal obligation to provide and make available EPCs and take appropriate action against those who fail in this obligation. • We will retrofit the buildings we own to operate more efficiently and install low carbon heating systems as the existing systems become due for replacement. • As active members of the One Public Estate programme, we will work closely with other public sector organisations to explore opportunities to better utilise our buildings. • Where practicable we will use our planning powers and the Walsall Borough Local Plan to strengthen energy policy and to provide a clear framework for new builds to adopt significantly higher standards of energy efficiency than at present. • For regeneration projects overseen by the council we will ensure energy efficiency and sustainability are embedded into the design and delivery of projects.

Homes, workplaces, and public buildings - Borough wide priorities

Businesses:

- Be prepared to seize the opportunities available in the energy efficiency, retrofit and low carbon heating market.
- Conduct energy audits of their premises.
- Consider greener, more energy efficient premises when current or future contracts require renewal.
- Engage with landlords for cost sharing arrangements for the installation of energy efficiency measures and renewable energy systems.

Walsall Council:

- Show leadership by retrofitting and decarbonising our own estate and encourage partner organisations to follow.
- Provide energy advice to support residents.
- Access available funding to support retrofit programmes.
- Work with property owners to encourage high quality private rental properties across the borough and tackle rogue landlords.

Residents:

- Get the basics right – including LED lighting and draught-proofing.
- Upgrade home insulation – loft, cavity wall, double glazing.
- Think about whole house retrofit, particularly if conducting a home renovation.
- Install low carbon heating systems such as heat pumps.
- Adopt behaviour change measures that could improve household energy efficiency.

Other key partners:

- Voluntary, Community and Social Enterprise Organisations will need to work with partners providing advice on energy efficiency to alleviate fuel poverty.
- Social housing providers will need to access available funding to retrofit their housing stock.
- Private landlords will need to comply with the Minimum Energy Efficiency Standards (MEES) for the homes they let.
- Colleges and other training providers will need to offer courses to upskill installers to provide them with the skillsets required to work with low carbon technologies.

Regional Partners and Policy:

- We Are Walsall 2040 Vision - By 2040 homes in Walsall, whether new or existing dwellings, will be energy efficient and sustainable and Walsall will be on track towards all homes being carbon neutral by 2050.
- Walsall Council: Housing Strategy 2020 – 2025; Strategic Asset Plan 2022 – 2027.
- Department for Energy Security and Net Zero: Heat and Buildings Strategy 2021.

Transport and Travel

Background

Transport and travel account for a third of GHG emissions in Walsall, primarily from the use of fossil fuelled vehicles. The emissions from vehicles are also the main contributor towards air pollution in Walsall. To reduce emissions and achieve our net zero ambitions, we need to significantly reduce the use of internal combustion engines, develop a mix of alternative transport solutions for people and freight to move around and through our borough.

Many journeys are short and very local, so we need to encourage a mode shift in how we move and promote active travel. We need to develop the convenient cycling, walking and wheeling infrastructure, where residents feel safe using these modes of transport.

We need to ensure we provide convenient, clean, efficient public transport services and continue to invest in electric vehicle charging infrastructure to decarbonise road transport.

Active Travel

Walking, wheeling, and cycling.

The shift towards more active travel is essential in meeting our net zero targets. We will adopt and implement the West Midlands Local Transport Plan and the Black Country Walking, Cycling and Wheeling Plan to improve public transport and active travel routes.

Safety

Providing safe, traffic-free cycling and walking infrastructure is key in encouraging its use. We will continue to invest in active travel routes, assessing suitable locations for pedestrianisation and active travel networks throughout the borough.

Case Study: Walsall Canal Network Improvements

It is quite well known regionally that Birmingham has more canals than Venice (35 miles to 26 miles). What is less well known is that so does Walsall. Our industrial legacy has left Walsall with approximately 26.4 miles of inland waterways.

This canal network provides a safe, traffic free route, not only connecting many areas across the borough, but also the surrounding West Midlands region.

Walsall Council is working in partnership with the charity, Canal & River Trust, to resurface the towpaths, improve access points and add solar lighting to around eight miles of towpath in the borough.

The first section of towpath, from Sneyd Wharf has now been reopened to the public with a tarmac surface.



Electric Vehicles

The UK Government has committed to phase out the sale of fossil fuelled cars and vans from 2035*. The leading vehicle manufacturers have committed to a future propelled by electricity meaning the majority of vehicles sold will be battery electric vehicles.

To ensure our borough is prepared for the transition from fossil fuel powered vehicles to electric vehicles, the council will implement its Electric Vehicle Chargepoint Strategy. This strategy provides a roadmap for delivering electric vehicle chargepoints across the borough.

Public Transport

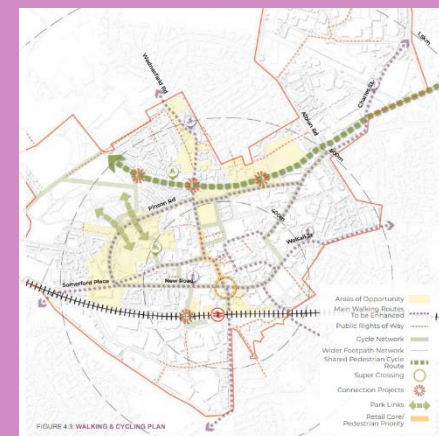
Walsall Council is working in partnership with Transport for West Midlands (TfWM), the West Midlands Rail Executive, West Midlands Railways, Network Rail, and the Department for Transport to deliver new train stations at Willenhall and Darlaston.

When complete the new stations will give the communities direct access to the rail network for the first time since the 1960s, offering services to Walsall, Wolverhampton, and Birmingham.

Case Study: Willenhall Framework Plan

The Willenhall Framework Plan aims to have a firm focus on the future of Willenhall, to have the aspiration to become a more vibrant, healthy, and prosperous community.

Connectivity is a key pillar within the Framework Plan, maximising the benefits of the new train station and promoting active travel and healthy living through high quality public realm which links streets, public spaces and community facilities.



*The government is consulting on whether to reduce this target date to 2030

Transport and Travel - Our priorities:

Challenges and opportunities	Priorities	We will:
<p>Transport and travel account for 34.2% of CO₂ emissions in Walsall, primarily from the tailpipes of fossil fuelled vehicles.</p> <p>To eliminate these emissions, we need to develop a mix of alternative transport solutions for people and freight.</p> <p>Many journeys are short and very local, so we need to encourage active travel by developing the right cycling and walking infrastructure, to enable residents feel safe using these modes of transport.</p> <p>Where active transport is not an option, we need to ensure convenient clean efficient public transport services, such as buses, taxis, trams, and trains are available. Currently these modes of transport have lower CO₂ emissions per mile than private cars, but it is important that we encourage the operators of these public transport services to adopt ultra-low emission vehicles (ULEVs).</p> <p>For freight, and journeys where cars are necessary, we need to encourage the deployment of ULEVs by ensuring the appropriate electric vehicle charging infrastructure is in place.</p> <p>There are multiple co-benefits that will result from the adoption of sustainable transport. The adoption of ULEVs will not only reduce CO₂ emissions it will also eliminate other harmful pollutants (e.g., nitrogen dioxide, particulate matter) and will reduce traffic noise. Active travel is proven to result in better personal health and well-being.</p>	<p>Priority 1: Increase the use of public transport and active travel modes.</p>	<ul style="list-style-type: none"> • We will invest in cycling and walking routes to help people feel safe travelling by bicycle, on foot or by wheeling. • We will work with partners to improve public transport networks in our borough. • We will promote behaviour change to encourage cycling, walking and wheeling and the use of public transport.
	<p>Priority 2: Encourage the phasing out of fossil-fuelled private vehicles and their replacement with zero emission alternatives.</p>	<ul style="list-style-type: none"> • We will promote behaviour change and establish a programme to inform and encourage businesses and residents to switch to ultra-low emission vehicles. • We will use planning policy to encourage the deployment of charge points in suitable locations. • Secure funding, or facilitate private investment, to install over 600 electric vehicle (EV) charging sockets across chargepoints in the borough by 2030.
	<p>Priority 3: Establish a zero-emissions council fleet.</p>	<ul style="list-style-type: none"> • We will transition the council's fleet to zero emissions by 2035.
	<p>Priority 4: Establish a zero-emission public transport fleet in Walsall.</p>	<ul style="list-style-type: none"> • We will work with regional bodies (e.g., TfWM, Black Country Transport, bus companies, taxi operators and owner drivers) to promote the deployment of ULEV buses and taxis.

Transport and Travel – Borough wide priorities:

Businesses and other organisations:

- Monitor the environmental impacts associated of suppliers' transport and logistics and work with them to find ways to minimise supply chain transport GHG emissions.
- Provide destination EV charging for customers (e.g., in supermarket car parks).
- Switch company fleets to electric vehicles and install charging infrastructure wherever possible. When replacing other vehicles, purchase the most efficient models.
- Support employees by encouraging flexible working, the use of public transport, cycling, walking, and car-sharing.
- Install EV charging at workplaces to enable employees to charge their vehicles whilst at work.

Walsall Council:

- Encourage public transport initiatives which enable a rapid shift towards active and sustainable travel modes.
- Ensure that adequate infrastructure is in place to facilitate the greening of the council and contractors' fleets by equipping all council offices, depots, car parks and sports facilities with charge points.
- Promote active travel modes, such as walking, cycling and wheeling.

Residents:

- Walk, cycle and wheel for short journeys.
- Use public transport for longer journeys.
- Use mobility services such as taxis rather than own their own vehicles.
- Cut costs, congestion, parking problems and pollution by car sharing wherever possible.
- When replacing a vehicle, consider using an ultra-low emission vehicle (ULEV) (e.g., electric car).

Freight companies, public transport operators, and taxi companies:

- All transport operators need to transition to electric vehicles (EVs) or other zero-emission vehicles. This includes buses for public transport, electric trucks for freight companies, and electric vehicles for taxi and private hire companies.
- Retrofit existing vehicles where this is more cost effective than replacing vehicles.
- Develop strategic plans to ensure the necessary charging infrastructure is in place for when EVs are procured.
- Collaborate closely with transport suppliers and other stakeholders to develop a comprehensive regional mobility as a service (MaaS) offering.

Regional Partners and Policy:

- We Are Walsall 2040 vision: To make Walsall one of the most connected boroughs in England by rail and road with faster, quieter, and more reliable connections to new and existing destinations. To make Walsall a cycling borough with a network of cycling routes and facilities that are safe and secure.
- Walsall Council: Electric Vehicle Chargepoint Strategy.
- Transport for West Midlands (TfWM): Movement for Growth - Local Transport Plan (currently being updated – Reimagining Transport in the West Midlands)
- Department for Transport: Decarbonising Transport for a Better Greener Britain.

Natural Capital and Land Use

Background

Ecosystems cannot adapt as fast as the climate is changing so we must do all we can to protect these valuable assets. Natural capital and changes in land use also play a significant role in mitigating the consequences of climate change.

The UK government has pledged to protecting 30% of the UK's land and sea by 2030 (30by30) in England. Protecting existing natural areas from deforestation and degradation, and restoring degraded lands, prevents the release of stored carbon and helps to maintain biodiversity. This not only aids climate change mitigation but also enhances resilience to the consequences of climate change. Enhancing biodiversity and nature is key to providing a sustainable future for all.

Biodiversity and Green spaces

Walsall is perhaps best known for its industrial heritage; however, the borough is also home to some outstanding green spaces. A recent report for the Ancient Tree Inventory has revealed that Walsall Arboretum boasts the highest concentration of ancient and veteran trees in the region. Over 1/3 of the borough is green space.

We will protect and enhance the borough's parks and green spaces. We aim to promote biodiversity, preserve meadowland and wetland. We will work to increase the availability of green spaces for all or residents.

Planning

Strategic land use planning helps minimise the carbon footprint of urban development and maximise the benefits of green spaces for carbon sequestration and biodiversity net gain. The Walsall Borough Local Plan currently being developed provides the opportunity to ensure all new developments take into account the preservation and promotion of Natural Capital.

Case Study: Purple Horizons



Purple Horizons is a partnership project extending across up to 12,000 hectares on the fringes of the West Midlands conurbation and focusing on restoring and connecting fragmented heathlands to create a mosaic of heathlands, wetlands, woodlands and grasslands.

It will link up existing protected areas, work with local landowners to deliver habitat creation and carbon storage and is developing a plan for connecting with communities in Walsall to deliver green areas where they will have the greatest health benefits.

In 2024, 60 volunteers took part in the planting at Pelsall Common, Heath End and who helped to plant 400 plug plants of the Tormentil, Harebell and Cat's Ear species. These attract the Tormentil Mining Bee and provide a source of food for the bees and their young.

Natural Capital and Land Use - Our priorities:

Challenges and opportunities	Priorities	We will:
<p>Ecosystems cannot adapt as fast as the climate is changing so we must do all we can to protect these valuable assets. Natural capital and changes in land use also play a significant role in mitigating the consequences of climate change.</p> <p>Forests, grasslands, and wetlands can function as carbon sinks, absorbing carbon dioxide (CO₂) from the atmosphere and storing it in plants and soil in a process known as carbon sequestration.</p> <p>Protecting existing natural areas from deforestation and degradation, and restoring degraded lands, prevents the release of stored carbon and helps to maintain biodiversity. This not only aids in climate change mitigation but also enhances resilience to the consequences of climate change.</p> <p>Strategic land use planning helps minimise the carbon footprint of urban development and maximise the benefits of green spaces for carbon sequestration and biodiversity net gain.</p> <p>Most land management related actions to mitigate and adapt to climate change have significant co-benefits, including improved air and water quality, enhanced biodiversity, improved recreational opportunities, and health benefits.</p> <p>We need to prioritise actions to protect, maintain and enhance our natural capital and the multiple benefits it provides.</p>	<p>Priority 1: Achieve a net gain in biodiversity for new developments.</p>	<ul style="list-style-type: none"> • We will use our planning powers to ensure the requirements of the Environment Act 2021 to achieve a biodiversity net gain of 10% for new developments is rigorously enforced. • We will make maintaining and enhancing Walsall's networks of habitats and green infrastructure an objective of the Walsall Borough Local Plan.
	<p>Priority 2: Create green and blue spaces that increase biodiversity, reduce air pollution, and mitigate the effects of climate change.</p>	<ul style="list-style-type: none"> • We will enhance the borough's parks, green and blue spaces to increase habitat diversity through appropriate management (e.g. via rewilding). • We will develop a Walsall Natural Health Strategy and identify land to offset carbon through increased tree planting and creating wildlife-friendly corridors.
	<p>Priority 3: Increase investment into our natural environment.</p>	<ul style="list-style-type: none"> • We will integrate the management of green and blue infrastructure into town centre master planning and regeneration strategies to allow the mitigation and adaptation benefits to be realised. • We will plant one tree for every household in our in our borough by 2030, 11,000 trees per year for 10 years.
	<p>Priority 4: Increase engagement with our natural environment.</p>	<ul style="list-style-type: none"> • We will work with community and voluntary organisations, health partners, schools and other stakeholders to promote the public health benefits for all residents.

Natural Capital and Land Use - Borough wide priorities:

Businesses and landowners:

- Incorporate natural capital into decision making.
- Use their purchasing power to promote good practice in supporting sustainable supply chains (e.g. use certified sustainable timber, recycled materials).
- Where they own green or blue space, manage this to promote natural capital.
- Promote environmental volunteering amongst their employees.
- Farmers and landowners will need to adopt agriculture and land practices that enhances the natural capital of their assets (e.g., create or restore ponds and woodland).

Walsall Council:

- Work with other stakeholders to ensure effective measurement of natural capital.
- Ensure the Walsall Borough Local Plan embeds preserving and creating natural capital in new development and regeneration projects.
- Support and use its planning powers to ensure all development projects achieve Biodiversity Net Gain.
- Promote the health benefits of a clean and green Walsall and maximise the opportunities to enable all residents to benefit.

Residents:

- Manage green space they control (e.g. gardens and allotments) to encourage wildlife.
- Visit, spend time and be active in local green and blue spaces.
- Volunteer for projects that protect or improve the environment in your local area.

Schools, Colleges, Universities, NHS trusts and other public sector organisations:

- Universities and colleges will need to ensure all the graduates they train have an in-depth understanding of climate change, planetary boundaries, sustainability, and regeneration, so the next generation of professionals are equipped to tackle the climate emergency.
- Conduct meaningful research by engaging with stakeholders at the local, and regional level.
- Promote the importance of the natural environment to public health.
- Enhance the natural capital of their own estates.

Regional Partners and Policy:

- We Are Walsall 2040 vision: Walsall will be a clean and green borough with highly regarded parks and open spaces and be known as a place where nature is respected and protected. We will maintain our parks and green spaces for your enjoyment and safeguard our nature and biodiversity.
- WMCA: West Midlands Natural Environment Plan: 2021 – 2026.
- Environment Agency and Sustainability West Midlands: West Midlands Climate Change Risk Assessment and Adaptation Plan 2021 - 2026.
- DEFRA: Environment Act 2021 & 30by30 sustainability target.

Resilience and Adaptation

Background

Climate change will significantly impact the day to day lives and wellbeing of Walsall residents by 2041. We are already experiencing increase rainfall and more frequent extreme temperature events.

Climate resilience is about how our borough can meet its broader ambitions whilst ensuring it stays safe and secure. It means addressing key vulnerabilities and being prepared to meet expected or unexpected disruptive challenges (e.g., heatwaves, flooding, water stress). We must plan now for a more hostile climate.

Climate adaptation, like resilience, is about preparing for the negative consequences of climate change. According to the United Nations, climate adaptation means making adjustments in ecological, social or economic systems in response to the challenges and opportunities resulting from climate change. Appropriate climate adaptation actions will help to strengthen the resilience of Walsall's communities and infrastructure.

Partnerships

We will work with communities and businesses to increase resilience to future changes in climate including the development of an engagement programme to support Walsall businesses and community groups with continuity planning.

We will develop a Walsall Resilience Risk Register in partnership with the NHS to help identify members of the community vulnerable to interruptions in supply of power, heating, water and other essential services and regular testing and review of Local Resilience Partnership plans and NHS Winter/Heatwave Plans to prioritise services.

We will also consider how we need to adapt buildings and infrastructure to adapt to extremes of weather.

Plan and Prepare

It is our duty to make sure that residents, businesses and infrastructure are safe and protected. We will closely monitor the evolving risks posed by climate change and continuously review the Walsall Resilience Strategy.

We will ensure the Walsall Borough Local Plan addresses sustainable development, including the requirements arising from the Environment Act 2021.

Additionally, we will ensure emergency plans are in place- issuing alerts for severe weather events such as heatwaves, droughts, and flooding.

Resilience and Adaptation - Our Priorities:

Challenges and opportunities	Priorities	We will:
<p>Climate change will have a significant impact on the day to day lives of Walsall residents by 2041. The UK Met Office is projecting increased rainfall and more frequent extreme temperature events.</p> <p>Climate resilience is about how our borough can meet its broader ambitions whilst ensuring it is safe and secure. It means addressing key vulnerabilities and being prepared to meet expected or unexpected disruptive challenges (e.g., heatwaves, flooding, water stress).</p> <p>We need to build climate resilience to protect vulnerable communities. Our infrastructure needs to be able to withstand a more hostile climate.</p> <p>Climate adaptation, like resilience is about preparing for the negative consequences of climate change. We must plan now for a more hostile climate from 2041 and beyond.</p>	Priority 1: Build Climate Resilient Communities	<ul style="list-style-type: none"> • We will develop a Walsall Climate Change Adaptation Plan. • We will work with communities, businesses and education and health/social care providers to increase resilience to climate change. • We will embed climate change resilience and adaptation into all council strategies.
	Priority 2: Integrate climate change into council strategies to promote resilience and sustainability	<ul style="list-style-type: none"> • We will ensure the Walsall Borough Local Plan has regard to the National Planning Policy Framework goals for sustainable development and other national planning guidance and regulations. • We will promote sustainable design in buildings & review planning policies to reflect changes in national planning guidance including support for new homes to be built to Net Zero carbon standards. • We will promote Sustainable Urban Drainage systems (SUDs), (e.g. swales, rain gardens, permeable paving) in new developments and regeneration projects.
	Priority 3: Increase the resilience of our critical infrastructure.	<ul style="list-style-type: none"> • We will plan for emergencies - issuing alerts in the event of severe weather (e.g., extreme temperatures and flooding). • We will review and update the Walsall Flood Management Plan 2020-23. • We will work with our partners to understand the current and future risks of flooding and review plans with the West Midlands Local Resilience Forum & Black Country Local Resilience Forum.

Resilience and Adaptation - Borough wide priorities:

Businesses:

- Use water, energy, and other resources efficiently.
- Check if they are at risk of flooding and sign up for flood warnings.
- If in a flood risk area, make their premises more resilient and link up with neighbouring properties.
- Check if they have the right level of insurance.
- Invest in natural capital.

Walsall Council:

- Develop the appropriate indicators to monitor and evaluate how prepared we are for the current and future impacts of climate change.
- Develop a Walsall Climate Change Adaptation Plan.
- Show leadership by retrofitting its own estate to encourage partner organisations to follow.
- Plant trees.
- Implement proposals to manage flood risk for existing developments.

Residents:

- Check if they are at risk of flooding and sign up for flood warnings.
- If in a flood risk area, make their homes more flood resistant.
- Check if they have the right level of insurance.
- In extremely hot and cold weather, look after themselves and their neighbours.
- Work with voluntary and community groups to protect the more vulnerable.
- Use water efficiently, install a water meter and consider rainwater harvesting.

Other Key Partners:

- Utility companies will need to invest in infrastructure to provide secure energy and water supplies.
- Environment Agency will need to provide funding for flood protection.
- All will need to consider how to adapt their buildings/infrastructure to cope with extremes of weather.

Regional Partners and Policy:

- WMCA: West Midlands Natural Environment Plan: 2021 – 2026.
- Environment Agency and Sustainability West Midlands: West Midlands Climate Change Risk Assessment and Adaptation Plan 2021 – 2026.
- Department for Levelling up Housing & Communities: National Planning Policy Framework.
- UK Government: Resilience Framework.

8 Delivering the Walsall Net Zero 2041 Strategy

Next Steps

To deliver the Net Zero 2041 vision set out in this strategy, we need to close the gap between what is needed and where we are now. We need to take different approaches to supporting innovation in technology, and new approaches to finance and funding. We must show leadership and strengthen existing partnerships between the public, private, community and voluntary sector organisations. We need to develop priorities for engaging and educating residents, communities and businesses and upskilling our workforce.

This strategy divides the actions we need to take into six strategic themes. Energy, Circular & Green Economy, Homes, Workplaces & Public Buildings, Transport & Travel, Natural Capital & Land Use and Resilience & Adaptation. The priorities identified in each of these strategic themes are in turn divided into:

Our priorities: Actions the council can directly influence via its purchasing, regulatory and convening powers.

Borough wide priorities: Those actions that will require the active engagement of stakeholders across the borough.

The actions identified as 'Our priorities' have been incorporated our Walsall Council Net Zero Action Plan and will be implemented by the relevant council service.

For the actions identified as 'Borough wide priorities' a Walsall Net Zero Partnership will be established with a remit to produce a Walsall Net Zero Partnership Plan to progress delivery of these ambitions.

Governance

The council Climate Change Task Force, comprising of senior service managers, will meet quarterly to provide oversight of delivery of the Walsall Net Zero 2041 strategy and Walsall Council Net Zero Action Plan and to consider any additional interventions required to achieve our vision. A performance review will be submitted to Cabinet and full Council annually to report on progress.

The Walsall Net Zero Partnership will develop its own governance mechanisms.

Funding and resourcing

The successful delivery of our Net Zero 2041 strategy will be dependent on appropriate levels of funding and resources being in place. The actions necessary represent a mix of committed and desired interventions by multiple partners. Some actions, such as retrofit programmes, already have funding committed. While other programmes will require feasibility studies or business cases to be developed to determine their viability and funding will need to be secured to make them happen. This is particularly relevant for some of the larger projects. Significant additional investment will be needed for our vision for a clean and green Walsall to be realised. We therefore need to explore potential sources of funding through existing avenues as well as develop innovative approaches to ensure projects can be delivered. Partners will need to develop financial business cases which consider the whole-life costs of interventions. They will also need to appreciate the consequences and costs of delay in delivering the necessary changes which are likely to be greater on the economy and society in the long-term.

UK Government and private sector funding is increasingly focused on net zero and sustainability. Our challenge is to present a compelling argument for Walsall receiving some of that investment in what is an increasingly noisy and competitive marketplace.

Measuring and evaluating our impact and effectiveness

The primary measure of the effectiveness of climate change interventions is the effect they have reducing regional greenhouse gas (GHG) emissions. The Department of Energy Security and Net Zero (DESNZ) collates GHG emissions statistics for each local government area. However, there is typically a two-year lag from the time when the emissions occur and when the data is published. It is often difficult to establish which organisation or part of the supply chain is responsible for these emissions (e.g., who is responsible for the emissions of a beef burger consumed in Birmingham, by someone who lives in Bloxwich?). To resolve this issue carbon accounting methodologies, categorise GHG emissions as either Scope 1, 2, or 3.

For example, for Walsall Council:

- **Scope 1:** These are the GHG emissions released directly by the council from the fossil fuels we burn.
- **Scope 2:** These are the indirect GHGs emissions that are released from the electricity we buy.
- **Scope 3:** These are the GHG emissions embodied in the goods and services the council buy for its own use, and on behalf of our residents.

To monitor GHG emissions for which the council is responsible, we will use the well-established Local Government Partnerships - Greenhouse Gas reporting tool to estimate council Scope1 and Scope 2 emissions.

We will use the Oxygen Finance Insights Tool to estimate council Scope 3 emissions. This methodology uses industry benchmarks to estimate the carbon footprint of goods procured by the council based on their value.

We will use the data generated by these tools to report to the internationally recognised Carbon Disclosure Project (CDP) to evaluate our progress and compare our performance with other localities.

In addition to assessing GHG direct emissions our Walsall Council Net Zero Action Plan will have performance indicators (e.g., number and capacity of fossil fuel boilers replaced, number of ULEVs in operation, recycling and landfill rates) to ensure they have such that they have measurable outcomes. We will also use the services of the council's Business Intelligence Unit and Black Country Economic Intelligence to collate relevant socio-economic data (e.g., green jobs, fuel poverty rates) and report progress on these indicators annually.

9 Communications Strategy

Background Approach

The Net Zero 2041 strategy is an important initiative of Walsall Council to tackle climate change and its consequences. Aligned with the We Are Walsall 2040 Borough Vision, this strategy aims to decarbonise, meet sustainability objectives, and adapt to climate change. Recognising the community's concern for climate change, especially among younger residents, Walsall Council acknowledges its responsibility in reducing greenhouse gas emissions and leading businesses, stakeholders, and residents towards a Net Zero future.

Communications Objectives

The communications objectives of the Net Zero 2041 strategy are:

- To lobby for national and regional ongoing policy change.
- To change behaviours, educate and create awareness among businesses.
- To engage with educational establishments in order to positively impact future generations.
- To raise the awareness of residents in regard to importance of reducing carbon emissions, developing climate change conscious habits, and working together for Walsall to have cleaner air.
- To encourage the public to advocate for sustainable and regenerative practices within businesses.

Focuses (Key Messages)

- The Council is committed to achieve net zero carbon emissions by 2041.
- Transitioning to a green economy and creating green jobs provides economic benefits (e.g. green jobs and business opportunities).
- Addressing climate change will also tackle health inequalities (e.g. air quality and cold homes) and be a 'Just Transition' providing economic opportunities for all.
- We can all take simple, everyday actions to make a difference which will also save money and improve and maintain our health and wellbeing.
- The importance of addressing climate change and its consequences in Walsall.
- The Council's commitment to achieving Net Zero carbon emissions by 2041.
- The need for collective effort and collaboration from residents, businesses, and organisations to achieve the strategy's goals.
- The economic benefits of transitioning to a green economy and creating green jobs.
- The focus on a 'just transition' that tackles inequalities and provides economic opportunities for all.
- The aim to build climate resilience and adapt to the challenges of a changing climate.
- Making climate actions relatable to everyday people by linking actions to cost savings and health benefits.
- Introducing a clear vision to the public, outlining the project and encouraging public participation.

Walsall Council Net Zero Action Plan (2025 -2028)

Notes:

- a) This Walsall Council Net Zero Action Plan details the actions the council will take to deliver the priorities set out in the Walsall Net Zero 2041 Strategy.
- b) The actions have a timeline of three years (2025 to 2028).
- c) The actions detailed are limited to those the council can directly influence via its purchasing, regulatory and convening powers.
- d) The actions necessary to achieve our borough's geographic Net Zero 2041 target, but fall outside the council's direct influence, are not in the scope of this document. These borough-wide actions will be coordinated by a Walsall Net Zero Partnership comprising of regional partners.

The actions in this action plan are divided into the six strategic themes identified in the Walsall Net Zero 2041 Strategy. The actions for each of these themes is listed on a separate tab of this spreadsheet with an additional tab detailing the delivery approach:

1. Delivery Approach

This tab details the governance, funding, communications and monitoring approach the council will take to deliver the actions for the priorities for each of the six strategic themes of this action plan.

2. Energy

Energy use is responsible for approximately one third of gas emissions in our borough. This tab details actions the council will take reduce emissions by improving energy efficiency and switching to clean energy sources.

3. Circular and Green Economy

Achieving our Net Zero 2041 target will necessitate transforming the economy of our borough. This tab details the actions the council will take to promote the green economy by ensuring our residents have the right skills and businesses are positioned to seize the opportunities of the green industrial revolution.

4. Homes, Workplaces, and Public Buildings

Buildings are responsible for the majority of carbon emissions from Walsall. Improving energy efficiency and reducing energy use in buildings will eliminate fuel poverty as well as reducing greenhouse gas emissions. This tab lists actions the council will take to reduce emissions from public buildings, workplaces, resident's homes, and new buildings.

5 Transport and Travel

Transport and travel is currently the largest single source greenhouse gas emissions in Walsall. This tab details the actions the council will take to encourage active travel, the use of public transport, replacing fossil fuelled vehicles with zero emission vehicles, and decarbonising our own fleet.

6. Natural Capital and Land Use

How we manage our natural capital (e.g., forests, heathlands, and wetlands) and use our land, can have a significant impact on climate change. This tab details the actions the council will take to achieve an increase in biodiversity, create green and blue spaces, and promote resident engagement with the natural environment.

7. Resilience and Adaptation

Even with mitigation efforts, the consequences of climate change are unavoidable. This tab details the actions the council will take to prepare our communities and infrastructure for a more hostile environment.

1. Delivery Approach

Ref	Objective	Proposed Action	Delivery Team / Partners	Performance Indicator	Timeline	Progress	Funding Source	Last Updated
D.1	Establish effective governance for the Walsall Net Zero 2041 Programme.	D.1.1 Climate Change Task Force to meet quarterly to oversee implementation of this Net Zero Action Plan.	Place and Environment / Task Force members	Delivery of Net Zero action Plan	Quarterly	Ongoing	Internal Resource	Nov-24
		D.1.2 Establish 'Walsall Net Zero Partnership' comprising anchor institutions and key stakeholders to deliver the Borough Wide priorities of the Net Zero 2041 Strategy.	Place and Environment	Recruit partners organisations Development of a borough-wide action plan.	Jan-25	First meeting planed January 2025	Internal Resource	Jan-25
		D.1.3 Climate Change considered as part of the Council Plan refresh & future updates of relevant service plans and policies.	Policy/Public Health	Adoption of new Council Plan	Nov-24	Ongoing	Internal Resource	Nov-24
D.2	Secure funding and resourcing.	D.2.1 Climate Change integrated into intermediate and longer-term external funding priorities.	External Funding	Total external funding secured	Apr-25	Ongoing	UK Gov. WMCA (integrated settlement etc), UKSPF, Lottery and Foundations	Dec-24
		D.2.2 We will ensure that any national or regional funding initiatives that are managed by the council align with our Net Zero 2041 objectives.	External Funding	Number of projects funded	Apr-25	Ongoing	Internal Resources	Dec-24
		D.2.3 Explore the potential of exploiting Green Finance initiatives to fund net zero priorities (E.g. Local Investment in Natural Capital (LINC) British Business Bank).	External Funding /WMCA	Total investment secured	Apr-26		External Funding	Dec-24
D.3	Promote Climate Literacy and	D.3.1 Develop a communications strategy to raise awareness, communicate and engage residents and partners in the Net Zero 2041 programme to promote sustainable behaviour change.	Communications/Public Health	Develop identifiable programme branding & communications programme, which promotes progress & celebrates success & positive changes in environmental practice	Apr-25		Internal Resource	Nov-24
		D.3.2 Climate Change risk assessment undertaken on key high-level decisions and public announcements.	Communications	Implementation of policy	Apr-25		Internal Resource	Nov-24
		D.3.3 Provide climate literacy training for elected members, officers and staff to council staff to inform policy.	Climate Change / Democratic services / HR	Number of staff completing climate literacy training	Jun-25		Internal Resource	Nov-24
		D.3.4 Provide induction Climate Literacy training as recommended training for all new starters.	Climate Change / HR	Training programme initiated	Dec-25		Internal Resource	Nov-24

	communications	D.3.5 Council to establish a team of Climate Champions service area to promote cross-departmental engagement climate literacy and behaviour change.	Climate Change	Recruit a minimum 30 Champions	Dec-25		Internal Resource	Nov-24
		D.3.6 Publish an internal newsletter detailing climate change progress and establish a dedicated intranet page.	Climate Change / Communications	Establish intranet site	Dec-25		Internal Resource	Nov-24
		D.3.7 Review the council's ethical advertising policy to encourage low carbon behaviours by residents and businesses.	Comms. / Public Health	Implementation of policy	2028		Internal Resource	Jan-25
		D.3.8 Engage young people via the proposed 'Youth Collaborative' to develop initiatives to explore with young people on how they can contribute to the development and delivery of the Walsall 2041 Net Zero Strategy.	Children's services / Climate Change	1) Clear evidence that young people are influencing policy. 2) Evidence young people are driving actions in their communities.	2025	(Commence April 2025)	Internal resource / Grant funding	Jan-25
D.4	Monitoring and reporting.	D.4.1 Annual performance review for Cabinet and full Council.	Climate Change	Produce annual report	Annually	(Feb 2025)	Internal Resource	Nov-24
		D.4.2 Use the LGA carbon reporting tool to report scope 1 & 2 emissions, use the Oxygen insight tool to report Scope 3 emissions, and report borough wide decarbonisation progress via the Carbon Disclosure Project (CDP)	Climate Change / BIU / Procurement	1. Tonnes of CO2e emitted 2. Progress in climate change according to CDP criteria	October 24 / Annually		Internal Resource	Nov-24
		D.4.3 Disseminate energy usage and spend to all services to enable active management of gas, electricity and water. (e.g. give access to energy portal)	Corporate Landlord / Procurement	1. Savings 2. Avoided CO2 emissions	2025		Savings	Nov-24

2. Energy

Ref	Net Zero Strategy Priorities	Proposed Action	Delivery Team / Partners	Performance Indicator	Timeline	Progress	Funding Source	Strategic Fit	Last Updated
E.1	Priority 1: Decarbonising our power	E.1.1 Work with utility companies and partners (e.g., National Grid, Energy Capital) on Local Area Energy Planning to promote the development of low carbon energy infrastructure ahead of need (e.g., electricity distribution grid reinforcement).	Climate Change / Utility Companies / WMCA	Number of sites analysed using LAEP+ tool and level of engagement with DNOs	Dec-25		N/A		Nov-24
		E.1.2 Review of the Council's energy purchasing strategy and explore potential for green supplies. Review Smart Export Guarantee (SEG) tariffs and Power Purchase Agreements (PPA) to make sure the optimal returns from renewable installations are being achieved.	Procurement / Corporate Landlord / Highways	1. Quantity of CO2e saved by switching to net zero tariffs. 2. Percentage of council electricity energy come from renewable source 3. Savings achieved by switching SEG / PPA tariffs.	Dec-25	New Energy contract commenced 1st October 2024.	Internal resource	(Sustainable Procurement Strategy (Highways))	Nov-24
E.2	Priority 2: Promote adoption of clean energy alternatives to fossil fuels.	E.2.1 Council estates plan to phase out gas boilers in all our buildings and replace these with heat pumps, connect to heat networks or use other low carbon sources of heat where practicable.	Corporate Landlord	Quantity of heat (kWh/a) provided by low carbon sources	2028	Ongoing	Integrated Settlement (PSDS). Capital programme.	UK Gov. Energy Act 2023 Industrial Decarbonisation Strategy 2021	Nov-24
		E.2.2 Develop a business model to deploy solar PV on all suitable roofs on council estate buildings.	Corporate Landlord / Facilities	Number of studies conducted and potential savings quantified			Integrated Settlement (PSDS)	(Place Based Strategy)	Nov-24
		E.2.3 Conduct feasibility study and develop a business model to deploy solar PV in council carparks.	Corporate Landlord / Transport	Solar Capacity installed	2027				Dec-24
		E.2.4 Investigate the feasibility of procuring a strategic Net Zero delivery partner.	Place and Environment	Procure partner	2028		Internal resource		Nov-24
		E.2.5 Work with partners to implement Heat Network Zoning as required by the Energy Act 2023 and support the development of commercial heat networks (District heating schemes).	Regeneration / Planning / WMCA	kWh of heat supplied to buildings via heat networks	2025/26		Internal resource, External Funding	UK Gov. Energy Act 2023	Nov-24
		E.2.6 Energy Awareness campaign within council to improve individual accountability. Energy savings achieved through awareness campaigns aimed at council staff will cut energy bills and reduce carbon emissions each year.	Climate Change / HR	1. Number of energy awareness workshops delivered to council staff 2. Number of council staff attended the workshops	2025		Internal Resource		Nov-24
		E.2.7 Continue the promotion of the council's home energy saving initiatives and collective energy switching schemes to residents (All fuel switches will require all bidding companies to use 100% renewable energy).	Customer Engagement	1. Number of households engaged 2. Number of measures implemented 3. Energy savings (kWh/a) attributed to improved energy efficient behaviour in households	2027		External funding tbc	Home Energy Conservation Act Action	Jan-25

		E.2.8 Investigating installation of solar PV on roof of market stalls (Walsall and Bloxwich).	Regeneration / Planning	Number of stalls with solar canopies	2027	Feasibility	Health Levelling up Funding	Town Centre Master Plan	Nov-24
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3. Green and Circular Economy

Ref	Net Zero Strategy Priorities	Proposed Action	Delivery Team / Partners	Performance Indicator	Timeline	Progress	Funding Source	Strategic Fit	Last Updated
C.1	Priority 1: Produce goods and services more sustainably and transition to a circular economy.	C.1.1 Review Procurement Strategy to maximise the extent we can use our purchasing power to support localism, social value and the decarbonisation of the supply chain where proportional and appropriate. Ensure that we use our spending power to stimulate demand, and procure low carbon products and services.	Resources and Transformation	Adopt sustainable procurement policy	May-25		Internal resources	(Sustainable Procurement Strategy)	Nov-24
		C.1.2 Ensuring carbon lifecycle is considered during the design and construction of infrastructure projects.	Resources and Transformation / Transport / Regeneration / Housing	Ensure designs are and bids include some level of carbon accounting which will be assessed in procurement scoring	May-25		Internal resources	Economic Strategy and Action Plan (ESAP)	Nov-24
		C.1.3 Adoption of low carbon materials in highway maintenance. A target for 70% of road resurfacing materials used low carbon products.	Highways	Milage of roads resurfaced using low carbon produces and reduction total in embodied carbon of all resurfacing materials used.	Ongoing	Ongoing	Internal Resources / External Funding	Highways Asset Management Plan Economic Strategy and Action Plan (ESAP)	Dec-24
C.2	Priority 2: Support local businesses to seize green growth opportunities and establish Net Zero supply chains to make Walsall an international centre of excellence for advanced manufacturing, modern construction methods, logistics and low carbon innovation.	C.2.1 Work with businesses to promote energy efficiency and decarbonise their activities (e.g. energy audits, installation of renewable energy systems etc.).	Employment and Growth	Number of business engaged on carbon reduction specific program	Dec-25	Decarbonisation Net Zero Program	Internal Resources / External Funding	Economic Strategy and Action Plan (ESAP)	Dec-24
		C.2.2 Encourage set up and support growth of green business (e.g. manufacture of sustainable building materials, modern methods of construction, green retrofit, etc.).	Employment and Growth	Number of start up business engaged and funded	Mar-26		External funding (SME Start up Grant)	Economic Strategy and Action Plan (ESAP)	Dec-24
		C.2.3 Deliver better financial, social, and environmental value for our residents by supporting and enabling net zero projects.	Place and Environment - Commercial Services	Value of Net Zero projects sponsored by the council	2028	Commercial strategy published 2024	Internal resource / revenue generating	Commercial Strategy	Jan-25
		C.3.1 Identify sectors and job roles where skills are being replaced with new green skills and where new jobs are being created	Employment and Skills Team, Employment and Skills Board	Sector Plans	Annual		Integrated Settlement		Nov-24
		C.3.2 Work with WMCA to ensure provision delivered by local colleges and training providers has clear alignment to emerging green skills required for new green jobs replacing those lost in traditional industries.	Employment and Skills Board / WMCA	Number of new learners	Annual		External funding (e.g. Adult Education Budget, Commercial Course Fees)		Nov-24
		C.3.3 Support employers to create new apprenticeships in retrofit construction, solar installation, heat pump installation, EV vehicle maintenance and other green heating or transport technologies.	Employment and Skills Board / WMCA	Number of apprentice places created	Annual		Apprenticeship Funding, Apprenticeship Levy Transfer		Nov-24

C.3	Priority 3: Support green skills	C.3.4 Identify and provide training places to prepare for the transition to electric vehicles (e.g. EV vehicle maintenance, servicing and development manufacture EV batteries).	Employment and Skills Board / WMCA	Number of new training places	Annual		Bootcamps, Adult Education Budget, Dept for Education	Economic Strategy and Action Plan (ESAP) (Skills Strategy)	Nov-24
		C.3.4 Identify and provide training places for the construction industry skills for low carbon new builds and retrofit (e.g. insulation installers, heat pump engineers and other retrofit professionals).	Employment and Skills Board / WMCA	Number of new training places	Annual		Bootcamps, Adult Education Budget, Dept for Education		Nov-24
		C.3.5 Inspire local people to become innovation professionals through self employment opportunities.	Employment and Skills Board / Business Growth / WMCA	Number of new business entrepreneurs	Annual		Integrated Settlement		Nov-24
		C.3.6 Lever in green employment and green skills outcomes through public sector procurement through social value commitments.	Employment and Skills Team	Number of new jobs created	Annual		Public Spend		Nov-24
		C.3.7 Inspiring every young person in the borough by embedding the green economy into curriculum and facilitating access to information on green skills and jobs opportunities.	Careers Enterprise Teams	Facilitating green projects within schools	Annual		Careers Enterprise Company Funding		Nov-24
		C.3.8 Provide local unemployed people with the right careers information and guidance to enter, upskill or retrain to access new roles in the green economy.	Employment and Skills Board	Reduce unemployment	Annual		Integrated Settlement		Nov-24
C.4	Priority 4: To make Walsall a leader in waste technology, close the gap in our recycling rate, and be known as a high performer regionally.	C.4.1 Enhance waste facilities, waste transfer station and improve reuse and recycling network.	Place and Environment	10% Reduction in household waste produced by 2035	Target 2035, 2026 milestone 3% reduction, 5% 2030	Middlemore waste facility Planned opening in 2025	Internal Resources	Environment Act 2021	Dec-24
		C.4.2 Develop a communication strategy which engages residents, schools, communities and businesses with measures to reduce the volume of waste they produce and increase participation / quality of reuse & recycling. Explore incentive schemes via external funding.	Place and Environment	1. Completion of the waste management system 2. Number of households engaged 3. % of household waste recycled	Target 2035, 2026 milestone 3% reduction, 5% 2030	Awaiting EPR funding (2025/26)	Internal resource, Extended Producer Responsibility (EPR)	Environment Act 2021	Dec-24
		C.4.3 Develop a circular waste management strategy to promote waste reduction and recycling. Ensure borough waste will be managed sustainably in-line with the council's We are Walsall 2040 vision.	Place and Environment	1. Recycling 65% municipal waste by 2035 2. Divert all non recyclable waste from landfill by 2035.	Milestones 1. Recycle 55% 2025 2. Recycle 65% 2030	Ongoing	Internal resources	Environment Act 2021	Dec-25
		C.4.4 Develop a food waste collection policy to enable weekly collections.	Place and Environment	Tonnage of waste composted from council and school premises by X% of total waste generation	(Target March 2026 for collection to commence)	Cabinet report being prepared	Internal resources / Gov. Capital Grant	Environment Act 2021	Dec-25
		C.4.5 Council business support team will promote recycling, remanufacturing investment (recovery, transfer and treatment).	Planning / Regeneration	1. Number of businesses signposted to recycling / remanufacturing support 2. Inward investment for the borough	2028		Internal resources	Economic Strategy and Action Plan (ESAP)	Dec-24
		C.4.6 Increase residents access to affordable good food from sustainable sources, and reduce food waste.	Public Health	Progress against Food Plan ambitions	2028		Internal resource, External funding	Council Plan We are Walsall 2040 Borough Plan	Nov-24

4. Homes, Workplaces and Public Buildings

Ref	Net Zero Strategy Priorities	Proposed Action	Delivery Team / Partners	Performance Indicator	Timeline	Progress	Funding Source	Strategic Fit	Last Updated
	Priority 1: Reduce CO2 emissions and eliminate fuel poverty by reducing the heat demand of existing homes.	H.1.1 Work with our partners (including energy companies, Registered Social Landlords, Owner Occupiers, Private Landlords, Home Care providers) to reduce fuel poverty by targeting any discretionary assistance (capital investment, advice and support) and seeking external funding /advice to help residents of these properties.	Customer Engagement / Housing Standards/Energy Efficiency	1. Number of residents in fuel poverty 2. Number of residents applying for energy savings home improvements measures (e.g. ECO Flex, Warm Homes, etc.)	Staggered over a 10 year period	Projects currently being developed	Integrated settlement External funding	Walsall Council: Housing Strategy 2020 - 2025	Nov-24
		H.1.2 Secure funding for the retrofitting of domestic properties across our borough to improve their energy performance ratings Energy Performance Certificate (EPC) rating to at least a C.	Customer Engagement / Housing Standards/Energy Efficiency	Number of properties achieving EPC rating of C or higher	Current government target is by 2030	Awaiting confirmation of funding specification.	Integrated settlement External funding	Walsall Council: Housing Strategy 2020 - 2025; Economic Strategy and Action Plan (ESAP)	Nov-24
		H.1.3 Ensure that landlords do not let out homes that do not have an Energy Performance Certificate of the requisite band and to educate and/or take appropriate action against those who fail in this obligation.	Customer Engagement / Housing Standards/Energy Efficiency	1. Number of properties let without the relevant EPC or exemption 2. Number of education / appropriate actions taken against landlords who default on this obligation	Ongoing	Ongoing	Internal resource	Walsall Council: Housing Strategy 2020 - 2025	Nov-24
		H.2.1 Review usage of council properties & consider removal (by disposal, sale or demolition) or upgrade of the least energy efficient buildings.	Corporate Landlord / Transformation and Digital	Appointment of strategic partner	2025	Ongoing	Internal resource	Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.2 (Dependent on H.2.1) - New heating and ventilation system for the Civic Centre & Council House designed with A rated boilers and more manageable heating controllers to improve efficiency (Estimate 2 year programme)	Corporate Landlord	Potential energy savings due to the install of low carbon solutions (kWh/a)	Mar-26	Contractor appointed	External funding (Public Sector Decarbonisation Scheme Phase 3b)	Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.3 (Dependant on H.2.1) - Replacement of windows to energy efficient units (A+) in the Civic Centre as part of a 2 year programme.	Corporate Landlord		Mar-26	Contractor appointed		Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.4 Review energy usage of Active Living Centres, and implement any cost effective improvements as a matter of priority.	Corporate Landlord / Leisure	Potential energy savings due to the install of low carbon solutions (kWh/a)	2028	Oak Park solar array in progress	Integrated settlement / Sport England	Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.5 Implement Energy Performance of Buildings (Certificates & Inspections). Use this data and install sensors to identify potential energy savings.	Corporate Landlord	1. Building management behaviour change 2. Energy savings	2026		Invest to save		Nov-24
		H.2.6 Support Walsall schools to implement a schools energy policy & investigate Invest-to-Save and PSDS schools funds to implement energy/carbon efficiency measures.	Corporate Landlord / Education.	Number of energy saving and low carbon measures installed	2027		Integrated settlement		Nov-24

H.2	Priority 2: Reduce the energy demand from existing commercial and public buildings.	H.2.7 Improve energy efficiency of crematoria by installation of monitoring equipment and streamline the work procedures.	Bereavement Service	1. Reduce NOx emissions by 70% 2. Reduce NOx emission to 200mg 3. Save 50K on gas bills	2027	Initiated conversations with supplier.	Internal resources	Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.8 Enhance heat recovery from crematorium and energy efficiency during the refurbishment of the chapel.	Bereavement Service	100% heat energy use by chapel come from recovered heat	2027	No started	Internal resources	Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.9 Conduct feasibility study on providing Natural Burial Ground service (Burying on woodland without a headstone but will plant a tree).	Bereavement Service	Complete feasibility study and provide forward recommendation on green bereavement	2028	Included in 5 year business plan.	Internal resources	Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.10 Monitor energy consumption and optimise use of LED streetlight by smart control / monitoring.	Place and Environment / Highways and Transport / Amy Lighting PFI	1. Measuring energy consumption in kwh 2. Calculating carbon (CO2e) savings from new lighting	Sep-23	Completed	Internal resources		Dec-24
		H.2.11 Application of multi-use sockets across the 22,856 street lamps, with 22,856 light sensors and traffic monitoring leading to more efficient public services. Sensors attached to street lamp columns allow for remote control of street lamps.	Place and Environment / Highways and Transport	1. Energy consumption in kwh 2. Calculating carbon (CO2e) savings	2025	All conventional lamps have been replaced, Heritage lamps and floodlights	Internal resources.		Dec-24
		H.2.12 As active members of the One Public Estate programme, we will work closely with other public sector organisations to explore opportunities to better utilise our buildings.	Corporate Landlord	1. Number of buildings with shared occupation / resources 2. Identify number of potential buildings for shared usage	2027	Ongoing	Internal resources	Walsall Council: Strategic Asset Plan 2022 - 2027	Nov-24
		H.2.13 Provide advice and support on resource efficiency and climate risk management for businesses in Walsall. E.g. Decarbonisation Net Zero Programme (with support from WMCA Business Energy Advise Service (BEAS)).	Regeneration / WMCA	1. Number of businesses engaged 2. Number of measures implemented 3. Energy savings (kWh) attributed to improved energy efficient behaviour in businesses 4. Tonnage of CO2e emissions eliminated	Mar-25	In progress (waiting for successor funding programme)	External funding WMCA	Economic Strategy and Action Plan (ESAP)	Dec-24
		H.2.14. Engage and support residential care providers to reduce energy costs and reduce carbon emissions.	Adult Social Care / Business Support / Climate Change	Number of residential care homes engaged	2026				Dec-24
H.3	Priority 3: Reduce the energy demand of new buildings	H.3.1 Promote sustainable design in buildings & review planning policies to reflect changes in national planning including support for new homes built to net zero carbon standards.	Planning / Regeneration	Include sustainability sections in the Walsall Local Plan	2026	In progress		Walsall Council: Housing Strategy 2020 - 2025 (Walsall Borough Local Plan)	Nov-24
		H.3.2 Encourage planning applications to include Sustainable Urban Drainage (SUDs) systems.	Regeneration/ Planning	1. Number of planning applications with appropriate SuDS 2. Include SuDS policy in Walsall Borough Local Plan	2026		Internal resources	Walsall Flood Management Plan	Nov-24
		H.3.3 Review Design Guide on House Extensions, and other planning guidance notes publish by the council, to encourage low carbon solutions for new and retrofit building projects.	Regeneration / Building Control	Publication of revised design guide and revisions to existing planning guidance notes.	2026	In progress	Internal resources	Planning Policy	Jan-25

	new buildings.	H.3.4 For regeneration projects delivered by the council we will ensure energy efficiency and sustainability are embedded into the design and delivery where viable.	Regeneration / Planning	Number of projects delivered with enhanced low carbon measures	2027		Internal resources	(Walsall Borough Local Plan)	Nov-24
		H.3.5 Adopt a Whole Life Costing approach to ensure new developments and regeneration projects achieve greater operational sustainability. (This will include analysis of maintenance burdens, end of life use, outputs and performance to ensure resilient, efficient buildings are designed with minimal waste.)	Regeneration / Procurement	Number of new developments designed by whole life costing principles	Dec-27		Internal resources	Walsall Council: Strategic Asset Plan 2022 - 2027 DESNZ: Heat and Buildings Strategy 2021	Nov-24

5. Transport and Travel

Ref	Net Nero Strategy Priorities	Proposed Action	Delivery Team / Partners	Performance Indicator	Timeline	Progress	Funding Source	Strategic Fit	Last Updated
T.1	Priority 1: Increase the use of public transport and active travel modes.	T.1.1 Promote existing cycle salary sacrifice scheme, and investigate the viability of extending this to include electric vehicles.	Resources and Transformation / HR	1) Number of employees participating in salary sacrifice scheme. 2) Number of staff giving up fossil fuelled cars	2025	Cycle scheme ongoing. EV scheme not yet in place	Internal resources	Black Country Walking Cycling and Wheeling Plan WMCA Local Transport Plan (LTP)	Dec-24
		T.1.2 Investigate employee benefits to encourage active and low carbon travel of council staff (e.g. public transport discount scheme etc.)	Resources and Transformation Transport / HR / TfWM	Establish public transport, discount schemes	2025		Internal resources	Black Country Walking Cycling and Wheeling Plan WMCA Local Transport Plan (LTP)	Dec-24
		T.1.3 Encourage more / safer cycling and walking in the borough, by: - - securing the approval of the Black Country Walking, Cycling and Wheeling Plan to facilitate significant improvements to cycling and walking infrastructure. - commence the design, development and delivery of Black Country Walking, Cycling and Wheeling Plan routes/schemes (subject to funding).	BCT / Regeneration	1. Approval of BC Walking, Cycling and Wheeling 2. Number of cycle/walk schemes designed/developed 3. Length of segregated active travel routes provided (km)	Approval Mar-2025 Design/development Dec-2026 Multi-year programme. Delivery of individual projects subject to approval	Public consultation completed Sep-2024	External funding including Active Travel Fund (ATF)	Black Country Walking Cycling and Wheeling Plan WMCA Local Transport Plan (LTP)	Nov-24
		T.1.4 Promote behavioural change and establishing a programme to inform and encourage the public and business to switch to sustainable modes of transport. (E.g. Active travel, Public transport, ULEV etc.)	Transport / Healthy Spaces / Behaviour change.	1. Establish behaviour change programme to promote active travel. 2. Delivery Bloxwich Behaviour Change cycle training project	Dec-25		Internal resources, External funding	Black Country Walking Cycling and Wheeling Plan WMCA Local Transport Plan (LTP)	Nov-24
		T.1.5 Promote cycle and pedestrian training to children in the borough and encourage active transport	Transport / Road Safety / Education	1. To engage with 75% of schools within the borough to promote active travel. 2. To maintain a higher active travel figure for Walsall school children travelling to school by active modes than the national average, each year.	Rolling target		Bike-ability Grants DfT / CAF / TfWM	Regional Road Safety Strategy & Action Plan	Nov-24
		T.1.6 Make cycle maintenance sessions available to adults in the borough to help encourage active transport	Transport / TfWM	1. Number of Dr. Bike cycle maintenance sessions delivered	Rolling target		CAF / TfWM	Black Country Walking Cycling and Wheeling Plan WMCA Local Transport Plan (LTP)	Nov-24
		T.1.7 Work with TfWM to improve and deliver 'Transport as a Service' to Walsall residents	TfWM	TaaS available to Walsall residents	Dec-26	TfWM work in progress	DfT / TfWM	WMCA Local Transport Plan (LTP)	Nov-24
		T.1.8 Delivery of cycle scheme(s) in Willenhall from Somerford Place to Rose Hill/Bilston Lane Junction	TfWM / City of Wolverhampton Council	1. KM of cycle infrastructure delivered	Mar-26	In progress	Active Travel Funding / City Regional Sustainable Transport Settlement	Willenhall Framework Plan	Nov-24
		T.1.9 Deliver project to improve the connections between Walsall Railway Station and the bus station, in line with the vision of the Town Centre Masterplan and Connected Gateway Scheme.	Regeneration	1. Improvements to the Saddlers Centre and entrance to rail station and surrounding public realm, leading to improved connectivity around town centre.	Late 2026/early 2027	Ongoing	Walsall council / MHCLG (Future High St Funding)	Connected Gateway Walsall Town Centre Masterplan	Jan-25
		T.1.10 Improve connectivity in the Borough with delivery of new stations at Willenhall and Darlaston.	Place and Environment / TfWM	Passenger numbers using new stations	Dec-26	In progress	DfT / TfWM	WMCA Local Transport Plan (LTP)	Nov-24

		T.1.11 Investigate viability of mobility hubs (Local Travel Point pilots) in partnership with BCT and TfWM.	Transport / BCT / TfWM	Number of mobility hub / local travel points developed as part of the TfWM pilot programme	2025 / 2026		TfWM	Black Country Walking Cycling and Wheeling Plan WMCA Local Transport Plan (LTP)	Nov-24
		T.1.12 Promote sustainable modes of travel for new developments by securing Travel Plans as part of planning decisions.	Regeneration / Planning	Number travel plans submitted with planning applications.	Ongoing	Ongoing	Internal resources	(Walsall Borough Local Plan)	Nov-24
		T.1.13 Use planning policy to enhance access to public transport and active travelling routes.	Planning	Amount of developments with sustainable travel implemented into design	Ongoing	Ongoing	Internal resources	(Walsall Borough Local Plan)	Nov-24
T.2	Priority 2: Encourage the phasing out of fossil fuelled private vehicles and their replacement with zero emission alternatives.	T.2.1 Collaborate with Black Country LAs to align taxi licencing policy targets to encourage the deployment of a ULEV taxi fleet.	Community Safety and Enforcement	Percentage of ULEV Taxis licenced by Walsall	2028	Ongoing	Internal Resources	Walsall Electric Vehicle Charge Point Strategy / Taxi Licencing Policy.	Jan-25
		T.2.2 Deliver the Walsall Electric Vehicle Charge Point Strategy and invest in electric Vehicle (EV) charging hubs and infrastructure across the borough	Place and Environment	Delivery of 300 EV chargepoints across the borough of Walsall by 2026 (Plus 300 more by 2030)	Phased delivery programme (2026 Initial phase)	Initiated	ORCs, LEVI...	Walsall Electric Vehicle Charge Point Strategy	Nov-24
		T.2.3 Support planning applications to deploy charge points at appropriate sites. (e.g. retail and business car parks).	Planning	Number of charge points installed	2028	In progress		Walsall Electric Vehicle Charge Point Strategy	Nov-24
T.3	Priority 3: Establish a zero-emissions council fleet.	T.3.1 Where the council outsources care in the community and mobility transportation services for residents, we will encourage the adoption and use of EVs and ULEV in the delivery of this service.	Adult social Care / Procurement / Inclusion	Carbon content per mile of contract	2026			(Sustainable Procurement Strategy)	Nov-24
		T.3.2 In line with the wider One Public Estate philosophy, investigate the potential for a shared service EV network with Police, Fire, NHS and other public service organisations.	Corporate Landlord / Transport /Climate Change	Number of shared projects initiated.	2026			One Public Estate	Nov-24
		T.3.3 Develop a 'Green Fleet Plan' to provide a roadmap to transition 90 % of the council's fleet to vehicles ultra low emission vehicles (ULEV) by 2035.	Street Scene /Climate Change	1. Fleet decarbonisation and electrification of the depot plan 2. Percentage of fleet vehicles that are ULEV	2025		Internal resource	(Waste Strategy)	Dec-24
		T.3.4 Replace Internal combustion engine powered plant and hand tools with electric alternatives where available.	Street Scene / Climate Change	Percentage of items replaced.	2027	Ongoing	Internal resource	(Waste Strategy)	Dec-24
		T.3.5 Reduce unnecessary miles/trips and fuel costs by investigating optimum routes and maximising performance of the vehicles making use of Web Aspx telematics system currently installed on all vehicles.	Street Scene / Fleet	Reduced milage and fuel usage.	2025	Collection route to be reviewed when HWRC opens	Fuel savings	(Waste Strategy)	Dec-24
		T.3.6 To review and ensure that adequate infrastructure is in place to facilitate the greening of the Council and contractors' fleet by equipping all council offices, depots, car parks and sports facilities with charge points.	Place and Environment / Highways and Transport	Electrification of depots feasibility study	Apr-25	Ongoing	Midlands Net Zero Hub	(Waste Strategy)	Nov-24
T.4	Priority 4: Establish a zero-emission public transport fleet in Walsall.	T.4.1 Participation in the West Midlands Enhanced Partnership Scheme to promote ULEV bus fleet options and feasibility in partnership with regional bodies (e.g. TfWM, bus operators, Black Country Transport).	TfWM / Highways & Transport	Attendance at Enhanced Partnership	As TWFM Enhanced Partnership programme	Operator commitment to Euro VI emission standard secured	Private sector / TfWM	WM Enhanced Partnership Plan and Scheme	Nov-24
		T.4.2 Continue to pursue opportunities to electrify the borough's railway network working with Network Rail, West Midlands Rail Executive and train operating companies	WMRE / Network Rail / TOCs	Low emission train trial project in WMRE area	Dec-27	Collaborative work with TOCs and Birmingham University	DfT / TfWM	WM Regional Rail Strategy	Nov-24

6. Natural Capital and Land Use

Net Nero Strategy Priorities		Proposed Action	Delivery Team / Partners	Performance Indicator	Timeline	Progress	Funding Source	Strategic Fit	Last Updated
N.1	Priority 1: Achieve a net gain in biodiversity for new developments	N.1.1 Ensure a minimum 10% biodiversity net gain is achieved for planning applications.	Planning	Number of developments completed that meet biodiversity net gain targets	-	National Requirement - Ongoing	Internal Resources	Environment Act 2021 (Walsall Borough Local Plan)	Dec-24
		N.1.2 Biodiversity Duty as per Natural Environment and Rural Communities (NERC) Act.	Planning Policy	Meet to the enhance biodiversity duty outlined within the NERC Act	-	National Requirement - Ongoing	Internal Resources	Environment Act 2021 (Walsall Borough Local Plan)	Dec-24
		N.1.3 Provision of BNG offsite compensation areas to ensure offsite BNG remains in Walsall Borough.	Planning / Healthy Spaces	To be in a position to be able to offer council owned land to developers within the Borough. Have a number of privately owned sites available to offer as offsite compensation area.	2026	Feasibility study and legal investigation have commenced.	Internal Resources	Environment Act 2021 (Walsall Borough Local Plan)	Dec-24
N.2	Priority 2: reduce air pollution, and mitigate the effects of climate change.	N.2.1 We will develop a 'Walsall's Nature and Health Strategy' that will focus on improving mental and physical health, increasing biodiversity, connectivity and equitable access to green space.	Healthy Spaces	Adoption of the Walsall's Natural Health Strategy	2027	EOI to be submitted to funder Nov 2024	Heritage Lottery Fund (Nature Towns and Cities) & Internal Resources	(Walsall's Natural Health Strategy)	Nov-24
		N.2.2 Identify locations and projects that can increase the green and blue space (e.g. brownfields transition).	Public Health / Healthy Spaces/ Climate Change	Number of potential sites and projects identified	2027	EOI to be submitted Nov 2024	Internal resources, External funding (Heritage Lottery Fund - Nature Towns and Cities)	(Walsall's Natural Health Strategy)	Nov-24
		N.2.3 Review the potential to create of green and blue spaces with the refreshed town centre master plan.	Regeneration / Healthy Spaces / Planning	1. Review of town centre masterplan 2. Area defined as green infrastructure	2025		Internal resources	Economic Strategy and Action Plan (ESAP) Town Centre Master Plan 2019 (updating)	Nov-24
N.3	Priority 3: Increase investment into our natural environment.	N.3.1 Work with WMCA and other wider partners on the development and implementation of the Local Investment in Natural Capital (LINC) programme to enable the region to be in a state of readiness to attract private capital into Natural Capital Projects.	Healthy Spaces, WMCA	1. Establish a finance vehicle 2. Value of Walsall Borough project pipeline	2025	20%	Internal Resources	Urban Forestry Strategy for Walsall 2014-2024	Nov-24
		N.3.2 Planting of one tree for every household in our in our borough by 2030, 11,000 trees per year for 10 years.	Healthy Spaces	1. Number of trees planted per annum 2. Tonnage of CO2 reduced / mitigated	2030		Variety of external funding streams	Green Space Strategy 2022; Urban Forest Strategy for Walsall 2014 - 2024	Nov-24
		N.3.3 Restore and create area of wetland, heathland and peatland within the Borough.	Healthy Spaces	Hectares of habitat enhanced / created	2030			(Walsall Borough Local Plan) WMCA Local Nature Recovery Strategy	Nov-24
		N.4.1 Engage with residents, community groups and schools to promote environmental education and introduce longer term vision (e.g. health benefit) of a Net Zero borough.	Education / Public Health/ Health Spaces / Community Sector / Inclusion	1. Number of communities identified and being engaged to increase access to green space. 2. Number of schools participating in climate change schemes.	2027	To be developed	Heritage Lottery Fund (Nature Towns and Cities) & Internal Resources	(Walsall's Natural Health Strategy)	Nov-24

N.4	Priority 4: Increase engagement with our natural environment.	N.4.2 Build on the Black Country's UNESCO Geopark status to attract investment into the area's geological heritage. By developing a Geopark tourism strategy, Geo Product branding and climate change awareness.	Health Spaces, Geopark Board, Canal & River Trust, Natural England, BBCWT	Number of organisation participating in Geopark Branding	2026		Internal Resources	Black Country Local Nature Recovery Strategy (to be replaced by an updated strategy by WMCA) (Walsall's Natural Health Strategy)	Nov-24
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7. Resilience and Adaptation

Ref	Net Nero Strategy Priorities	Proposed Action	Delivery Team / Partners	Performance Indicator	Timeline	Progress	Funding Source	Strategic Fit	Last Updated
R.1	Priority 1: Build Climate Resilient Communities	R.1.1 Develop Climate Change Risk register and adaptation plan for Walsall.	Climate Change / WMCA / DEFRA	1. Publication of Climate Adaptation Plan	Jul-26		Internal Resources	DEFRA - Third National Adaptation Programme (NAP3)	Nov-24
		R.1.2 Work with Walsall Community Network to increase communities understanding of climate change and the need for prepare for extreme weather events (e.g. prolonged hot spells).	Resilient Communities / Climate Change	Number of community engagement events organised	Dec-26		Internal Resources	Building Community Resilience Plan	Jan-25
		R.1.3 Public Health to work with UKHSA to prepare for communicable disease control threats (including from vector-borne disease).	Public Health/Environmental Health		25-Dec		Internal Resources	Health Protection Strategy	Nov-24
		R.1.4 Work with schools and colleges to enhance the preparedness of Walsall's future generations for the challenges of climate change (e.g. curriculum planning).	Access & Inclusion	Share all funding opportunities with schools	ongoing		Internal resources	(Skills Strategy) (Place Based Strategy)	Nov-24
		R.1.5 Develop Walsall Emergency planning Risk Register. - to include review of climate risks (e.g. extreme weather events).	Emergency Planning / Local Resilience Forum/Public Health	Walsall Emergency Risk Register	Dec-27		Internal Resources / External Funding		Nov-24
		R.1.6 Walsall Energy Action Project (WEAP) actively engages and communicates with residents through partnered community hubs to raise awareness of climate change, wise energy use and encourage behavioural change.	Climate Change / VCOs	1. Number of residents engaged 2. Reported behavioural change before and after participating the project	Mar-27		Climate Action Fund (Lottery)		Nov-24
		R.1.7 Net Zero Neighbourhoods (NZN) project will work with partners and residents to enhance household energy efficiency and community engagement with Net Zero and sustainability.	Climate Change / Customer Engagement	1. Number of properties achieving higher EPC certification 2. Improvement in public health indicators	Mar-26		External funding (WMCA)		Nov-24
R.2	Priority 2: Integrate climate change into council strategies to promote resilience and sustainability.	R.2.1 Planning policy will take a proactive approach to adapting to climate change, taking into account the long-term implications for flood risk, water supply, biodiversity and landscapes, and the risk of overheating and drought from rising temperatures to ensure the future health and resilience of communities and infrastructure to climate change impacts.	Regeneration and Economy / Planning	Inclusion of climate change policies in Walsall Borough Local Plan	2027	In progress	Internal Resources	Walsall Borough Local Plan National Planning Policy Framework (NPPF)	Jan-25
		R.2.2 Review flood emergency response corporate plan, to include the hazards and risks of a hotter and wetter climate.	Emergency Planning / Highways / Environment Agency	1. Develop and publish plan	Dec-25	Draft plan for April 2025	Internal Resources	Local Resilience Forum	Nov-24
		R.2.3 Monitor and review air quality across the borough to determine whether national air quality objectives are being met	Public Health / Environmental Protection	Monitor air quality and emission of air pollutants (E.g. PM 2.5 concentration)	Ongoing		Internal Resources / External Funding	Annual Air Quality Status Report	Nov-24
		R.3.1 Ensure the highway infrastructure and associated drainage are able to adapt to severe weather e.g. flooding, extreme heat	Highways	1. Number of interventions 2. GIS mapping to enhance gully cleaning and flood management activities	Ongoing	Ongoing	Internal Resources	Highways Asset Management Plan	Nov-24

R.3	Priority 3: Increase the resilience of our critical infrastructure.	R.3.2 Implement the Flood Defence Grant in Aid programme to instal flood protection measures where needed.	Highways / Staffordshire CC / Lead Local Flood authority	Number and value of schemes delivered			Flood Defence Grant in Aid (FDGIA)	Nov-24
		R.3.3 Work with our partners to understand the current and future risks of flooding and review plans with West Midlands Local Resilience Forum.	Emergency Planning / Highways	Walsall Borough multi-agency flood plan	2026	Ongoing	Internal Resources	Nov-24
		R.3.4 Ensure that regeneration project consider the need to be resilient to more frequent extreme weather events (e.g. intense rainfall and prolonged hot spells) at the design stage.	Regeneration	Regeneration project designs	2028	Ongoing	Internal (Walsall Borough Local Plan)	Nov-24

Cabinet – 12 February 2025

Walsall Housing Allocations Policy

Portfolio: Councillor Garcha – Resident Access and Housing Support

Related portfolios: Councillor Elson – Children and Young People
Councillor Pedley – Adult Social Care

Service: Customer Engagement

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 To ensure that the Council meets its statutory obligation by having in place a housing allocations scheme that administers all housing nominations to housing associations in Walsall in accordance with relevant legislative requirements.

2. Summary

- 2.1 Housing authorities are legally required to have a housing allocation scheme for determining priorities and procedures to be followed in allocating housing accommodation in their administrative area, regardless of whether or not they own housing stock. The law requires that households in specific categories of housing need are prioritised within the scheme. These are referred to as the 'Reasonable Preference' groups.
- 2.2 Whilst some interim revisions to the policy were completed in 2022 and early 2024, the Council's current Housing Allocations Policy essentially dates back to 2010. Last year, the Council undertook to complete a full review of the policy, and following an initial scoping review and a subsequent public consultation, a refreshed and revised policy has been developed and is set out in Appendix A.
- 2.3 The refreshed policy contains a series of revisions as detailed elsewhere in this report; however the more substantive amendments are centred on the following:
- Increasing the number of priority bands from two to four that cater for those households who qualify for statutory Reasonable Preference.

- Excluding households from joining the housing register who have no recognised statutory housing need, except for households who wish to either downsize their home or release an adapted property.
- Prioritising Care Leavers and households who wish to foster.

3. Recommendations

- 3.1 That Cabinet approve the revised Housing Allocations Policy attached as Appendix A.
- 3.2 That Cabinet delegates authority to make any future amendments to the Walsall Housing Allocations Policy to the Director of Customer Engagement, in consultation with the Portfolio Holder for Resident Access and Housing Support.

4. Report detail - know

Context

- 4.1 Part VI of the Housing Act 1996 (as amended) sets out the legislative framework through which Local Authorities should maintain and operate their Housing Allocation Schemes. The Act gives 'reasonable preference' to certain categories of applicant, namely households who are
 - statutorily homeless,
 - occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions,
 - needing to move on medical or welfare grounds, including grounds relating to a disability, and
 - needing to move to a particular locality in the administrative area of the housing authority, where failure to meet that need would cause hardship (to themselves or others).

As part of this requirement the Council maintains a Housing Allocations Policy and as a non-stock owning authority, the Policy firstly sets out who qualifies to join the Council's Housing Register and secondly how the Council will prioritise households to nominate to vacant properties supplied to the Council from housing associations who operate in Walsall.

- 4.2 In February 2023 whg notified the Council of their intention to close the waiting list that had previously been used to select households to vacant properties supplied to it from local housing associations. This meant it was necessary for the Council to launch a new housing register to ensure that customers were still able to apply for housing supplied to the Council. In September 2023 the Council launched its own independent Housing Register and commenced nominations from the new Register in February 2024. As of last December (2024), 4,570 households were registered for housing of which 39% (1,760)

qualified for Reasonable Preference with the remainder being assessed as having no specific housing need as identified in law.

- 4.3 In compliance with the Housing Nominations Agreement, housing associations operating in Walsall are obliged to forward at least 50% of their vacant properties to the Council for nomination from the Housing Register. In 2023/24, 780 such properties were received from a grand total of 1,468 that were let across the borough (53%). By way of context the number of social housing lettings in Walsall has declined by 42% since 2017/18 when 2,530 lettings were achieved. This overall decline has been part of a consistent national trajectory since 2012.

The review of the Housing Allocations Policy

- 4.4 The current Housing Allocations Policy essentially dates back to 2010, though minor revisions to the policy were completed in 2022 and early 2024. Last year, the Council undertook to complete a full review of the current Policy, and following an initial scoping exercise the following key parts of the Policy were identified as in need of review:

- The residency test set out in the local connection test – currently two years.
- To explore the potential benefits of increasing the number of bands within the Policy applicable to those who would qualify for statutory Reasonable Preference in order that the Policy could fully differentiate between higher and lower levels of housing need. Currently the Policy has 2 priority bands to accommodate those in Reasonable Preference with the third band (Band C) catering for those households registering with no identified housing need.
- To consider whether those without a recognised housing need (in statute) should be excluded from joining the Housing Register, particularly in view of continuing supply and demand issues that seem unlikely to subside.
- To consider whether the Council should prioritise households who wish to downsize their home or release an adapted property.
- To consider adopting a choice-based lettings approach or to continue with making direct nominations.
- To make the Policy more navigable and to introduce greater clarity over who qualifies for Reasonable Preference and the level of priority to be awarded.
- To consider any other emerging themes that came from the consultation.

- 4.5 Officers commenced a comprehensive period of consultation in April 2024 that involved both a programme of targeted focus groups and stakeholder meetings as well as a web-based survey that commenced on 07 May 2024 and concluded on 22 July 2024. The web-based survey achieved a total of 615 responses including 402 directly from households either registered or in the process of registering with the Council for housing, representing 6% of applicants contacted. In addition, a further 213 responses were from a combination of residents (115) and third sector organisations and officers of the Council (98). In all a total of twelve focus groups/stakeholder meetings were conducted.

- 4.6 In line with both the scoping review (set out in 4.4 above) and the conclusion of the public consultation, the key policy amendments to the Housing Allocations Policy are detailed in 4.7 to 4.21 below. Of note, officers have conducted a series of testing exercises on the revised Policy and are satisfied that the new and revised Policy is fit for purpose.

The Residency Test

- 4.7 The current Residency Test forms one of three independent qualifications applied to the Local Connection Test (LCT), with close family members (currently resident in Walsall) and employment in Walsall being the other two. To meet the LCT at least one of these tests must be fulfilled as a gateway to joining the Housing Register. By far the most applied LCT is the Residency Test which is currently set at two years uninterrupted residency in Walsall although it should be noted there are a series of exemptions to applying this test, including members of the Armed Forces, persons owed a homeless duty by the Council, care leavers supported by the Council, or persons fleeing domestic abuse or hate crime. Guidance in applying a residency test is set out in the statutory code, *Providing social housing for local people (2024)*. The statutory code recommends a two-year residency test. Of note, recent case law (*Khayyat and Ibrahim v Westminster City Council 2023*) has confirmed that a local housing authority can lawfully exclude individuals when applying a residency test who would otherwise be entitled to receive a statutory Reasonable Preference in an Allocations Policy (and therefore be placed on the Housing Register).
- 4.8 Broadly speaking respondents from the focus groups were in favour of retaining the two-year residency test on condition that the exempted groups, in particular care leavers, homeless households and victims of domestic abuse were retained. For the web-based survey there is overwhelming support for the retention of the two-year residency requirement, where 73% of register applicants were in favour, with 78% from the remaining respondents (officers, residents and third sector organisations) also in favour. It is therefore proposed to retain the two-year residency test and apply existing exemptions as set out in Appendix One of the current Policy.

Increase the number of bands

- 4.9 The proposal to increase the number of bands within the Housing Allocations Policy is to enable the Policy to be more responsive to the varying degrees of applicant housing need, thereby providing greater flexibility to differentiate between higher and lower levels of need. Currently the Policy is restricted in its ability to do this as it only has 2 priority bands, with the third band (Band C) restricted to those households registering with no identified housing need. In compliance with the Policy this latter band is currently suspended at present in order that the Council can meet its statutory housing duties. In any event it is very rare for available properties to be nominated to persons in Band C due to the acute supply and demand issues.
- 4.10 In addition to the above, Section 166A(3) of the Housing Act 1996 gives housing authorities the power to frame their allocation scheme to give *Additional Preference* to particular descriptions of people who fall within the statutory

Reasonable Preference categories who have *urgent* housing needs. For example, this includes those who need to move urgently because of a life-threatening illness or sudden disability or those who are homeless and require urgent re-housing because of violence or threats of violence. The *Allocation of accommodation: guidance for local housing authorities in England* advises that 'all housing authorities must consider, in the light of local circumstances, the need to give effect to this provision' (i.e. Additional Preference).

- 4.11 With only two priority bands (Band A and B) it is difficult to apply Additional Preference. This lack of differentiation is exposed for example between those overcrowded by two or more bedrooms (Reasonable Preference) and those who are victims of domestic abuse (Additional Preference) both of whom would currently qualify for Band A. From the consultation there has been overwhelming support to increase the number of priority bands within the Policy, with 70% of housing applicants in favour, and 76% from the remaining pool of respondents (officers, residents and third sector organisations) also in favour. The focus groups who took part in the consultation were also broadly in favour of increasing the number of priority bands. It is therefore proposed to introduce four housing need bands within the Policy that will award varying degrees of priority within the Policy with Band A the highest. This proposal with the designated housing need bandings is detailed in Section C of the revised Policy (Appendix A attached).

Exclude households with no statutory need

- 4.12 Given the current supply and demand issues for social housing accommodation in the borough the review has also considered the option to exclude those without a recognised statutory housing need from joining the housing register. At the present time, future projections for available relets suggest the demand for vacant properties far outweighs supply and this places significant pressures on the Council's ability to house those who have a recognised statutory housing need, leaving the overwhelming majority of those without a statutory need unlikely to ever receive an offer of accommodation.
- 4.13 In compliance with the Housing Nominations Agreement, housing associations operating in Walsall are obliged to forward at least 50% of their vacant properties to the Council (a National standard) from which it can nominate households selected from the Housing Register. This target is consistently achieved and stood at around 53% last year (2023/24) totalling 780 properties supplied to the Council for nomination. However, to illustrate the acute supply/demand issue, 4,574 applicants were registered on the Council's Housing Register in December 2024, of which 1,760 (39%) qualified for a statutory Reasonable Preference.
- 4.14 From the consultation, those who took part in the focus groups had mixed views about the proposal to exclude those with no statutory housing need. Those in favour of this proposal cited the 'false hope' that was generated by allowing any individual to join the register irrespective of need, whilst those against thought that as a matter of principle any person regardless of need should be able to join the register. This view was mirrored in the public survey, where 62% of housing applicants were in favour of exclusion with a similar 65% from the

remaining pool of respondents (officers, residents and third sector organisations) also in favour.

- 4.15 At his point it should be noted that a revised whg Housing Allocations Policy (the largest stockholder in the borough) has recently been introduced that excludes applicants from joining their register who would qualify for Reasonable Preference (i.e. those with a recognised statutory housing need). By default it thereby prioritises households without a recognised statutory housing need to register for housing, particularly those impacted solely by affordability. This development therefore provides an enhanced housing opportunity for those households with no statutory housing need in the borough who would be disqualified from joining the Council's Housing Register.
- 4.16 In view of the current acute supply and demand issues it is recommended to proceed with the proposal and exclude households from joining the Council's Housing Register who have no lawfully recognised housing need. This will enable the Council to focus more on its statutory duties in relation to housing and from the customer perspective will avoid the inevitable raised hopes from applicants with no recognised housing need.

Prioritise households who wish to downsize or release either an adapted or single level property

- 4.17 Aside of the overall supply and demand issue outlined elsewhere in this report, there is also a distinct mismatch between supply and household need by property type, largely centred on a shortage of larger properties needed by households with families and the need for adapted or single level properties on account of medical need (often related to mobility). To partly address this, it is proposed to prioritise households who wish to downsize or release either an adapted or single level ground floor property. In order to maximise this option a high degree of priority is needed in order to encourage such moves. This proposal received a strong response in favour in the consultation, with 76% of housing applicants in favour and 82% of the remaining pool of respondents also in favour (officers, residents and third sector organisations). All the focus groups supported this proposal.
- 4.18 It is unlikely that the above proposal will generate a large volume of properties however it is important where possible to stimulate any strategy aimed at making the best use of existing stock. It is proposed that the following levels of priority be awarded to households which are either downsizing or releasing an adapted home, a single level property, or a property designated as a 'sanctuary home' (adapted to meet the needs of persons experiencing domestic abuse, e.g. the installation of a strong room):
- **Band A:** Housing Association tenants currently under-occupying a property by at least two bedrooms, or currently under-occupying a house, or who wish to release an adapted property where the said adaptations are no longer in use.
 - **Band B:** Housing Association tenants who currently occupy an Intermediate or Advanced Level Sanctuary property.

- Band C: Housing Association tenants currently resident in a flat or maisonette under-occupying by one bedroom.

Choice based lettings or direct nominations

- 4.19 The last segment of the review has focussed on whether to adopt a choice-based lettings approach to nominations, or to continue with making direct nominations. The Council currently offers vacant homes by making a direct offer of accommodation to the applicant who is top of the list for each vacant property. The list is drawn up by applying the rules of the Policy. Another way of allocating properties – choice-based lettings - is to enable applicants to express an interest in a vacant property that has been advertised either on a website or through a newsletter. In this system, whoever comes top of the list from those who have expressed an interest in a particular property (often referred to as a 'bid') based strictly in full accordance with the rules of the Policy, will be offered the vacant property once the closing date for 'bids' has been reached.
- 4.20 The introduction of a choice-based (CBL) scheme received support through the consultation exercise both in the focus groups and through the web-based survey. The choice-based lettings approach received 47% support from housing applicants with 28% preferring to stick with the Direct Offer approach. From the remaining pool (i.e. officers, residents and third sector organisations) 41% were in favour of CBL with 37% in favour of continuing with Direct Offers. The focus groups were divided on this issue, largely based on identifying specific groups who it was felt might benefit (not unfairly) from a CBL scheme set against those who would not. It was felt that CBL would help care leavers, persons with learning disabilities and young people. Other focus groups had mixed views on the impact of CBL, specifically on people moving on from temporary accommodation or people affected by domestic abuse.
- 4.21 The consultation feedback on CBL and Direct Nominations has been demonstrably less conclusive compared with the other proposals. A CBL or Direct Nomination approach will not impact on how the Policy will determine who qualifies to join the Council's Housing Register and how the Council subsequently prioritises households within the Policy. Due to the considerable alterations to both the Councils administrative and software systems (incurring associated costs) and the likely extension of policy rollout timescales, it is proposed not to introduce CBL at this time. By way of indication, soft market testing has indicated that costs in the region of £25k to £30k would be incurred to transform the current software system into one that is compatible with CBL. This option can be reconsidered in any future Policy review, when there will be further information available on the effectiveness and efficiency of the Direct Nomination approach and whether this needs to be changed.

Other themes emerging from the review

- 4.22 In consideration of any other issues that came from the consultation, two clear concerns emerged centred on how the Policy would treat Care Leavers and those households who wish to foster and who need larger accommodation to do so, particularly as the former group were often directed via the homeless route to acquire accommodation. Consequently, it is proposed that the new

Policy will place all Care Leavers supported by the Council into Band A, and those not supported by the Council but who would meet the Local Connection Test into Band C. Officers have also worked closely with colleagues in Children's Services to ensure that the Policy enables households who wish to foster to be awarded Band A priority whilst at the same time safeguarding against as far as possible the allocation of a larger home to a household that subsequently withdraws or declines from fostering. In addition, and irrespective of housing need all members and former members of the UK Armed Forces will be able to join the scheme. This follows the recent statutory guidance update but goes further by enabling such applicants to join the register irrespective of whether they have a specific housing need.

Council Plan priorities

4.23 There is a broad range of health, well-being and socio-economic inequalities brought about by people in housing need not being able to access adequate housing. A Housing Allocations Policy that provides a fair and equitable allocation of social housing homes within the confines of housing supply and meeting those in housing need, will have the following beneficial impacts on the Council Plan:

- ***Prosperous and Innovative - Skills and jobs for all.*** The provision of a stable home that meets household needs remains a key enabling factor to accessing employment. The proposed revised Policy will ensure a fair and efficient process in allocating housing and will also enable people to join the register in housing need and who need to move to access or maintain employment opportunities.
- ***Thriving and Happy – Child-friendly borough.*** Preventing homelessness and meeting housing need for families with children will provide a secure environment from which to grow up and build a stable life. Specifically for children, the Policy provides priorities for households that are overcrowded, households wishing to foster, Care Leavers and to households seeking to downsize their existing home and thus freeing up larger accommodation suited to families.
- ***Healthy and Well - Homes for all.*** A good secure and affordable home is fundamental to feeling safe and well and enables residents to invest in their community and build a sense of community. Preventing homelessness and meeting housing need can also promote independence and can improve mental and physical health and overall wellbeing.

Risk management

4.24 There is a risk of challenge to the Scheme if it is not following the most up to date legislation and statutory guidance, and this proposal is in line with relevant legislation and statutory guidance and mitigates that situation.

Financial implications

- 4.25 There will be some additional short-term costs associated with implementing and administering the above policy changes. This will be associated with completing a comprehensive review of all current housing applications on the Register and any software changes needed to improve the customer-facing on-line portal. In terms of staffing implications, and in consideration of the Council's current financial position, the costs associated with the review of all the existing housing applications will be met from existing resources.
- 4.26 In terms of any software requirements, officers have issued a 12-month extension to the current provider to extend the existing contract until 31.03.26 to allow for new system implementation. This contract includes both the online housing register portal and Homelessness administration system. The revenue cost of the extension is £24,538, which is funded from existing budgets. During the extension, a review of the current provider arrangements will take place to determine the ongoing requirements and delivery of the contract. This may result in additional dual running costs if a new provider is awarded the contract as there will need to be a lead time for transferring of data and system build. This can be met from within existing budgets.
- 4.27 By way of context, the original contract for the housing allocations and homelessness administration systems with the current provider involved a one-off capital cost of £112,000 for the relevant modules, with an additional operating annual revenue cost of £24,538 per year as described in paragraph 4.26. Market engagement with other suppliers has demonstrated that financial models for the provision of this type of software is estimated to be in the region of £40,000, with no upfront or ongoing capital requirement. Therefore, the annual revenue pressure from 1st April 2026 will be in the region of £40,000 per year and will form part of budget setting process for 2026/27
- 4.28 There may be efficiencies as a result of implementing the proposed policy changes, but further review work is required to identify what these might be. As noted elsewhere in this report by excluding households with no recognised statutory housing need it is likely that the implementation of the new policy may see a 60% reduction in applications reaching the formal assessment stage, dependent on housing market demand.

Legal implications

- 4.29 The Housing Act 1996 requires Housing authorities to have a housing allocation policy for determining priorities and procedures to be followed in allocating housing accommodation in their administrative area regardless of whether they own housing stock. Local authorities must allocate in accordance with their policy and all aspects of the allocation process must be covered in the policy.

Procurement Implications/Social Value

- 4.30 The appointment of any future provider to administer the Housing Register and associated systems will be carried out in accordance with the Council's Contract Rules and the Procurement Act 2023 and associated regulations.

Property implications

- 4.31 As a non-stock owning authority (excluding temporary accommodation) there are no direct property implications for the Council. However, the Council retains units of temporary accommodation following stock transfer, and the efficient nomination of households to housing association properties may benefit the effective use of the temporary accommodation.

Health and wellbeing implications

- 4.32 There are a broad range of health, well-being and wider socio-economic inequalities brought about by people effected by a lack of adequate housing. The effective allocation of housing to those in housing need will help to ensure the Council meets its objective of a Marmot Council and provides a robust platform to galvanise resources to provide the security of a stable home and healthier environment from which to build a stable, inclusive and active life.

Reducing Inequalities

- 4.33 The implications for reducing inequalities have been taken into account and assessed as set out in a detailed Equality Impact Assessment (EQIA) at Appendix B. No negative impacts were identified in the assessment. Positive impacts were identified for Care Leavers (now formerly recognised in the new policy), young people, persons affected by disability and gender.

Staffing implications

- 4.34 There are no additional staffing implications attached to the proposals detailed in this Report. If households without any statutory housing need are excluded from joining the housing register (as set out in section 4.16 above) some administrative efficiencies maybe achieved through a reduction in registrations.

Climate Impact

- 4.35 There are no direct climate change implications for the Council.

Consultation

- 4.36 The review has been guided by a full and comprehensive public consultation as outlined above. In addition, staff and third sector organisations have been part of the consultation including the Walsall Housing Working Group, Walsall Connected, Walsall Homelessness Steering Group, Refugee Migrant Centre as well as various frontline team meetings such as Housing & Welfare,

Homelessness, Transition & Leaving Care Service, Temporary Accommodation, Young Persons and Mental Health teams.

- 4.37 Scrutiny Overview Committee considered the revised Policy on 26 September and the Policy was noted.

5. Decide

- 5.1 A 'do nothing' option would mean that the existing Policy would continue. However, the new proposed Policy would provide a greater focus on those in statutory housing need and prioritisation of those groups. It is recommended that the new Policy is adopted.

6. Respond

- 6.1 If approved, the amended Housing Allocations Policy will be circulated to our housing association partners who help us house households in accordance with the Policy.

7. Review

- 7.1 There will be an annual Lettings Review report which will monitor and assess the impact of the Policy.

Appendices

Appendix A: Draft revised Housing Allocations Policy

Appendix B: Equalities Impact Assessment

Background papers

None

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Signed



Judith Greenhalgh

Executive Director – Resources & Transformation

12 February 2025

Signed

A. Garcha

Cllr A Garcha

Portfolio Holder - Resident

Access & Housing Support

12 February 2025

Walsall Council Housing Allocations Policy



Walsall Council



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Section A: Policy overview

1. Overview and legal context

- 1.1 This policy sets out who qualifies to join the Council's Housing Register, how to join the Register and how the Council will prioritise and nominate households to vacant properties supplied to the Council from housing associations who operate in Walsall. To do this the Council is obliged to meet various statutory requirements as outlined below. The Council will only nominate households to vacant homes in accordance with this policy. This Policy applies to all new and existing applicants.
- 1.2 Social and affordable rented housing is housing owned by both local authorities and housing associations for which guideline rents are determined through the national rent regime. Walsall Council no longer owns any housing stock, so by default this policy applies exclusively to vacant properties supplied to the Council from housing associations who operate in Walsall. Generally, housing associations will offer to the Council at least 50% of their vacant properties.
- 1.3 The Housing Act 1996, as amended, requires all local authorities to make housing allocations in accordance with an Allocations Policy. The policy must give reasonable preference to groups in assessed housing need as defined by Section 166A (3) of the Housing Act 1996 as set out below:
 - a) people who are homeless within the meaning of Part 7 of the 1996 Act
 - b) people who are owed a duty by any housing authority under section 190(2), 193(2) or 195(2) of the 1996 Act (or under section 65(2) or 68(2) of the Housing Act 1985) or who are occupying accommodation secured by any housing authority under s.192(3)
 - c) people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
 - d) people who need to move on medical or welfare grounds, including grounds relating to a disability, and
 - e) people who need to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship (to themselves or others)
- 1.4 Section 150 (1) of the Localism Act 2011 states that a local authority must publish a Tenancy Strategy. The Strategy sets out the matters that registered providers of social housing operating in their district must 'have regard' to when formulating policies relating to:
 - a) the kinds of tenancies that they grant;
 - b) the circumstances in which they will grant a tenancy of a particular kind;
 - c) where they grant tenancies for a certain term, the lengths of the terms; and,
 - d) the circumstances in which they will grant a further tenancy at the end of an existing tenancy.
 - e) This Black Country Tenancy Strategy has been adopted in response to the Localism Act 2011.
- 1.5 The Homelessness Reduction Act 2017 places duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. It also requires housing authorities to provide homelessness services to all those affected, not just those who have 'Priority Need.' These include:
 - a) an enhanced prevention duty extending the period a household is threatened with homelessness from 28 days to 56 days (referred to as the Prevention Duty); and,
 - b) a duty for those who are already homeless so that housing authorities will support households for 56 days to relieve their homelessness by helping them to secure accommodation (referred to as the Relief Duty).
- 1.6 The Domestic Abuse Act 2021 and accompanying statutory code came into effect on 01 October 2021. The Act extends priority need for homeless assistance to persons who are homeless as a consequence of being a victim of domestic abuse (Section A4.4 of the statutory code).

2. Statement on choice

- 2.1 Section 166A (2) also provides that an allocation scheme must include the opportunity for applicants to express preferences about the accommodation to be allocated to them. The Council believes that any eligible applicant under this scheme should be able to express a preference over the property and the area in which they would like to live. However, this must be set against the need for the Council in some instances to resolve a person's housing situation urgently, for example homeless households to whom there is a statutory duty to house or households at risk of violence. In addition, local housing pressures may also limit the degree of choice that the Council is able to offer.

3. Policy Aims and Objectives

- 3.1 Through this policy the Council aims to:

- provide a transparent and understandable housing allocations scheme
- ensure that properties allocated under this scheme are let fairly to fulfil the Council's legal and equality obligations
- help fulfil the Council's responsibilities to people in housing need
- facilitate the delivery of the Council's strategic housing priorities
- contribute to community sustainability, neighbourhood regeneration and social inclusion

4. Equality, accessibility and monitoring

- 4.1 Walsall Council is committed to ensuring that its policy and procedures in nominating people to properties covered by this scheme are non-discriminatory and that all eligible customers are able to access the service, taking account of any vulnerability or other specific need(s). This commitment extends to the needs of the groups protected by the Equality Act 2010.
- 4.2 Under the Equality Act 2010, the Public Sector Equality Duty requires local authorities to give due regard to eliminate discrimination, advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not in their exercise of a public function.

The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Council will ensure that this policy complies with current equality legislation and with the relevant statutory codes and guidance. This policy has been subject to an Equality Audit and this will be reviewed when appropriate.

- 4.3 To identify the needs of our customers the application form will have specific questions relating to vulnerability, ethnic origin, sexual orientation, disabilities and other relevant criteria. This information will be used to monitor the impact of the policy on minority and specific needs groups and to make such amendments, as may be required, to ensure no group is disadvantaged by the policy.
- 4.4 The Council will ensure that the system is as accessible as possible to any applicant and will monitor who is applying for housing and who is receiving any offer of housing (via nomination). Applicants who have any difficulty reading or understanding this Policy will be offered the following services:
- An interpretation service if their first language is not English.
 - Signing if speech or hearing is impaired.
 - Provision of documents in large print, Braille or on computer disk or audiotape if an applicant is visually impaired.
 - An interview to explain the content of this document and information about where independent advice can be obtained about the Council's scheme.

- 4.5 The Council will monitor the policy and outcomes to ensure that it is meeting all legal requirements and that the aims and objectives set for the policy are being met. Monitoring will be used to ensure that:
- Those in the 'reasonable preference' categories are given priority for housing based on their respective needs
 - Those wishing to downsize their property or release an adapted property are enabled to do so
 - The Council is complying with its Equality Act duties
 - There is overall customer satisfaction with the scheme

5. Information sharing, confidentiality and data protection

- 5.1 Information received in relation to an application and subsequently sent to registered social housing providers when nominating households to vacant properties, will be treated in confidence in accordance with the General Data Protection Regulation.
- 5.2 Confidential Information held about applicants will not be disclosed to third parties apart from:
- Where the individual has consented to the disclosure
 - Where the Council is required by law to make such a disclosure.
 - Where disclosure is made in accordance with a recognised information sharing protocol or for
- 5.3 The Council has certain duties under the Freedom of Information (FOI) Act with which it will comply. The FOI duty does not apply to registered social housing providers. At all times in this policy 'the Council' refers only to Walsall Metropolitan Borough Council.



Section B: Who can apply to join the Housing Register?

1. Who can apply?

- 1.1** Anyone over the age of 16 can apply to join the Council's Housing Register if their current address is their only home or residence and they are not already registered on the Housing Register by virtue that they form part of someone else's housing application. However, only the following groups of persons will qualify to be included on the register:

- 1) Any person aged 18 years or older who meets the eligibility and qualification rules.
- 2) Any person aged 16 or 17 who meets both the eligibility and qualification rules and/is:
 - statutorily homeless
 - has one or more children
 - would have their welfare seriously jeopardised if accommodation was not made available
 - a looked after child who is fully supported by the Council's Children's Services

In law, a minor cannot hold a legal estate in land. Therefore, if the applicant is aged between 16 and 17 years, they may be required to provide details of a trustee and/or a guarantor before they can actively be considered for housing. The trustee/guarantor can be an appropriate adult or a social worker. The Council will be able to provide advice to 16 and 17 year olds on trustees and guarantors.

- 1.2** Joint applications will be accepted and will be treated as one application. The housing need of the full household will be considered in assessing housing need.
- 1.3** Only children for which the applicant is the legal guardian will be accepted as part of the household. Where there is another legal guardian, a decision will be made on a case-by-case basis to agree whether it is reasonable to accept the child as part of the household on the application. Proof of Child Benefit may also be required to confirm the residency of dependent children. See also Section C/4.5 regarding prospective foster carers, adoptive parents and legal guardians.

2. Qualifying Persons

- 2.1** Local housing authorities may only nominate persons to be allocated accommodation who are defined as 'Qualifying Persons' (s.160ZA (6)(a) Housing Act 1996). With the exception of persons described in Section 3.1 below, under section 160ZA(7) the Council has been granted the power by Government to decide the classes of people who are, or who are not, 'Qualifying Persons'.
- 2.2** To be a Qualifying Person to join the Council's housing register, applicants must meet all the following:
- 1) have a local connection to Walsall - this is as set out in Appendix One on page 37. A list of exemptions to this local connection is also set out in Appendix One.
 - 2) have a specific housing need as set out in Section C/1.7 on page 13.
 - 3) be exempt or excluded from the categories of persons outlined in Section 3 on page 10.
- 2.3** Applicants with housing related arrears or recoverable related debts will, subject to 2.2 above, be deemed as Qualifying Persons and will be able to join the Housing Register. However, in most cases applicants will not be nominated for a vacant property until the arrears or debts are cleared by the applicant(s). For clarity arrears in this context will include:
- current or former rent arrears regardless of tenure (including temporary accommodation arrears)
 - a financial claim due to damage to a former social housing property; or,
 - legal costs arising from court action in connection with a current or former tenancy.
 - Mortgage arrears
 - Council Tax arrears

In all cases it will be the responsibility of the applicant to prove to the Council that any arrears have been cleared.

- 2.4** Where income meets required income thresholds, the Council will proactively support applicants to access accommodation available through shared ownership schemes. Shared Ownership schemes enable an applicant to buy part of a property and rent the remaining part from either a local authority or a housing association.

3. Non-qualifying persons

3.1 Persons ineligible due to the application of the Government's rules for allocating housing accommodation

Some persons are deemed ineligible due to the Government's rules for allocating housing accommodation. This applies to certain groups of people from abroad, people subject to immigration control (unless they fall within a class prescribed by regulations as eligible) and any other person as prescribed by the Secretary of State. These households will not be able to join the Housing Register. These regulations are set out in the statutory code Allocation of accommodation: guidance for local housing authorities in England. Anyone who is impacted or believes they may be impacted by these rules can approach the Council for advice.

3.2 Persons disqualified because they have the financial means to meet their own housing need.

Households deemed with sufficient income or capital to meet their own housing needs will not qualify for the Housing Register. This means that they are judged to be able to afford to house themselves, either by privately renting or buying a home of an appropriate size for their needs.

Households with a gross income above £50,000 per year will not qualify to join the Housing Register. The incomes of all adult members above the age of 21 and seeking to be rehoused with the applicant(s) will be used to assess household income. Households with capital (savings, investments or other assets) of £16,000 or more will also not qualify.

The Council may choose not to apply the above criteria where based on the households income/assets the applicant's housing need/situation cannot be resolved in a reasonable period of time (for example, if their current property is likely to give rise to an imminent serious risk of harm and/or result in hospital admission) or on grounds of affordability where it is clear that the specific housing need cannot be met by the household concerned.

3.3 Persons disqualified because they own a residential property.

Homeowners will only qualify to join the Scheme in exceptional circumstances with the first assessment to explore options for the applicant to remain in their own home. This could include money and debt advice, advice on funding repairs and maintenance or advice on home adaptations, including possible grant assistance.

Where the Council concludes that it is not possible for the applicant to remain in their current home there will be an assessment of whether they can resolve their housing need(s) by moving to alternative market housing in the borough. This will be determined by assessing whether the applicants' borrowing potential, savings, assets, equitable resources and income are sufficient for them to purchase or rent a property in the borough that will meet their needs.

The Council may choose not to apply the above criteria where the applicant's housing need/situation cannot be resolved in a reasonable period of time (for example, if their current property is likely to give rise to an imminent serious risk of harm and/or result in hospital admission) or on grounds of affordability where it is clear that the specific housing need cannot be met by the household concerned.

3.4 Persons disqualified due to serious unacceptable behaviour including non-compliance with a current or former tenancy agreement:

Persons will be disqualified where the Council is satisfied having considered all available evidence, that an applicant or a member of their current or prospective household has committed such serious behaviour or conduct (including criminal convictions) that warrants disqualification to join the

housing register. This will include where the behaviour has led to the failure to adhere to the terms of any current or previous social housing or private rented sector tenancy agreement. This includes committing acts causing or likely to cause nuisance or annoyance to neighbours or others in the locality of where they live or where they have previously lived or where an applicant or a member of their current or prospective household is the subject of actions being taken by a landlord (or some other competent body) on grounds of alleged anti-social behaviour (ASB).

Non-qualification will apply until the applicant (or a member of their prospective household) has demonstrated, to the satisfaction of the Council, that circumstances have changed such that the previous conduct is unlikely to reoccur. This could include demonstrating cooperation with support agencies leading to a substantial improvement in behaviour.

Any new application will normally only be reconsidered where there has been no reasonable cause for complaint or concern against the applicant (or members of their prospective household) for a continuous period of 12 months.

The above rules may not apply to:

- a) persons seeking housing in order to receive care and support from a Council approved scheme or Government programme or for households who would otherwise qualify for Band A (Additional Preference).
- b) persons where the Council has reason to believe that an applicant's unacceptable behaviour is due at least in part to a physical or mental health condition or a learning disability. In considering the case the Council will consult with relevant agencies.

3.5 Persons disqualified because they have deliberately worsened their housing circumstances

Where the Council is satisfied that a housing applicant has acted unreasonably or deliberately to worsen their housing circumstances in the last 12 months in order to qualify for housing, the applicant will not qualify to join the housing register for a period of 12 months.

3.6 Persons disqualified because they have provided false information or withheld information

Applicants who deliberately or recklessly fail to provide information that they would have been reasonably expected to provide (or where the Council obtains information that would affect their housing application) or who provide false information to fraudulently support their application will be deemed as non-qualifying persons and will be excluded from joining the housing register for at least five years from the point of their initial application. Examples of this would include:

- failure to disclose criminal convictions
- failure to disclose previous or on-going anti-social behaviour
- making false statements about details of household members
- allowing, enabling or deceiving a third party to make a false statement or provide false information on the applicant's behalf

3.7 Persons disqualified because they have committed benefit fraud

Applicants or any member of their household who have previous convictions for benefit fraud including the Prevention of Social Housing Fraud Act 2013 will be excluded from joining the housing register for at least five years from the point of their initial housing application.

Section C: Priority Banding System

1. How we prioritise applicants

- 1.1 In order to ensure that the Council fulfils both its statutory and strategic commitments, this policy is structured to ensure that households in certain specific types of housing need have a degree of priority over others. This is achieved by operating a priority banding system based on the level of urgency and respective housing need. All households who qualify to join the Housing Register are placed into one of four bands as set out in 1.7 below. Those households placed into Band A have the most urgent housing need. Those in Band D have the lowest.
- 1.2 Where an applicant's circumstances change the Council will review the degree of housing need priority given to the applicant (See also Section E/2 and E/3)
- 1.3 All housing applicants have a right to request a formal review of any decision relating to the above (see Section F/2).
- 1.4 The law requires Local Authorities to frame their allocations policy to give reasonable preference for housing to certain categories of households, known as the Reasonable Preference categories, as outlined in Section A. Households who qualify for Reasonable Preference will be placed into one of Priority Bands B, C or D as set out in Section 2.6 below.
- 1.5 Households who qualify for Reasonable Preference and are in an exceptionally urgent need to be rehoused will be given Additional Preference. Households awarded Additional Preference will be placed into Priority Band A. As to what constitutes 'urgent need' is defined throughout the Policy.
- 1.6 It is recognised that housing need is wider than the categories of person(s) as set out in 1.4 above, in particular with regard to making the best possible use of available housing stock. Accordingly, some other households will also qualify to join the housing register. These groups are outlined in Section 6 below.
- 1.7 The full assessment criteria for qualification to the relevant housing need banding is set out further in this section. Applicants will be placed into the following bands strictly in compliance with the rules and regulations contained in this policy:

Band	Housing Need Circumstances
Band A households awarded Additional Preference	<p>A. Homeless households who are Eligible, Unintentionally Homeless and in Priority Need (see Section C/2.2a).</p> <p>B. Homeless households who are homeless and in temporary accommodation that would not be suitable for more than a short period of time, or where the Council needs to move applicants out of temporary accommodation to manage the budgetary impact on the Council (see Section C/2.2b).</p> <p>C. Households living in housing conditions which give rise to an imminent risk of serious harm to health or wellbeing (see Section C/3.3)</p> <p>D. An applicant who has an extremely urgent and immediate need to move for medical reasons or due to a disability, which is being exacerbated by their current housing situation (see Section C/4.3)</p> <p>E. Applicants who need to move immediately due to domestic abuse, extreme violence or extreme harassment (see Section C/4.5)</p> <p>F. Foster carers and those approved by the Council to adopt (see Section C/4.5)</p> <p>G. Armed forces personnel in urgent housing need (see Section C/4.5)</p> <p>H. Care Leavers supported by Walsall Children's Services (see Section C/4.5)</p> <p>I. Households currently under-occupying their property by at least two bedrooms or who are under-occupying a house (see Section C/6.2(a) and (b))</p> <p>J. Households occupying adapted properties where the adaptations are no longer in use (see Section C/6.4).</p> <p>K. Households occupying a ground floor flat (see Section C/6.5).</p>

Band	Housing Need Circumstances
Band B households in Reasonable Preference	<p>A. Households who are eligible for assistance and homeless under Section 189B of the Housing Act 1996 (Relief Duty) (see Section C/2.1a).</p> <p>B. Households resident in public or private sector properties directly affected by clearance and clearance programmes as per Section C/3.1a</p> <p>C. Households living in overcrowded conditions and whose housing circumstances have been assessed as being two bedrooms short of what they need (see Section C/3.1b)</p> <p>D. Households who qualify for Reasonable Preference under medical or disability grounds (see Section C/4.2).</p> <p>E. Persons in supported housing seeking a move-on to settled accommodation under the Council's Move-On requirements as set out in Section C/4.4.</p> <p>F. Housing Association tenants who currently occupy an Intermediate or Advanced Level Sanctuary Scheme property who wish to vacate the property as per Section C/6.3.</p>
Band C households in Reasonable Preference	<p>A. Households who are eligible for assistance and homeless under Section 195(2) of the Housing Act 1996 (Prevention Duty) (see Section C/2.1b).</p> <p>B. Applicant's living in overcrowded conditions and whose housing circumstances have been assessed as being one bedroom short of what they need (see Section C/3.1c).</p> <p>C. Households who qualify under Hardship Grounds (see Section C/5).</p> <p>D. All Care Leavers not supported by Walsall Children's Services (see Section C/4.4).</p> <p>E. Housing Association tenants currently resident in a flat or maisonette under-occupying by one bedroom, and who wish to transfer to a property to which they are eligible with fewer bedrooms (see Section C/6.2c).</p> <p>F. Members and former members of the UK Armed Forces with no recognised housing need (see Section C/6.6).</p>
Band D households in Reasonable Preference	<p>A. Households deemed by the Council to be intentionally homeless and have a priority need for accommodation and owed the section 190 duty (see Section C/2.1c).</p> <p>B. Other households who are deemed to qualify for Band D as set out in this policy</p>

2. Applicants who are homeless:

- people who are homeless within the meaning of Part VII of the Housing Act 1996; and
- people who are owed a homelessness duty by the local authority under Part VII of the Housing Act 1996

2.1 Circumstances when reasonable preference will be awarded.

Applicants assessed, as meeting the criteria for this reasonable preference category will be:

Households who are eligible for assistance and homeless under Section 189B of the Housing Act 1996 (Relief Duty). These households will be placed into Priority Band B.

Households who are eligible for assistance and homeless under Section 195(2) of the Housing Act 1996 (Prevention Duty). These households will qualify for Priority Band C.

Households deemed by the Council to be intentionally homeless and have a priority need for accommodation and owed the section 190 duty. These households will be placed into Priority Band D

2.2 Circumstances when additional preference (Band A) will be awarded

Applicants assessed, as meeting the criteria for additional preference will be:

- a) Homeless persons who are Eligible, Unintentionally Homeless and in Priority Need.
- b) Households where an applicant is homeless and in temporary accommodation that would not be suitable for more than a short period of time, or where the Council needs to move applicants out of temporary accommodation to manage the budgetary impact on the Council.

3. Applicants occupying unsanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions

3.1 Circumstances when reasonable preference will be awarded

Applicants will be awarded reasonable preference in the following circumstances:

- a) Households' resident in properties subject to a Demolition or Compulsory Purchase Order. These households will qualify for Priority Band B.
- b) Households living in overcrowded conditions and whose housing circumstances have been assessed as being two bedrooms short of what they need. These households will qualify for Priority Band B
- c) Households living in overcrowded conditions and whose housing circumstances have been assessed as being one bedroom short of what they need. These households will qualify for Priority Band C.

3.2 For the purposes of assessing overcrowding this policy will adhere to the Bedroom Standard and will allocate a separate bedroom to:

- 1) a person living together with another as husband and wife (whether that other person is of the same sex or the opposite sex)
- 2) a person aged 21 years or more
- 3) two persons of the same sex aged 10 years to 20 years
- 4) two persons (whether of the same sex or not) aged less than 10 years
- 5) two persons of the same sex where one person is aged between 10 years and 20 years and the other is aged less than 10 years
- 6) any person aged under 21 years in any case where he or she cannot be paired with another occupier of the dwelling.
- 7) 28+ weeks pregnant woman with or without partner and no other children

For ease of reference, the table below shows the bedroom entitlement for adults and children according to the bedroom standard:

Household Members:	1 bedroom	2 bedrooms
Single adults over 21	X	
Couple (married or cohabiting) wishing to live together	X	
28+ weeks pregnant woman with or without partner and no other children		X
One child	X	
2 children under 10 regardless of sex	X	
2 children of the same sex aged between 10 and 21	X	
2 children of different sexes aged between 10 and 21		X

Please note the following:

- a) Applicants who deliberately worsen their circumstances may have their level of priority reduced
- b) Generally, children will only be included in the overcrowding calculation at their main place of residence
- c) Subject to all the suitability requirements set out in this policy, all household members aged 18 or above and currently resident in properties to which the overcrowding priority set out in this policy applies will be considered for properties using this priority. For example, a single person or couple living in a property can move using this priority if it relieves the current household's overcrowding situation. Following such a move the remaining household still in situ will have their overcrowding priority reassessed

3.3 Circumstances when additional preference (Band A) will be awarded

Customers will be awarded additional preference in the following circumstances:

- a) Households living in conditions which give rise to an imminent risk of serious harm and where the Council has served a Prohibition Order under Part 1 of the Housing Act 2004.
- b) Where an officer from the Council has determined that a private sector property (tenanted) contains one or more serious Category 1 hazards as defined by the Housing Health & Safety Rating System that are having a severe impact on the household and that cannot be easily rectified.
- c) Where there is a significant risk to the health and well-being of the occupant(s), and where there is no prospect of the issues being remedied in a period of time that the Council's Housing Standards Team considers reasonable
- d) Applicants without access at all to any of the following facilities:
 - A bathroom or kitchen
 - An inside WC
 - Hot or cold-water supplies, electricity, gas or adequate heating.

Applicants who have access to shared facilities in shared accommodation will not qualify under the criteria set out above.

- e) Demolition or Compulsory Purchase Order (CPO). Where the applicant's property is subject to demolition or subject to a CPO for redevelopment and where the said household is particularly vulnerable, e.g. being surrounded by voids and therefore isolated

- 3.4** For tenants of a Housing Association (HA) or local authority (LA) the imminent risk of harm will be assessed taking into account the responsibility on that landlord to resolve the problem or to transfer the tenant immediately. Therefore, only in exceptional cases, e.g. where it would be unreasonable or impossible for the HA or LA landlord to resolve the risk of imminent harm, will additional preference be awarded.

4. Applicants who need to move on medical or welfare grounds including grounds relating to a disability

- 4.1** Applicants awarded Medical Priority include people who need to move on medical grounds because of their disability or access needs and includes people with a mental disability as well as those with a physical disability. It may apply to the applicant or a member of their household. The assessment for this priority will not be of the applicant's health but how their accommodation affects their health, for example they may require a wet room or single level ground floor accommodation.

4.2 Circumstances when reasonable preference will be awarded on medical or disability grounds

Applicants whose housing is unsuitable for medical reasons or due to a disability but who are not housebound, or whose health or safety is not at such a risk level to require immediate urgent re-housing will be awarded reasonable preference and placed into Priority Band B. For all cases evidence will be required from a relevant medical professional and must be of their professional opinion. The following are examples that may qualify for the reasonable preference priority:

- 1) Children with severe neurological conditions where their long-term needs cannot be met without alternative suitable settled accommodation.
- 2) A person whose disability means that re-housing would enable them to overcome physical barriers created by their current accommodation.
- 3) A person with a long-term medical debilitating condition whose current accommodation is having a significant impact on their condition and where their quality of life would be improved by moving to alternative settled accommodation which may or may not be closer to support.

4.3 Circumstances when additional preference (Band A) will be awarded - Medical or Disability grounds

Additional Preference will be awarded to an applicant who has an extremely urgent and immediate need to move for medical reasons or due to a disability which is being exacerbated by their current housing situation. An officer (who may be an Occupational Therapist if required) from the Council will make the assessment according to clear criteria. Evidence will be required from a relevant medical professional and must be of their professional opinion. The following are examples of cases that may qualify for additional preference:

- 1) Where there is an immediate life-threatening condition which is seriously affected by the current housing and where re-housing would make it significantly easier to manage
- 2) Where the applicant or household member has a terminal illness, and requires rehousing to facilitate the on-going provision of care;
- 3) Where the applicant or household member has a life limiting condition where the current accommodation is affecting the occupant's ability to retain independence or enable adequate care;
- 4) Where the applicant or household member has a worsening or life-changing condition that severely impairs their mobility, meaning they are unable to carry out day-to-day activities and are unable to access facilities inside and outside of their accommodation and requires rehousing into accommodation suitable for their use;
- 5) Where their current property leaves a person at risk of infection, e.g. where an applicant is suffering from late-stage or advanced HIV infection
- 6) Where the applicant or household member has a Care Plan but cannot be discharged from hospital, a rehabilitation unit or residential care until a suitable adapted property is provided.
- 7) Where the applicant or household member, due to long term limited mobility is unable to access essential parts of the property (e.g. bathroom/toilet) and where no alternative measures can be put in place to address the situation and therefore the applicant or household requires re-housing into accommodation suitable for their use.
- 8) Where the applicant or household member has a severe health or disability condition and where the property significantly affects their ability to lead a normal life and which puts them at risk of admission to hospital or residential care.
- 9) Where the applicant or household member requires significant disabled adaptations to meet their needs and this is not possible in their current accommodation or would not be cost effective.
- 10) Where the applicant or household member is elderly or disabled or has a progressive illness and is likely to require admission to hospital or residential/nursing care in the immediate future and re-housing would enable the person to remain at home.

4.4 Circumstances when reasonable preference will be awarded on welfare grounds

The Council has identified some circumstances where the provision of alternative accommodation is required due to the social and welfare needs of the household. The following persons will qualify.

A – Persons moving from supported or refuge accommodation

Residents of listed supported or refuge accommodation schemes who have been placed into the said scheme either by the Council or where the scheme is contracted by the Council will be placed into Priority Band B. A designated list will be maintained of the accommodation provision to which this category of priority applies. Households can register when they move into the supported or refuge accommodation but under this priority will only be considered for a nomination when the following conditions have been met:

- a) The applicant has had an appropriate assessment of housing need
- b) Where needed the applicant has engaged with the supported or refuge housing scheme to acquire the skills needed to live independently
- c) The supported or refuge housing scheme provides evidence by way of a move-on report outlining the applicant's readiness for move-on, i.e. clarifying that they are 'tenant ready'.
- d) The applicant's readiness for move-on is verified by an officer of the Council

Households who qualify as above and agree to move from the supported housing scheme to other interim accommodation (in agreement with the Council) and thereby free up accommodation in the said supported housing scheme will be entitled to retain their banding priority and registration date for up to 12 months after their move away from the said scheme.

B – Care Leavers not supported by Walsall Children's Services.

Care Leavers aged under 25 who meet the definition of a Care Leaver and who are not supported by Walsall Children's Services and who meet the wider qualification requirements of this policy will qualify for Band C.

4.5 Circumstances when additional preference will be awarded on welfare grounds

A – Households who need to move on account of domestic abuse, extreme violence or extreme harassment.

Applicants who need to move immediately due to domestic abuse, extreme violence or extreme harassment will be awarded additional preference. This includes hate crime, disability, racial, homophobic or transgender harassment and will be awarded for circumstances where there is a high risk to the person or their household's safety if they remain in the property/area and they therefore require an immediate move. Persons who are a witness giving evidence and where the police have recommended that the person be urgently re-housed will also be awarded additional preference.

The assessment will be made by a senior officer within the Council and will be based on evidence provided by the household and other appropriate statutory and voluntary agencies. This could include the Police, Social Services, referrals by multi-agency risk assessment conferences, domestic violence organisations and lesbian and gay support groups. Normally households who qualify under this priority will not be placed within 3 miles of either their current property or any perpetrator.

B - Foster carers and/or those approved by the Council to adopt

Additional preference will be given to children and their families/carers where the children are the subject of care proceedings and where the local authority has requested assistance with the provision of appropriate housing in the exercise of their functions under Section 27 of the Children Act 1989 and the Council's corporate parenting responsibilities.

Additional preference will be given to potential foster carers who need to move to a home with more bedrooms and who have completed the Skills to Foster Training and have been recommended by the Council to become Foster Carers.

Additional preference will be given to households requiring additional bedrooms and holding a Special Guardianship Order, holders of a Child Arrangement Order or family and friend's carers who have taken on the care of a child because the parents are unable to provide care, and the child/children concerned is/are waiting to move to live with these carers pending the provision of appropriate housing.

Additional preference will also be considered for existing foster carers requiring additional bedrooms and who are willing to either expand the number of children living with them or if they experience an increase in household number brought about by a change in family circumstances, e.g. an elderly relative joins the household for care and support reasons.

C - Armed forces personnel in urgent housing need

The Housing Act 1996 (Additional Preference for Armed Forces) (England) Regulations 2012 provide that local housing authorities must frame their allocation scheme to give additional preference to the following persons if they fall within one or more of the statutory reasonable preference categories and are in urgent housing need:

- a) Former members of the Regular Armed Forces
- b) Serving members of the Regular Armed Forces who are suffering from a serious injury, illness or disability (including a relevant mental health condition) which is wholly or partly attributable to their service.
- c) Serving or former members of the Reserve Armed Forces who are suffering from a serious injury, illness or disability (including a relevant mental health condition) which is wholly or partly attributable to their service.
- d) Bereaved spouses or civil partners of those serving in the Regular Forces where (i) the bereaved spouse or civil partner has recently ceased, or will cease, to be entitled to reside in Ministry of Defence accommodation following the death of their Service spouse or civil partner, and (ii) the death was wholly or partly attributable to their service.

For the purposes above, the terms 'regular forces' and 'reserve forces' are defined by section 374 of the Armed Forces Act 2006.

D – Care Leavers

Young people in care, ready to move out of care and referred by Walsall's Children's Services will be placed into Priority Band A on condition that the following criteria as assessed by their Personal Advisor in the WCS are met:

- a) They are ready to move to independent settled housing.
- b) They possess the life skills for independent living and to manage a tenancy including management of a rent account.
- c) A support package has been assessed and is in place if necessary.

All Care Leavers aged under 25 outside of the above cohort who are supported by Walsall Children's Services and who meet the wider requirements of this policy will also qualify for Band A subject to the wider conditions set out in this policy.

In recognition of the additional challenges faced by care experienced young people, and the corporate parenting duties which fall upon the Customer Engagement directorate, consideration should be given to certain key factors in advance of any offer of a tenancy being made. It is therefore good practice for Allocations Officers to liaise with the young person and their allocated Personal Advisor ahead of a formal offer to ensure that the property meets the young person's needs and does not increase risk to the young person or otherwise jeopardise their successful transition to independence. Therefore, officers involved with supporting care experienced young people to secure a tenancy should, in advance of any offer being made, take account of:

- The need to maintain supportive relationships for the young person
- The importance of ease of access to education, employment and training

- The need to be aware of risks around exploitation and avoidance of areas where this could pose an additional risk to the young person
- Any additional needs or diagnoses and the ability for the young person to access universal services to support these needs to be met
- The preference to secure a home near to an area that the young person has a connection and history of residing in during their time in care

5. Applicants who need to move to a particular locality within the local authority's district, where failure to meet that need would cause hardship to themselves or others.

5.1 Circumstances when reasonable preference will be awarded

All households who qualify under 'hardship grounds' will be placed into Priority Band C. The categories of people who will be awarded reasonable preference on the grounds of hardship are:

- a) Employment Hardship - applicants who need to move for employment purposes (see Note A below)
- b) Support Hardship - applicants who need to move to be near relatives to give or receive support (see Note B below)
- c) Medical Need Hardship - applicants who need to move to access medical treatment/social service facilities (see Note C below)
- d) Right to Move - applicants who have a right to move under the Government's Right to Move Regulations (2015). (see Note D below).

Note A) Employment Hardship Applicants will need to show that they need to move to take up or continue an employment opportunity not available elsewhere. They will only be considered where travel time would be more than 90 minutes each way and they do not have their own transport. The factors considered to determine a need to move on the grounds of employment hardship will be those set out in Note D below.

Note B) Support Hardship Applicants will need to evidence that they require substantial and on-going support from relatives or friends or it is essential that they give substantial and on-going support to relatives or friends. This will only be considered where there is a severe mental health, medical or welfare issue and there are reasons why this support cannot be achieved or maintained through reliance on public transport or the applicant's own transport.

Examples of the information required in order to assess this priority include:

- Confirmation of name and address of the person who is to provide the care and the person who is to receive care
- Evidence of their care requirements (Doctor, Social Services)
- Benefits relating to any disability or care, e.g. Disability Living Allowance, Personal Independence Payment (PIP) information

Note C) Need to move to access medical treatment/social service facilities

Applicants will need to evidence that they have a need to access medical care and/or social services facilities that cannot realistically be met through reliance on public transport, the applicant's own transport, or through provision put in place by health or social services. The Council will factor in the following:

- Confirmation of name and address of the medical or social provision to which they need access
- Evidence of their care requirements (e.g. doctor, Social Services)
- Evidence that no other provision is available, and no assistance can be provided to enable them to access the service

- A determination by the Council that the need to access the medical treatment/social services facilities is essential

Note D) Right To Move – hardship cases

To meet the Allocation of Housing Qualification Criteria for the Right to Move (England Regulations 2015), a local connection criterion may not be applied to existing social tenants seeking to transfer from another local authority district in England who:

- have reasonable preference under Section 166(3)(e) because of a need to move to the Local Authority's district to avoid hardship, and
- need to move because the tenant works in the district, or needs to move to take up an offer of work

Applicants must need to move, not simply want to move. Factors to consider in determining 'need' are:

- The distance and/or time taken to travel between home and work. In this instance a need to move would be established where it would take the applicant more than 90 minutes each way and they do not have their own transport.
- Availability and affordability of transport as against earnings.
- Nature of the work and whether similar opportunities are available nearer home.
- Other personal factors, for instance medical conditions, childcare
- Length of work contract.
- Testing as to whether failure to move would mean a lost opportunity to improve employment circumstances or prospects?

For the purposes of this section of the policy, the term 'work' will only apply to long-term employment and not employment that is 'marginal' by nature. In this context the Council will consider:

- a contract of less than 12 months to be short-term.
- a contract of less than 16 hours per week to be marginal
- the level of earnings
- whether the work is regular or intermittent (particularly relevant for the self-employed).

The tenant must be able demonstrate that he/she has a genuine job offer and that he/she has a genuine intention to take it up. Appropriate evidence could include:

- A formal offer letter.
- A contract of employment.
- Wage/salary slips covering a certain period, or bank statements (zero hour contracts).
- Tax and benefits information, for example proof of receipt of working tax credit

5.2 Circumstances when additional preference (Band A) will be awarded

There are no additional preference criteria for this category

6. Additional classes of persons who qualify to join the scheme

6.1 The Council is committed to ensuring that where possible the best possible use is made of the existing social housing stock in Walsall. Accordingly, to encourage and enable households to move to more appropriate accommodation some households who would not otherwise qualify for Reasonable Preference will qualify to join the scheme. In addition, and in recognition of the Council's commitment to facilitate access to social housing for both current members and veterans of the UK Armed Forces, all members and former members will qualify to join the scheme irrespective of any housing need.

6.2 Households under-occupying their property

It is known that a significant number of social housing properties in the borough, in particular houses, are under-occupied. Where possible the Council will support incentives designed to enable those affected to move to accommodation that is better suited to their needs. To support this objective this policy provides 'under-occupying' households with varying degrees of priority to make 'downsize' moves in the following circumstances:

- a) housing association tenants in Walsall currently under-occupying a property by at least two bedrooms and who wish to transfer to a property to which they are eligible with fewer bedrooms will qualify for Band A.
- b) housing association tenants in Walsall currently under-occupying a house and who wish to transfer to a property to which they are eligible with fewer bedrooms will qualify for Band A.
- c) housing association tenants in Walsall currently resident in a flat or maisonette under-occupying by one bedroom, and who wish to transfer to a property to which they are eligible with fewer bedrooms will qualify for Band C.

6.3 Households occupying Sanctuary Scheme properties

Households moving to more suitable accommodation from intermediate or advanced level sanctuary scheme properties will qualify for Band B.

6.4 Households occupying adapted properties where the adaptations are no longer in use

Households who are living in a adapted housing association property in Walsall where the adaptations are no longer in use will qualify for Band A where the adaptations are in good working order and where there is a demonstrable need for the property and adaptations are in situ. For the purposes of this policy the definition of an Adapted Property is set out in Appendix Two.

6.5 Housing Association tenants who wish to release a ground floor flat

Housing association tenants in Walsall who wish to release a ground floor flat with a walk-in shower or wet room and transfer to a property to which they are eligible with the same number or fewer bedrooms will qualify for Band A.

6.6 Members and former members of the UK Armed Forces

All Members of the UK Armed Forces (whether Regular or Reserve) and UK Armed Forces veterans with no recognised housing need will qualify to join Band C. For the purposes of this section:

- The Reserve Forces consist of the Royal Naval Reserve and the Royal Marines Reserve; the Army Reserve (formerly known as the Territorial Army) and the Royal Air Force Reserves (formerly Royal Auxiliary Air Force).
- The Ministry of Defence (MOD) defines a veteran as: "anyone who has served for at least one day in Her Majesty's Armed Forces (Regular or Reserve), or Merchant Mariners who have seen duty on legally defined military operations". The term 'Armed Forces' is defined by section 374 of the Armed Forces Act 2006.

Section D: Housing Nomination process

1. Short-listing procedure

- 1.1 Accommodation will be nominated through direct offers of accommodation complicit with this policy based on the respective banding priority and registration date, i.e. within the pool of applicants who are eligible for the property type, the household in the highest ranked Priority Band and earliest registration date is considered first (see also Section 1.3 and 3.1 below).
- 1.2 Where there is justifiable evidence to do so, the Council will operate a property quota system to ensure that it meets both its statutory obligations to those owed additional and reasonable preference and its strategic objectives in enabling balanced, sustainable communities. For example, the Council may choose to allocate 30% of void properties to Band A, 50% to Band B and 15% to Band C and so forth.
- 1.3 In certain circumstances, for example where a statutory duty to provide accommodation is owed, the Council reserves the right to nominate households to suitable accommodation outside of the procedure outlined in 1.1 above where the following housing need and/or circumstances apply:
 - There is a threat to life
 - Emergency cases whose homes are damaged by fire, flood or other disaster may be provided with another tenancy if it is not possible to repair the existing home, or if any work to repair is to take such a long period of time that there will be serious disruption to family life.
 - Households who, on police advice, must be moved immediately due to serious threats to one or more members of the household, or whose continuing occupation would pose a threat to the community.
 - An applicant who has an exceptional need that is not covered in the Allocations Scheme. For example, where child or public protection issues require re-housing.
 - Where a statutory duty to provide accommodation is owed, and where it is in the best interests of both the household and the Council to make a statutory offer of suitable accommodation
 - Households who are seeking to release accommodation as set out in Section C/6.
 - Other exceptional circumstances as authorised by the Head of Customer Engagement.

2. Offers of accommodation

- 2.1 Just prior to nomination to the respective housing association property the applicant will be informed by the Council. Details of the nominated household are then sent to the housing association.
- 2.2 Although the council will validate all applications at the point of nomination (excluding Right to Rent checks), housing associations may also validate the applicant to satisfy their own Allocations Policy before entering into a contractual agreement (tenancy agreement).
- 2.3 Each housing association property has a series of household compositions that is best matched to the property concerned based on its size, the type of property and facilities contained within. This standard is set by the individual housing association and the said association will provide this information to the Council when providing the property to the Council for nomination. Of note, where the household composition permits, it is perfectly acceptable to make offers of flats to households with children.
- 2.4 Consideration should be given to extend both the notice period given to accept or reject an offer of accommodation and/or the tenancy commencement date in circumstances where a disabled person(s) requires additional time on account of their personal circumstances. This includes any extra time needed for an Occupational Therapist to make an assessment as required.

3. Allocation of Adapted Properties

- 3.1** Properties which are adapted or which the Council believe are suitable for adaptation may be nominated directly to the most appropriate applicant irrespective of Band date order. This may for example, depending on the characteristics of the property, include cases where a ground floor flat is available and an applicant with high needs requires such accommodation. In these circumstances an assessment may be made by an occupational therapist to ascertain the extent to which a household's needs match the adaptations attached to the property. The assessment will be based on existing and future predictable need.
- 3.2** For the purposes of this policy, the definition of an 'Adapted Property' outlined in Appendix Two will apply at all times.

4. Circumstances where a successful nomination can be refused

- 4.1** With the Local Government Ombudsman Investigation into complaint no 11 011 766 against Kettering Borough Council (16.01.13) in mind, the Council's partner organisations who have signed up to the Council's Housing Nominations Agreement reserve the right to refuse a nomination made on one of its properties, for example:
- on risk or management grounds, for example where a perpetrator of domestic violence, hate crime or other offences would be re-housed close to previous victims
 - on affordability grounds, where it is clear that the sustainability of the tenancy would be at risk based on the household's income
 - where an applicant's housing details differ from those held by the Council
 - where the applicant has gained an advantage by providing false information or by withholding false information.
 - where the applicant exhibits behaviours that would disqualify him/her from becoming a tenant as set out in Section B/3 – non-qualifying persons.
 - where the applicant is considered by the housing association not to be 'tenant ready' and therefore unable to maintain or sustain a tenancy

5. Local Lettings Plans

- 5.1** The Council recognises that partner organisations, in consultation with the Council, may from time to time need to adopt a Local Lettings Plan (LLP). The Council may decide itself to propose and subsequently coordinate or support a LLP. It is expected that all proposals for new LLP's must consider the following:
- a) A clear description of the issue or problem which should be evidenced
 - b) A clear description of the issue or problem which should be evidenced
 - c) An explanation as to how the existing allocations policy is either failing or contributing to the issue/problem identified or does not meet the intended outcome of the proposed LLP
 - d) An explanation as to how the proposed LLP will differ from the respective mainstream allocations policy.
 - e) The effect that the introduction of the LLP will have on neighbouring communities
 - f) The estimated length of time for which the LLP will operate
 - g) The method(s) of community consultation to be used
 - h) Time scales as to when the LLP will be reviewed

6. Type of tenancy issued

- 6.1** Households who become tenants of a property owned by a housing association will normally be granted an Assured Tenancy

Section E: The Housing Register

1. Joining the Housing Register

- 1.1 In order to join the housing register a registration form must be completed. Forms can only be completed online. Help and assistance can be provided by visiting a Walsall Connected Centre.
- 1.2 Qualifying applicants will be required to provide proof of identity. Applicants will have the choice of producing at least one of the following; Drivers Licence, Passport, Birth Certificate, Home Office documentation (where applicable). Proof of Child Benefit will also be required to confirm the residency of dependent children. Proof of income (last 3 months bank statements for all accounts in the household) and proof of current address will be required.
- 1.3 Expectant mothers in receipt of a Maternity Certificate Form MAT B1 will be classed as having a dependant.
- 1.4 Once an application for accommodation under this Scheme has been submitted the Council will endeavour to inform the applicant of the outcome of their application within 20 working days of receipt of ALL relevant information required to process the application.
- 1.5 Where the notification confirms a decision that an applicant is ineligible to join the register the applicant will be given the reasons for the decision based on the relevant facts of the case. Applicants are prohibited from making another separate application within 12 months after receiving the decision unless there is a change to their housing circumstances. Applicants will be notified in writing of their right to request a review of the decision.

2. The requirement to inform the Council of a change in housing circumstances

- 2.1 It is the responsibility of the applicant to inform the Council of a change of circumstances and, where requested, provide proof of the change. Notification of a change in circumstances should be done without undue delay and within 3 weeks of the change. Examples of a change in circumstances include but are not limited to:
 - Any confirmed pregnancy
 - Any member of the family or any other person on the application form who has left the accommodation currently in occupation
 - Any changes of name or address, for either themselves or members of their respective household
 - Any additions to the household (proof of residence and identification will be required)
 - Any significant change in income which is likely to have a material effect on the application
 - A change in status of accommodation (e.g. Notice to Quit)
 - A change in an applicant's medical situation
 - A change in immigration status

If a change in circumstances is not reported in a timely manner, the effective registration date may be amended.

- 2.2 If an applicant has changed address a Change of Circumstance Form should be completed immediately. The date of application will be that of the first application (when it was accepted by the Council). The level of housing need and corresponding banding placement may be adjusted to reflect the details outlined in the new application (See also Section E/3 below).
- 2.3 Where a Housing Register entry is amended following receipt of a notification of change, the Council will inform the applicant in writing of any changes in banding placement etc.

3. Adjustments to housing need priority

- 3.1** Where an applicant's circumstances change the Council will review the degree of housing priority given to the applicant. On occasions where an applicant's housing priority changes resulting in their application moving up or down the priority bandings, the following will apply:
- a) Moving up a band: The date the higher priority band was awarded will act as the date used in the short-listing process
 - b) Moving down a band: The date on the original application will be the date used in the short-listing process
- 3.2** Under Section 167(2A) of the Housing Act 1996, the Council reserves the right to reduce any housing priority awarded within this policy:
- 1) where any behaviour of the applicant (or a member of his household) affects his suitability to be a tenant. Bad behaviour would include unacceptable behaviour which was not serious enough to justify a decision to exclude or remove the applicant from the register, but which could be taken into account in assessing the level of priority to be awarded. An example of such behaviour could be low level anti-social behaviour to which there is no immediate threat.
 - 2) where there is evidence that an applicant has acted unreasonably in order to gain a higher priority within the register.
- 3.3** The Council reserves the right to review an applicant's priority banding and assess the current relevance of that priority to their housing need and circumstances.
- 3.4** Households involved in the above process have a Right to a Review (See Section F/2)

4. Removal or suspension from the Housing Register

- 4.1** An application may be removed from the housing register in the following circumstances:
- 1) At the applicant's request.
 - 2) If the applicant becomes ineligible under one of the non-qualification grounds set out in Section B.
 - 3) Where the applicant fails to reply to a review letter and subsequent reminder or fails to reply for requests of further information within a given time period
 - 4) When the applicant has been re-housed
- 4.2** In circumstances 2 to 4 above the applicant will be notified in writing and informed of the reason why their registration has been removed and of their right to request a review of that decision
- 4.3** An applicant will be suspended after having received three offers of suitable accommodation (or one suitable offer in the case of homeless applicants) and has either refused all three offers, or not responded to an offer(s) within a reasonable time frame. In this instance their housing application will be suspended for 12 months. The onus will be on the applicant to inform the Council of their wish to take their application out of suspension and at this point the relevant housing needs of the applicant will be reassessed. The registration date will match the date that the application is taken out of suspension.
- 4.4** All housing applicants have a right to request a formal review of any decision relating to their removal or suspension from the Housing Register (see Section F/2).

Section F: Miscellaneous

1. Conflicts of interest

- 1.1 Where an officer of the Council is directly or indirectly involved with a housing register application or nomination of accommodation to an applicant who is known to them in a personal or social context (i.e. relative, friendship or other associate), the officer will be expected to disclose to their line manager that a conflict of interest may exist. The manager will then make appropriate arrangements for the officer to be excluded from any decision-making process associated with the allocation covered either by this policy or associated procedures.
- 1.2 Officers who knowingly fail to disclose a conflict of interest outlined above may be subject to disciplinary action.

2. Reviews and Appeals

- 2.1 Reviews and Appeals are dealt with in the 'Your Right To A Review' document, available from Walsall Connected sites.
- 2.2 Section 166 and 167 of the Housing Act 1996 contain provisions relating to the rights of applicants to request reviews of decisions made in respect of their application. The Council will at all times ensure that these obligations are met.
- 2.3 Applicants will be informed in writing of their right to request a review within 21 calendar days of receiving a decision about their housing application, concerning any of the decisions shown below:
 - That an applicant is not eligible for an allocation of social rented housing, due to being subject to immigration control or being an ineligible person from abroad.
 - That an applicant is not within a class of persons qualifying to join the Scheme.
 - The degree of preference they have been afforded for an allocation of social rented housing, including any changes made (either adverse or positive) to the degree of preference they are entitled to.
 - The facts of their case which are likely to be, or have been, taken account of when deciding whether to make a nomination to a Registered Provider, including their medical condition or other welfare needs.
 - The type of social rented housing for which an applicant will be considered.
 - The extent of an applicant's household.
 - Whether a nomination constitutes a final offer within the terms of the Scheme.

Reviews will be carried out by Walsall Council's Housing Allocations Manager or will be delegated to an appropriate officer who was not involved in the original decision.

3. Complaints

- 3.1 Complaints should first be made using the Council's complaints procedure. A copy of the current procedure is available on the Council's website.
- 3.2 A customer has the right to continue with their complaint to the Ombudsman service. The Local Government Ombudsman is an independent service run by central government to make sure that local authorities provide the required standard of service to their customers.
- 3.3 The Ombudsman can investigate complaints about how the Council has done something, but they cannot question what has been done simply because someone does not agree with it. The Ombudsman will normally deal with a complaint if a customer feels they have been treated unfairly because of maladministration. For example, if the Council has:
 - Delayed taking action without good reason
 - Taken into account facts which are not relevant or ignored facts which are relevant

- Not followed their own rules or complied with the law
- Not taken action that they had promised to
- Given a customer the wrong information
- Not reached a decision in the correct way

3.4 The Ombudsman will not normally investigate:

- Until after the Council has had the opportunity to review its decision (normally by going through the complaints process)
- Matters which have been, are, or could be dealt with by the courts or the internal review procedure
- Matters which the customer was aware of more than twelve months before making the complaint
- The aim of the Ombudsman is to have the Council put right any wrongs which may have been done to the complainant and to ensure that things are done right in the future.

3.5 All complaints to the Ombudsman must be in writing. Applicants can request assistance from their local Councillor or get another advocate to write on their behalf. The contact details for the Local Government Ombudsman for the Walsall area are:

Local Government Ombudsman,
53-55 Butts Road,
Coventry
CV1 3BH

Tel: 0300 061 0614.

Website: www.lgo.org.uk

Appendices

Appendix One

Local connection test

As per Section B/2.2, the following factors will be taken into account in determining whether or not an applicant has a local connection with the Walsall Council area. An application is awarded a local connection if an applicant or a member of their household included in their application qualifies under at least one of the following:

- has lived in the Council's area continuously for the 2 years immediately preceding their application and that residence was of their choice.
- has close family living in Walsall who have lived in the area for the 5 years immediately preceding their application and that residence was of their choice. Close relatives will include parents, adult children or biological brothers and sisters unless there are exceptional circumstances, and who are not estranged; or
- has settled employment in the Walsall Council area. Employment is defined as paid employment for at least 16 hours or more per week for a continual period of at least 6 months and is not work that is considered to be temporary, casual or seasonal and to travel to work by public transport would take the employee more than 90 minutes each way and they do not have their own transport. See Section D/6 Note D.

There are a number of exemptions to the local connection test. These are:

- 1) Where the applicant is owed a homeless duty by the Council.
- 2) All Care Leavers aged under 25
- 3) Where Walsall Council has placed an applicant into temporary accommodation or a contracted supported housing scheme outside of the Council's area. That period of time in such accommodation will count as residence in Walsall.
- 4) Where the Council agrees that there are exceptional circumstances requiring a move into the Walsall area. This will be decided on a case-by-case basis. Examples where circumstances may be considered to be exceptional include:
 - Reasons of safety, for example when an applicant is fleeing domestic abuse or hate crime from another area, or
 - An applicant is on a witness protection programme and the Council has agreed that a move to the Walsall area is essential.
- 5) The Council will consider any application from a gypsy or traveller household where the applicant may not meet the 2-year continuous period of residence rule, if the period has been broken by travelling. The facts of each case will be considered when deciding whether the rule should be waived.
- 6) Applicants who satisfy the right to move criteria. The Right to Move qualification regulations 2015 states that local connection qualification rules must not be applied to existing social tenants who seek to move from another Council district in England, and who have a need to move for work related reasons to avoid hardship.
- 7) Where at the date of application the applicant is not currently resident in the Walsall area whilst either:
 - receiving medical or respite care
 - serving a custodial sentence

the applicant will be considered to have a local connection for residence as long as they had been living in the Council's area for 2 continuous years prior to their current accommodation circumstances.

8) Members and former members of the UK Armed Forces and the Reserve Forces:

- all members of the UK Armed Forces and UK Armed Forces Veterans
- bereaved spouses and civil partners of members of the Armed Forces leaving Services Family Accommodation following the death of their spouse or partner
- serving or former members of the Reserve Forces who need to move because of a serious injury, medical condition or disability sustained as a result of their service
- divorced or separated spouses or civil partners of Service personnel who need to move out of accommodation provided by the Ministry of Defence.

9) For the purposes above, the terms 'Armed Forces' and 'Reserve Forces' are defined by section 374 of the Armed Forces Act 2006.

10) Persons who qualify under Section D/7 Additional Classes of Persons who qualify to join the Register.

The onus will be on the applicant to prove their continuous residence through official documentation as prescribed in a list published from time to time by the Council, demonstrating at least two years residency in Walsall.

Though not exhaustive, the following documentation may be used to form proof of residency:

- Housing Benefit records
- Council Tax Benefit and Council Tax Reduction records
- Council Tax records
- Housing Services system records
- Tenancy agreement
- Utility bills (gas, electric, water)
- Television license and telephone bills (landline only)
- Full bank statements showing name, address and date of issue
- Credit card statements
- Department for Work and Pensions benefit notification letters
- Educational establishment records
- Any Council records which can legally be used for this purpose

Medical cards, mobile telephone bills/statements, catalogue bills/statements and confirmation (both written and verbal) from Members will not be considered under any circumstances.

Appendix Two

Definition of Adapted Property

For the purposes of this policy, the following definition will apply to the term 'Adapted Property':

An adapted property is one that contains one or more of the following key features:

- Stair Lift
- Ceiling track hoists
- Vertical Lift
- Step Lift
- Significant ramping to entrance
- Bathrooms – where significant adaptations have been made, for example walk-in shower, level access
- Kitchen – with significant adaptations, for example, lowering or raising of work surfaces, installation of variable height work surfaces, installation of sinks and other work surfaces with knee space beneath for use from a wheelchair
- Adaptations for people with sensory impairments (e.g. colour and texture contrasts, flashing door bells)
- Ground floor extensions (or internal alterations) for bathrooms, bedrooms, living rooms, kitchens and circulation spaces that are fully accessible to a wheelchair user with or without assistance.
- Any other substantial modification defined as meeting the needs of a disabled person by an Occupational Therapist of the local authority

If a property has any of the following features but none of the above it is not defined as an adapted property.

- Grab rails
- Handrails
- Stair rails
- Cubicle or Chiltern Shower
- Minor ramping to entrance
- Raised sockets
- Lowered light switches
- Level access

Appendix Three

Glossary of Terms

Applicant

This can refer to single or joint applicants forming one household

Assured Tenancy

Tenancy granted to Housing Association tenants giving them the right to remain in the property unless the landlord can prove to the Court that there are grounds for possession.

Closing Order

A local authority's legal power to stop anyone living in a property that is unfit for human habitation

Compulsory Purchase Order

A legal power used by local authorities and other public bodies to acquire property for specific purposes

Domestic Abuse

Section 48 of statutory guidance Improving access to social housing for victims of domestic abuse states:

When considering whether a person has experienced domestic abuse, local authorities should take account of the cross-government definition. This defines domestic violence and abuse as: any incident or pattern of incidents of controlling, coercive, threatening behaviour, violence or abuse between those aged 16 or over who are, or have been, intimate partners or family members regardless of gender or sexuality. This can include, but is not limited to, psychological, physical, sexual, financial and emotional abuse.

Disabled Persons

Persons who have a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on their ability to do normal daily activities as set out in the Equality Act 2010.

Homelessness Prevention Duty

Section 195 of the 1996 Act – the 'prevention duty' - places a duty on housing authorities to work with people who are threatened with homelessness within 56 days to help prevent them from becoming homelessness

Homelessness Relief Duty

Section 189B of the 1996 Act – the 'relief duty' - requires housing authorities to help people who are homeless to secure accommodation. The duty applies when the housing authority is satisfied that the applicant is both homeless and eligible for assistance. The housing authority is obliged to take reasonable steps to help the applicant secure suitable accommodation with a reasonable prospect that it will be available for their occupation for at least 6 months.

Housing Register

The list of people seeking to acquire accommodation By law, some people are excluded from joining the register.

Housing Association

A provider of affordable housing including supported accommodation.

Key Worker

A key worker is someone employed by the public sector in a frontline role delivering an essential public service in the areas of health, education and community safety and where there are serious recruitment and retention problems in the said line of employment.

Local Lettings Plan

A Local Lettings Plan is where a designated set of residential units (which can be defined by a geographical area) are allocated outside of the terms of the mainstream Housing Allocations Policy (i.e. this policy).

Looked after children

Children who are 'looked after' by a local authority (e.g. Walsall MBC) under any one of a number of legal arrangements

Mutual Exchange

Council or housing association tenants who agree to swap properties with another tenant with the approval of both landlords

Notice to Quit

Legal notice served on a secure tenant who no longer occupies the property as his only or principal home or a non-secure tenant to bring the tenancy to an end

Purpose Built Sheltered Schemes

A block of self-contained units built with the needs of older people in mind. The blocks contain communal facilities and a Community Alarm system. A Housing support service is provided by a warden, either residential or non - residential.

Possession Order

A court order requiring a household to move out of the property they occupy

Qualifying Persons

Persons who are eligible to join the Housing Register

Reasonable Preference Categories

Groups of people that through law local authorities must give priority to when allocating accommodation

Shared Ownership

A scheme that allows an applicant to buy part of a property and rent the remaining part from a local authority or housing association

Sheltered Housing

A group of self-contained dwellings for older people, who can live independently and are able to manage alone, but who prefer the added security of an alarm system and a resident or visiting warden

Supported Housing

Housing provided for vulnerable people who need support to live independently

Customer Engagement

Walsall Council
Civic Centre
Darwall Street
WS1 1TP

Email: allocations@walsall.gov.uk
Web: www.walsall.gov.uk

APPENDIX B:**Equality Impact Assessment (EqIA) for Policies, Procedures and Services**

Proposal name	Review of Housing Allocations Policy		
Directorate	Customer		
Service	Money Home Job		
Responsible Officer	Neville Rowe – Strategy Analyst		
Proposal planning start	01/04/2024	Proposal start date (due or actual date)	Mid 2025

1	What is the purpose of the proposal?	Yes / No	New / revision
	Show which category the proposal is and whether it is new or a revision.		
	Strategy	No	Revision
	Procedure	Yes	
	Guidance	No	
	Is this a service to customers/staff/public?	Yes	
	If yes, is it contracted or commissioned?	No	
	Other - give details	Internal Policy	
2	What is the business case for this proposal? Please provide the main purpose of the service, intended outcomes and reasons for change?		
3	Who is the proposal likely to affect?		
	People in Walsall	Yes	Detail
	All		Households who register on the Housing Register
	Specific group/s	X	
	Council employees		
	Other (identify)		
4	Please provide service data relating to this proposal on your customer's protected characteristics.		
	Introduction Part VI of the Housing Act 1996 (as amended) sets out the legislative framework through which Local Authorities should maintain and operate their Housing Allocation Schemes. The Act gives 'Reasonable Preference' to certain categories of applicant, namely households who are: <ul style="list-style-type: none"> • Statutorily homeless • occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions, • needing to move on medical or welfare grounds, including grounds relating to a disability, and • needing to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship (to themselves or others) 		



As part of this requirement the Council maintains a Housing Allocations Policy and as a non-stock owning authority, the Policy sets out who qualifies to join the Council's Housing Register and how the Council will prioritise households to nominate to vacant properties supplied to the Council from housing associations who operate in Walsall.

The current Housing Allocations Policy essentially dates back to 2010, though minor revisions to the policy were completed in 2022 and early 2024. Last year, the Council undertook to complete a full review of the current policy, and following an initial scoping review the following key areas were identified as in need of review:

- 1) To Review the residency test set out in the local connection test – currently two years
- 2) To explore the potential benefits of increasing the number of bands within the policy applicable to those in statutory Reasonable Preference in order that the policy could fully differentiate between higher and lower levels of housing need. Currently the policy has 2 priority bands to accommodate those in Reasonable Preference with the third band (Band C) catering for those households registering with no identified housing need
- 3) To consider as to whether those without a recognised housing need (in statute) should be excluded from joining the register, particularly in view of continuing supply and demand issues that seem unlikely to subside.
- 4) To consider as to whether the Council should prioritise households who wish to downsize their home or release an adapted property
- 5) To consider adopting a choice-based lettings approach or to continue with making direct nominations
- 6) To make the policy more navigable and to introduce greater clarity over who qualifies for Reasonable Preference (based solely on housing need) and the level of priority to be awarded
- 7) To place Care Leavers and those wishing to foster into Band A priority

Walsall Key Demographic Data

Walsall is a metropolitan borough which was formed in 1974 and is one of seven authorities that makes up the West Midlands conurbation and is one of four local authorities comprising the Black Country Region. Walsall contains six urban district centres: Walsall Town Centre, Aldridge, Bloxwich, Brownhills, Darlaston and Willenhall. The Borough covers 40 square miles and is bisected by the M6 motorway. Socio-economically, there is a stark geographic divide between the West and the less deprived East. Nationally, Walsall has high levels of deprivation and among local authorities in England. The 2019 Index of Multiple Deprivation now ranks Walsall as the 25th most deprived English local authority (out of 317), placing Walsall within the most deprived 10% of districts in the country (33rd in 2015, 30th in 2010 and 45th in 2007).

Census 2021 data demonstrates a Walsall population of 258,478, 49.2% of the population are male with 50.8% female. Customers that have a housing register account (active or closed), the lead applicant accounted for 69% Female. Currently, Walsall has around 117k units of which 24% are housing provider owned and 76% privately owned, (Source, Live tables on dwelling stock (including vacants) - GOV.UK).

Of the 76% privately owned, it is estimated that around 13.4k are privately rented which

accounts for around 15% of the privately owned stock. Overall housing growth (5.4%) has just about kept up with household growth (6.3%) between 2011 and 2021 (ONS population projections) and household size has shifted from 2.49 to 2.51 (Black Country SHMA 2021). 15.7% of households in Walsall, are single person households who have one person aged less than 66 years, in comparison 12.6% of single households are aged 66 years and over. (Source: Census 2021, ONS)

The east of the Borough has an older population and a slower growth (<1% in 9 years). Conversely the centre, south & west of the borough continues to see rapid population growth and a much younger population, such as Blakenall wards with a median age of 31 and a growth of 7.8% compared to 2011. In comparison Aldridge Central and South has a median age of 48 and a growth rate compared to 2011 of 12%. (Source: Joint Strategic Needs Assessment, Walsall). The age range on our housing register of the lead applicant (both active and closed) is as follows:

Under 16s now account for 22.4% of the Walsall population, and over 65s, 17.6%. Walsall's dependency ratio has continued to rise with 0.65 dependants: 1 working age adult in 2019 (England 0.57). There are estimated to be 9000 additional over 60s by 2031. (Source: Office for National Statistics). In regard to the housing register 57% of lead applicants were under 35 and 2.7% were over age 65.

85.2% of Walsall's population were born in the UK, whilst 14.8 were born in another country. The minority ethnic population (i.e. all those who identify as other than White British) has increased from fewer than 1 in 4 residents in 2011 to 1 in 3 in 2021 (Figure 1)

Figure 1: Ethnic Profile

Walsall	2021	2011
White	4.4%	1.9%
Asian	18.7%	15.2%
Black	4.6%	2.3%
Mixed	3.3%	2.7%
Other	2.1%	0.8%
White British	67.4%	76.9%
<i>Minority Ethnic</i>	<i>32.6%</i>	<i>23.1%</i>

Source: Census 2021 and Census 2011.

Housing Register Ethnic Profile of lead applicant in Walsall;

White	6.5%
Asian	13.1%
Black	12.8%
Mixed	5.6%
Other	4.1%
White British	56.8%
<i>Minority Ethnic</i>	<i>43.2%</i>

Note: 33% of respondents who took part in the web-based survey were from a Black or Minority Ethnic background. 69% of applicants on the housing register are female.

61% of the population is of working age, broadly in line with the national figure. 76% are classed as economically active, slightly below both the regional and national averages. Of the households that have at least one person aged 16 to 64, 14% are classed as workless (12k) and as revealed elsewhere in this document lack of labour market access is a regular component of homeless households in the borough [\[1\]](#). 27% of the working age population have an NVQ Level 4 or above, this compares to a regional figure of 39% and a national figure of 44%.

In terms of income and employment scales, the average wage in Walsall (£548 p/w gross) is 6% below the regional average and 12% below the national. Of note 8% of persons aged 18 to 24 claim out of work benefits – this compares to 6% regionally but is almost twice the national equivalent. According to DWP figures (02/22), Walsall is ranked fourth out of all West Midland authorities in the percentage of working age people (6%) receiving unemployment related benefits [\[2\]](#).

[\[1\]](#) Nomis Official Labour Market Statistics 2022

[\[2\]](#) *ibid*

People affected by debt, low incomes, unemployment, insecure housing or receiving out of work benefits covering all the protected characteristics are more likely to seek social rented housing largely on account of affordability. Deprivation is deeply entrenched in Walsall and has worsened during the current economic downturn. Forty-four out of one-hundred and sixty-seven neighbourhoods (LSOAs) are now amongst the 10% most deprived in England compared to 34 in 2015. There are extremes of deprivation in Walsall, with central and western areas typically much more deprived than eastern areas, although pockets of deprivation exist even in the more affluent parts of the borough. The following data is provided in the context of the protected characteristics and the proposal to approve the revised housing allocations policy.

5	Please provide details of all engagement and consultation undertaken for this proposal. (Please use a separate box for each engagement/consultation).
---	--

Consultation Activity

Complete a copy of this table for each consultation activity you have undertaken.

Complete a copy of this table for each consultation activity you have undertaken			
Type of engagement/consultation	Walsall Housing Working Group	Date	25/07/23 & subsequent meetings
Who attended/participated?	Service providers – Housing Associations		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from different ethnic, age, gender, disability related groups.		

Type of engagement/consultation	Walsall Connected	Date	24/08/23
Who attended/participated?	Service providers – Walsall Hubs operated by staff and the voluntary sector		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from different ethnic, age, gender, disability related groups.		

Type of engagement/consultation	Walsall Homeless Steering Group	Date	20/07/23 & subsequent meetings
Who attended/participated?	Service providers of homeless services across Walsall		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from different ethnic, age, gender, disability related groups.		

Type of engagement/consultation	TLC team meeting	Date	19/06/24
Who attended/participated?	Staff in the form of managers and personal advisers		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from different ethnic, age, gender, disability related groups.		

Type of engagement/consultation	Domestic Abuse Walsall Services	Date	16/07/24
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Who attended/participated?	Staff, support workers, customers did not turn up to the consultation		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from different ethnic, age, gender, disability related groups.		
Type of engagement/consultation	Refugee Migrant Centre, client meeting x2	Date	14 & 16/05/24
Who attended/participated?	Staff, customers		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from minority ethnic groups, various age, gender, disability related groups.		
Type of engagement/consultation	NASH DOM community centre	Date	17/07/24
Who attended/participated?	Staff, customers		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from Eastern European ethnic groups, various age, gender, disability related groups.		
Type of engagement/consultation	Frontline teams, housing & welfare, TA team, YP Team & Allocations	Date	Various dates
Who attended/participated?	Staff		
Protected characteristics of participants	A cross section of staff and third sector stakeholders including those from all ethnic groups, various age, gender, disability related groups.		
Type of engagement/consultation	Email link to survey, 7000 emails	Date	05/07/24
Who attended/participated?	Members of the public that have signed up to the housing register.		
Protected characteristics of participants	A cross section of the public including those from all ethnic groups, various age, gender, disability related groups. The web-based survey achieved a total of 615 responses including 402 directly from households registered or in the process of registering with the housing register representing 6% of applicants contacted and 213 from a combination of residents		

	(115) and third sector organisations and officers of the Council (98).
6	<p>Concise overview of all evidence, engagement and consultation</p> <p>Officers commenced a comprehensive period of consultation in April that involved both a programme of targeted focus groups as well as a web-based survey that commenced on 07 May and concluded on 22 July. The web-based survey achieved a total of 615 responses including 402 directly from households registered or in the process of registering with the housing register representing 6% of applicants contacted and 213 from a combination of residents (115) and third sector organisations and officers of the Council (98). 33% of respondents who took part in the web based survey were from a Black or Minority Ethnic background.</p> <p>From the pool of proposed amendments, it is clear that the following ones should be considered for their respective impacts on equality:</p> <ol style="list-style-type: none"> 1) To review the 2-year residency test set out in the local connection test 2) To explore the potential benefits of increasing the number of bands within the policy applicable to those in statutory Reasonable Preference 3) To consider as to whether those without a recognised housing need (in statute) should be excluded from joining the register, particularly in view of continuing supply and demand issues that seem unlikely to subside. 4) To consider as to whether the Council should prioritise households who wish to downsize their home or release an adapted property 5) To consider adopting a choice-based lettings approach or to continue with making direct nominations 6) To place Care Leavers and those wishing to foster into Band A priority <p>Broadly speaking respondents from the focus groups were in favour of retaining the two-year residency test on condition that the exempted groups, in particular care leavers, homeless households and victims of domestic abuse were retained and regularly</p>

reviewed. For the web-based survey there is overwhelming support for the retention of the two-year residency requirement, where 73% of register applicants in favour, with 78% from the remaining pools (i.e. officers, residents and third sector organisations) also in favour. It is therefore proposed to retain the two-residency test and apply existing exemptions as set out in Appendix One of the current policy.

The proposal to **increase the number of bands** within the policy is essentially centred on enabling the policy to be more responsive to the varying degrees of applicant housing need by enabling it to have greater flexibility to differentiate between higher and lower levels of need, for example between those fleeing domestic abuse, those overcrowded by two or more bedrooms and those overcrowded by one. From the consultation there has been overwhelming support to increase the number of priority bands within the policy, with 70% of housing applicants in favour, and 76% from the remaining pool of respondents (i.e. officers, residents and third sector organisations) also in favour. The focus groups who took part in the consultation were also broadly in favour of increasing the number of priority bands. It is therefore proposed to introduce four housing need bands within the policy.

The proposal to **exclude those without a recognised statutory housing need from joining the housing register** has largely been brought about by the fact that present time demand for vacant properties far outweighs supply and this places significant pressures on the Council's ability to house those who have a recognised statutory housing need, leaving the overwhelming majority of those without a statutory need unlikely to ever receive an offer of accommodation. Currently, the Council's Housing Register has 3,840 households seeking accommodation, 1,995 of whom qualify for at least one of the Reasonable Preferences categories as outlined elsewhere, leaving 48% without any recognised statutory housing need. Of note, the number of social housing relets in Walsall in line with the national picture continues to decline year on year. By way of number lettings are down 46% over last 5 years: 2,530 (2017/18), 1,660 (2020/21), 1,365 (2022/23). Approximately half of these properties were let each year through the Council's Allocations Policy under its Nominations Agreement with local social housing providers.

From the consultation, for those who took part in the focus groups had mixed views for the proposal to exclude those with no housing need from joining the register. Those in favour of this proposal cited the 'false hope' that allowing any individual to join the register can generate, whilst others thought that as a matter of principle any person regardless of need should be able to join the register. This view was mirrored in the survey, where 62% of housing applicants were in favour of exclusion with a like 65% from the remaining pool of respondents (i.e. officers, residents and third sector organisations) also in favour.

Aside of the overall supply and demand issue outlined elsewhere in this EQiA there is also a distinct mismatch between supply and household need by property type, largely centred on a shortage of larger properties needed by households with families and the need for adapted or single level properties on account of medical need (often related to mobility). To partly address this, it is proposed to **prioritise households who wish to downsize or release either an adapted or single level property**. Past experience has shown that in order to maximise this option a high degree of priority is needed in order to encourage such moves. This proposal received a strong response in favour in the consultation, with 76% of housing applicants in favour and 82% of the remaining pool of respondents also in favour (i.e. officers, residents and third sector organisations). All the focus groups supported this proposal. It is unlikely that the proposal will generate a

large volume of properties however it is felt prudent to enable the policy where possible to stimulate any strategy aimed at making the best use of existing stock.

Specific to the **adoption of a choice-based lettings (CBL) scheme** the consultation feedback has clearly been less conclusive compared with the other proposals. The adoption or otherwise of a CBL scheme will not impact on how the policy will determine who qualifies to join the Council's Housing Register and how the Council subsequently prioritises households within the policy and from this perspective it is proposed to put this proposal on hold and to reassess at the next Allocations Policy review. The primary reasons behind this approach are:

- The policy will be reviewed post 12 months after its implementation to ensure it is meeting its objectives most notably by ensuring that properties are allocated fairly to fulfil the Council's legal and equality obligations. If this has been achieved then this would present a more opportune time to consider a choice based lettings approach.
- To adopt a choice based letting scheme would involve considerable alterations to both the Councils administrative and software systems incurring associated costs

The proposal to **place Care Leavers and those wishing to foster into Band A priority** has been developed as a consequence of the consultation exercise.

7	How may the proposal affect each protected characteristic or group? The effect may be positive, negative, neutral or not known. Give reasons and if action is needed.			
	Characteristic	Affect	Reason	Action needed No
	Age	Positive	<p>In regard to the housing register 57% of lead applicants are under 35 and 3% were over age 65. 48% of housing register respondents who took part in the web-based survey were aged under 35, with 3% being aged 65 or over.</p> <p>Young people are disproportionately affected by overcrowding and by expanding the number of priority bands the policy will be able to differentiate between those affected by extreme overcrowding and those overcrowded by one bedroom. In addition, the policy will also enable individual household members to be nominated to other properties to relieve overcrowding pressures. Giving a high</p>	No

			priority to households wishing to release family homes and those wishing to foster should also have a positive impact on young people.	
	Disability	Positive	The option to increase the number of priority bands will have a positive impact on households effected by disability in that households in more acute need in the context of disability will be placed into Band A and those with a less immediate need will be placed into Band B. In addition, giving a high priority to households wishing to release an adapted property should increase the supply of adapted homes.	no
	Gender reassignment	Neutral	Proposed amendments and changes in this context are generic and have no specific identified impact	No
	Marriage and civil partnership	Neutral	Proposed amendments and changes in this context are generic and have no specific identified impact	No
	Pregnancy and maternity	Neutral	Proposed amendments and changes in this context are generic and have no specific identified impact	No
	Race	Neutral	36% of housing register respondents who took part in the web-based survey were from a Black or Minority Ethnic background, set against a housing register make-up of 43%. The proposed amendments and changes in this context are generic and have no specific identified impact	No
	Religion or belief	Neutral	Proposed amendments and changes in this context are generic and have no specific identified impact	No
	Sex	Positive	73% of housing register respondents who took part in the web-based survey were female, set against a housing register make-up of 69%. Women are more likely to experience homelessness than men. Whether or not they are part of a household including men, women may have more distinctive	No

			housing needs, for example on average women are overrepresented in the provision of caring commitments, experience lower wages, and are at greater risk of intimate partner violence. Housing-and-gender-PBB-Spring-2022.pdf (wbq.org.uk) All of these housing needs are covered within the revised policy, the majority under legislation as per the Reasonable Preference categories outlined in the Housing Act 1996.	
	Sexual orientation	Neutral	Proposed amendments and changes are generic and have no specific identified impact	No
	Care Leavers	Positive	The revised policy will specifically recognize Care Leavers and for those supported by the Council will be placed into Band A.	No
	Armed Forces	Neutral	The policy will continue to give Band A priority to members or previous members of the Armed Forces under statutory regulation.	No
8	Does your proposal link with other proposals to have a cumulative effect on particular equality groups? If yes, give details.			(Delete one) No
	<p>This EQIA has been formulated having had regard to the law and regulatory requirements, including:</p> <ol style="list-style-type: none"> 1. Housing Act 1996, Part 6 2. Homelessness Act 2002 3. Homelessness Reduction Act 2017 4. Localism Act 2011 5. Armed Forces Act 2006 6. Asylum and Immigration Act 1996 7. Immigration and Asylum Act 1999 8. Children Act 2004 9. Equality Act 2010 10. Domestic Abuse Act 2021 			
9	Which justifiable action does the evidence, engagement and consultation feedback suggest you take?			
	A	No major change required		

	B	Adjustments needed to remove barriers or to better promote equality		
	C	Continue despite possible adverse impact		
	D	Stop and rethink your proposal		
Action and monitoring plan				
Action Date	Action	Responsibility	Outcome Date	Outcome

Update to EqIA	
Date	Detail

Contact us

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Inside Walsall: [http://int.walsall.gov.uk/Service information/Equality and diversity](http://int.walsall.gov.uk/Service_information/Equality_and_diversity)

Determination of the Scheme for coordinated admissions, and the Admission Arrangements for Community and Voluntary Controlled Primary Schools for the 2026/27 academic year

Portfolio: Councillor Kaur – Education and Skills

Related portfolios:

Service: Admissions & Education Sufficiency, Access Service

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

To ensure that Walsall Council meets its statutory duty to offer a school place to all Walsall resident children, and to determine the admission arrangements for community and voluntary controlled schools in accordance with the requirements of Section 89 of the School Standards and Framework Act 1998 and the School Admissions Code 2021.

2. Summary

- 2.1 This report sets out the proposed scheme for co-ordinated secondary and primary admissions and mid-year admissions for the 2026/27 academic year and the proposed admission arrangements for primary community and voluntary controlled schools for the 2026/27 academic year.
- 2.2 Walsall Council is not the Admission Authority for any of the secondary schools in the borough, all of whom must determine their own admission arrangements for 2026/27 by 28 February 2025.

3. Recommendations

- 3.1 That the Walsall admission arrangements for community and voluntary controlled primary schools for the academic year 2026/27 as per Appendix A, are approved and determined.

4. Report detail - know

Context

- 4.1 As a Local Authority, Walsall Council has the responsibility to draw up and agree schemes for secondary and primary admissions for the 2026/27 academic year. Walsall Council is the Admission Authority for all community and voluntary controlled Primary schools in Walsall. Section 89 of the School Standards and Framework Act 1998 requires admission authorities to determine the admission arrangements for the 2026/27 school year by 28 February 2025.
- 4.2 This year, Walsall consulted to reduce some published admission numbers (PANs) within schools to ensure the Local Authority is aligned to lower birth rates in the area leading to a reduction in forecasted demand for reception places and increased surplus places.
- 4.3 Analysis of previous admissions data and forecasted demand has been undertaken across school and local planning areas, including:
- First preferences received for each school
 - Allocated places offered at each school
 - Maximum Number on Roll (NOR) at termly census points.
- 4.4 The following PAN reductions are recommended at local authority controlled schools:
- Salisbury Primary School – reduce by 15 places – from 45 to 30 places intake.
Rosedale Infant School – reduce by 30 places – from 90 to 60 places intake.
Pelsall Village School – reduce by 15 places – from 45 to 30 places intake.
- 4.5 The recommended PAN reductions reflect a measured approach to reducing surplus places over the next few years and have been discussed with all primary schools, with individual detailed conversations with schools and governors of the schools affected. All affected schools leadership and governors were supportive of the proposed reduction in admission number.
- 4.6 The LA can only consult on Admission Arrangements for maintained schools for which they are the Admission Authority. Conversations have also been held with the Academy Trusts to recommend that they consider PAN reductions as part of any Admission Arrangements consultations they undertake.
- 4.7 This overall approach taken ensures that the admission numbers across Walsall are forecasted to accommodate any impacts of increased migration into the area, as experienced by some other local LAs.

Council Plan priorities

- 4.8 The admission arrangements for primary community and voluntary controlled schools for the 2026/27 academic year set out a fair and equitable process for children wishing to be admitted to Walsall schools as part of the phased admissions transfer rounds in September 2026 and throughout the 2026/27 academic year as part of midyear admissions process.

- 4.9 These arrangements support the Council's Corporate Plan Priorities, specifically the priority that all children, especially those children who are looked after or have previously been in public care can have the best start and are safe, happy, healthy, and learning well.

Risk management

- 4.10 The admission arrangements will be included in Walsall's admissions booklet. This is the Council's composite prospectus, and this document will be published on Walsall Council's website. The provision of clear information will help parents and carers to decide upon their preferences when applying for a school place for their child and should contribute to a reduction in the number of admission appeals.
- 4.11 Children who miss education because they do not have a school place are at risk of failing to develop the skills necessary to enable them to enter the workforce. There are also significant safeguarding risks. The admissions arrangements and coordinated admissions process ensure that school places are offered fairly and equitably to applicants, and that children who cannot be offered one of their parent's preferred schools are allocated a place at an alternative school to mitigate against these risks.

Financial implications

- 4.12 There are no direct financial implications from this report. Schools are funded in part by pupil numbers on roll. It is therefore important for schools to forecast pupil numbers to ensure financial sustainability in budget setting.

Legal implications

- 4.13 All Local Authorities are required by section 88M of the School Standards and Framework Act and the Co-ordination Regulations, to have in place a scheme each year for co-ordinating admission arrangements for maintained schools and academies within their area.
- 4.14 Walsall Council, as an Admission Authority, has a statutory duty to determine the proposed admission arrangements for community and voluntary controlled schools. The details of the consultation are set out in section 15 below.
- 4.15 Admissions authorities are statutorily required to complete consultation on any changes to their proposed admission arrangements for the 2026/27 school year by 31 January 2025 and must determine (or finalise) these by 28 February 2025.
- 4.16 Walsall Local Authority consulted on the proposed Admission Arrangements as set out in Appendix A, in line with the School Admissions Code 2021.
- 4.17 In addition, all admissions authorities are required to consult on their admissions arrangements at least once every seven years even if there have been no changes during that period.

- 4.18 The proposed admission arrangements comply with the School Admissions Code (2021).

Procurement Implications/Social Value

- 4.19 None.

Health and wellbeing implications

- 4.20 None.

Reducing Inequalities

- 4.21 In line with the requirements of the School Admissions Code (2021), and in order to ensure greater equity and fair access to education provision full consideration has been given to the possible impact, direct or indirect, of the proposed admission criteria on equal opportunities. The challenges facing children and young people who have been in public care are well documented. The purpose of these changes is to ensure that all children who are looked after or who have been in public care are given highest admissions priority for their preferred schools. This is to ensure that these children and young people are given the best possible opportunity to thrive and achieve the best possible educational outcomes.

Staffing implications

- 4.22 None.

Climate Impact

- 4.23 None.

Consultation

- 4.24 Walsall Council opened a public consultation which recommended reducing the Published Admission Numbers (PANs) within three local authority-maintained schools in the borough.
- 4.25 As per the School Admissions Code 2021, consultation must last for a minimum of 6 weeks and must take place between 1 October and 31 January in the determination year.
- 4.26 Walsall Council opened an 8 week consultation on Monday 18 November 2024 and closed on Friday 10 January 2025.
- 4.27 Schools, governors, parents and other stakeholders were consulted during the consultation period via emails and school newsletters. The consultation proposals were also published on Walsall Council school admission web pages.

4.28 There have been no formal responses to the consultation received by Walsall Council.

5. Decide

5.1 Cabinet is asked to determine these admission arrangements for community and voluntary controlled primary schools for the 2026/27 academic year in accordance with the recommendations as set out above in section 3 of this report.

6. Respond

6.1 The determined admission arrangements for 2026/27 will be published on the Walsall Council website once approved, prior to the required determination date of 28 February 2025.

7. Review

7.1 The admissions arrangements for Walsall community and voluntary controlled primary schools, and the scheme for coordinated admissions are reviewed annually.

Background papers

School Admissions Code (2021)

Appendix

Appendix A: Walsall School Proposed Admissions Arrangements 2026-2027

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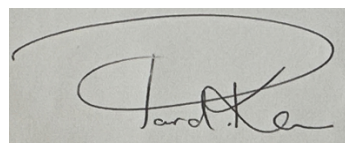
Signed



Colleen Male
Executive Director Children's Services

3rd February 2025

Signed



Councillor Kaur
Portfolio holder Education & Skills

3rd February 2025



Walsall Council

PROUD OF OUR **PAST** OUR **PRESENT** AND FOR OUR **FUTURE**



Walsall School Proposed Admissions Arrangements 2026 - 2027

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Walsall Council participates in an inter-Local Authority coordinated admission scheme with several neighbouring Local Authorities, namely Birmingham, Dudley, Sandwell, Staffordshire and Wolverhampton. This scheme allows these Local Authorities to coordinate applications for their schools to ensure that the children of their Local Authority receive the highest preference on their application form as detailed by the applicants. This scheme applies to Primary and Secondary applications for Reception, Infant-Junior and Secondary school transfers.

A single application is submitted online at Walsall Council website [School admissions | Walsall Council](#) for children who reside in Walsall, where they can details schools within Walsall and out of borough:

- **Secondary Applications** – can admit up to 5 preferences.
- **Primary & Infant-Junior Applications** – can admit up to 3 preferences.

All on-time applications are processed in the same manner without prejudice regardless of the order of the preferences, once over-subscription criteria has been applied to all the applicants at each school offers will be made. If a child can be offered more than one school place that has been listed, the Local Authority will be made for the school detailed highest on the application form.

PRIMARY ADMISSIONS

ADMISSION TO RECEPTION CLASS

If your child was born between **01.09.2021 and 31.08.2022** you must apply for a school place in Reception year before 15 January 2026.

Walsall Council's online application form will be live from 1 September 2025.

Applicants can detail up to three schools on their application form, the three schools should be listed in order of preference that they wish their child to be considered for a place.

Parents of children who are in nursery provision in Walsall and are resident in Walsall must apply online if they want their child to join a reception class in a Walsall primary school or in another local authority's area.

Attendance at a Walsall school's nursery provision or co-located children's centre does not guarantee a place at a Walsall primary school.

Preferences changed or added after the closing date without a significant change in circumstances will be processed as late applications. This will apply to applications submitted up to 27 February 2026.

When notifying a significant change of circumstances, the applicant must supply documentary evidence to confirm the change. An example of a significant change of circumstances is a house move that necessitates a change of preference(s). This would need to be validated by documentary evidence such as a solicitor's letter confirming exchange of contract or a copy of the tenancy agreement.

All applications for named schools will be considered in accordance with each school's published admission criteria. Schools that are their own Admission Authority will be provided with a list of information in respect of all applications naming their school, but not the rankings, together with copies of any supporting documentation. These schools will use the information provided to apply their admission criteria and will then inform the Admission & Education Sufficiency Team of the order in which all applications meet their admission criteria.

Where a child meets the admission criteria of more than one of the schools named on the online application form then Walsall Council will allocate a place at the highest ranked of those schools. Admission Authorities will be advised of the pupils to be offered places.

The table below gives details of Walsall primary schools, which are their own admission authorities: -

Foundation Schools	Voluntary Church of England Schools	Aided Catholic Schools	Academies
Manor Primary	Blue Coat CE (A) Infant	St Anne's Catholic Primary	All Saint's National Academy
	Blue Coat CE (A) Junior	St Francis Catholic Primary	Bentley West Primary School
	Cooper and Jordan CE (VA) Primary	St Joseph's Catholic Primary	Birchills CE Primary Community School

		St Mary of the Angels Catholic Primary	Blackwood School
		St Mary's the Mount Catholic Primary	Bloxwich Academy
		St Patrick's Catholic Primary	Brownhills Primary Academy
		St Peter's Catholic Primary	Busill Jones Primary School
		St Thomas of Canterbury Catholic Primary	Caldmore Primary Academy
			Croft Academy
			Edgar Stammers Primary Academy
			Fibbersley Park Primary Academy
			Greenfield Primary Academy
			Goldsmith Primary Academy
			Jubilee Academy Mossley
			Lodge Farm Primary Academy
			New Invention Learning Academy
			North Walsall Academy
			Park Hall Infant Academy
			Park Hall Junior Academy
			Pheasey Park Farm Primary
			Reedswood E-ACT Academy
			Rivers Primary Academy
			Ryders Hayes School
			St Bernadette's Catholic Primary
			Woods Bank Primary Academy
			Woodlands Academy of Learning

By 19 – 23 January 2026 (TBC), Walsall Council will exchange application data and supporting documentation in respect of pupils resident in Walsall, who have applied for schools outside the borough, with the appropriate maintaining Local Authorities. Similar information will be received for applications from out of borough residents who have expressed preferences for Walsall primary schools.

By 2 – 6 March 2026 (TBC), Walsall Council will input the results of all applications to Walsall schools and a list of potential offers will then be produced. These potential offers will then be exchanged with other Local Authorities in respect of the results of out of borough applications. The information received will state which Walsall residents have the potential offer of a place in an out of borough school. This information will be transferred onto the Walsall database, compared to rankings and will result in a list of provisional offers.

By 16-20 March 2026 (TBC), the provisional offers will be exchanged with other Local Authorities in respect of out of borough applications. The information received will state which Walsall residents have a provisional offer of a place in an out of borough school. These will be transferred onto the Walsall database, compared to rankings, and the results will be the final allocation of places at Walsall primary schools.

By 27 March 2026 (TBC), the final allocations will be exchanged with the other Local Authorities in respect of the results of out of borough applications.

If a Walsall child does not meet the admission criteria for any of their preferred schools then Walsall Council will allocate a place at the nearest alternative primary school with vacant places, after consultation with the relevant admission authority.

On the National Notification Date, 16 April 2026, email notification of the outcome of their application will be sent to all parents of Walsall resident children who submitted an online application and requested email notification.

The Local Authority will make just one offer of a school place to each child, further offers will only be made after the offer date if it is subsequently possible to offer a child one of their parents higher ranked preferences. An offer of a school place will not be withdrawn unless it is subsequently found to have been made in error, or as the result of a fraudulent, or intentionally misleading application, or the parent informs the Local Authority that they have made alternative arrangements for their child's education and no longer require a secondary school place.

TRANSFER FROM INFANT – JUNIOR SCHOOL

There are nine Infant Schools in Walsall where children can attend up to the age of seven, they must then move to a junior school to complete their primary education.

Infant school name	Junior school name
Alumwell Infant School	Alumwell Junior School
Blue Coat Infant School	Blue Coat Junior School
Delves Infant School	Delves Junior School
New Invention Infant School	New Invention Learning Academy
Palfrey Infant School	Palfrey Junior School
Park Hall Infant School	Park Hall Junior School
Rosedale Infant School	Short Heath Junior School
Sunshine Nursery & Infant School	Blakenall Heath Junior School
Whitehall Nursery & Infant School	Whitehall Junior School

Children who are already in attendance at a Walsall Infant School will not automatically transfer from the infant school to their corresponding Junior school. An application is required. An application should be made via Walsall Councils website, listing up to three preferences in order of requirement.

SECONDARY ADMISSIONS

If your child's date of birth is between 1 September 2014 – 31 August 2025, they are currently on roll in a primary school in year 6 and resides in Walsall a secondary school application should be completed.

Parents should complete an online application. This will enable Walsall parents of Year 6 children (who will transfer to secondary education in September 2026) to name up to five secondary schools, rank them in order of preference and give reasons for their preference. The online application may be used to apply for a place at any secondary school in or outside the borough.

Parents who name Queen Mary's Grammar School, Queen Mary's High School, The Walsall Academy, a Specialist Music Place at Aldridge School on the online form must also complete the school's own Registration Form.

Parents who name Blue Coat CE Academy, Brownhills School, Shire Oak Academy, St Francis of Assisi Catholic School or St Thomas More Catholic Business and Enterprise College on the online form must also complete the school's own supplementary information form.

Online applications must be submitted by the national closing date of **31 October 2025**.

Preferences, which are changed or added after the closing date up without a significant change in circumstances, will be processed as late applications.

All preferences which are changed or added after 28 November 2025 will be processed as late applications. When notifying a significant change of circumstances, the applicant must supply documentary evidence to confirm the change. An example of a significant change of circumstances is a house move that necessitates a change of preference(s). This would need to be validated by documentary evidence such as a solicitor's letter confirming exchange of contract or a copy of the tenancy agreement which confirms residence at the new address not just ownership.

All applications for named schools will be considered in accordance with each school's published admission criteria. Schools, which are their own Admission Authority, will be informed of all applications naming their school, but not the rankings. These schools will inform the Admissions & Education Sufficiency Team of the order in which all applicants meet their admission criteria.

Walsall Council will exchange application data and supporting documentation in respect of pupil's resident in Walsall, who have applied for schools outside the borough, with the appropriate maintaining Local Authorities. Similar information will be received for applications from out of borough residents who have expressed preferences for Walsall secondary schools.

By 3-7 November 2025 (TBC) Walsall Council will input the results of all applications to Walsall schools and a list of potential offers will then be produced. These potential offers will then be exchanged with other Local Authorities in respect of the results of out of borough applications. The information received will state which Walsall residents have the potential offer of a place in an out of borough school. This information will be transferred onto the Walsall database, compared to rankings and will result in a list of provisional offers.

By 5-9 January 2026 (TBC), the provisional offers will be exchanged with other Local Authorities in respect of out of borough applications. The information received will state which Walsall residents have a provisional offer of a place in an out of borough school. These will be transferred onto the Walsall database, compared to rankings and the results will be the final allocation of places at Walsall secondary schools.

By 9 - 13 February 2026 (TBC), the final allocations will be exchanged with the other Local Authorities in respect of the results of out of borough applications.

If a Walsall child does not meet the admission criteria for any of their preferred schools, then Walsall Council will allocate a place at the nearest alternative secondary school with vacant places following consultation with the relevant admission authority.

On the National Notification Date, 1 March 2026 (or the next working day), email notification of the outcome of their application will be sent to all parent/carer who are a resident in Walsall who submitted an online application.

The Local Authority will make just one offer of a school place to each child, further offers will only be made after the offer date if it is subsequently possible to offer a child one of their parents higher ranked preferences.

An offer of a school place will not be withdrawn unless it is subsequently found to have been made in error, or as the result of a fraudulent, or intentionally misleading application, or the parent informs the Local Authority that they have made alternative arrangements for their child's education and no longer require a secondary school place.

If there are more applications than there are places available, places will be allocated using the Oversubscription Criteria in the following order of priority:

1. Children and Young People in Care & previous Children and Young People in Care

Children and young people in care are children who at the time of application are:

- In the care of the Local Authority
- Being provided with accommodation by a Local Authority in the exercise of the social services functions.

Previous Children and young people in Care are children who

- were looked after but ceased to be so due to adoption (or became subject to child arrangements order or special guardianship order) immediately following having been looked after.
- Children who appear to a Local Authority to have been in state care outside of England and ceased to be in state care because of being adopted.

Supporting Evidence:

If the child for whom the application is being made is in the care of a local authority or previous children in care this must be indicated on the common application form, support of this must be added to the application by way of attachment.

2. Children who have a sibling in attendance at the school or paired junior school when the application is submitted and who will still be attending the school at the proposed admission date.

A sibling is a child who resides at the same address as the child for whom a place is being requested and is one of the following:

- A brother or sister sharing the same parents;
- A half-brother or sister sharing one common parent;
- A step-brother or sister (i.e. related by their parent's marriage);
- Any other child for whom it can be demonstrated that he or she is residing permanently at the same address (e.g. under the terms of a residence order).

3. Pupils for whom a place at the school is essential on medical or social grounds as supported in writing by a medical practitioner or a social worker. (Applications will be subject to verification by the Admissions & Education Sufficiency Manager)

If parents believe there are specific medical or social reasons for claiming priority for a child to attend a particular school, the relevant part of the application must be completed and evidence to support the claim must be submitted to the Local Authority.

Requests for such consideration will be subject to verification by the Admissions & Education Sufficiency Manager. This is necessary because parents will be asking the

Authority to assess the child as having a stronger case than many other children, some of whom may live closer to the school.

Medical Evidence

Medical evidence must be submitted in writing from a medical practitioner and should state why the preferred school is **the only school that can meet the child's needs**. This must relate to either the child or the parents, for example where the parent(s) or the child has a disability that may make travel to a school further away more difficult. Medical evidence, which relates to parent, will be considered in the following circumstances:

- Where the child lives with a single parent who has a medical condition or disability that may make travel to a school further away more difficult.
- Where the child lives with both parents and both parents have a medical condition or disability that may make travel to a school further away more difficult.
- Where a child lives with both parents and one parent has a medical condition or disability that may make travel to a school further away more difficult medical evidence may be considered if the other parent is unable to accompany the child on the journey to and from school because they are the sole carer for the other parent.

Social Evidence

Social evidence must be submitted in writing from an appropriate professional and should state why the preferred school is **the only school that can meet the child's needs**.

Please note that preferences are only given priority under the medical/social criterion in very exceptional cases where medical or social evidence clearly demonstrates that the preferred school is the only school which can meet the child's needs.

4. **For applications to junior schools only. Attendance by the child at the relevant paired infant school when the application is made.**

The paired infant and junior schools are:

Alumwell Infant	paired with	Alumwell Junior
Delves Infant	paired with	Delves Junior
New Invention Infant	paired with	New Invention Learning Academy
Palfrey Infant	paired with	Palfrey Junior
Rosedale CE (C) Infant	paired with	Short Heath Junior
Sunshine Infant and Nursery	paired with	Blakenall Heath Junior
Whitehall Nursery and Infant	paired with	Whitehall Junior Community

5. **For applications to voluntary controlled Church of England primary schools only. Up to 25% of places may be allocated as 'Church Places' to children, regardless of**

distance between home and school, whose parents are regular worshippers at a Christian church and whose application is supported in writing by the minister of the church where they worship.

The following voluntary controlled Church of England primary schools have 'Church Places';

- Christ Church CE (C) JMI
- Holy Trinity CE Primary
- Little Bloxwich CE (VC) Primary
- Old Church CE (C) Primary
- Rosedale CE (C) Infant
- St Giles CE Primary
- St John's CE Primary
- St Michael's CE (C) Primary

The number of Church places available is determined by the Admission Number of the school. Voluntary controlled Church of England primary schools:

- with an admission number of 30 will offer a maximum of 7 Church Places;
- with an admission number of 45 will offer a maximum of 11 Church Places;
- with an admission number of 60 will offer a maximum of 15 Church Places;
- with an admission number of 90 will offer a maximum of 22 Church Places.

If there is over-subscription for Church Places, priority will be given to those living closest to the school as measured in a straight line.

'Regular worshipper' is defined as attending a place of worship on at least one occasion per month over the past twelve months.

Supporting Evidence:

A supplementary information form (SIF) will need to be downloaded from the Walsall Council website [School admissions | Walsall Council](#) for applicants to submit to the school.

6. Distance between the home address and the school as measured in a straight line with those living closer to the school receiving the higher priority.

Distance will be measured in a straight line from the centre point of the home address to the centre point of the school address using the Local Authority's computerised measuring system with those living closer to the school receiving the higher priority.

LATE APPLICATION POLICY

The online portal will close for secondary applications on 31 October 2025.

The online portal will close for primary applications (Reception & Junior) 15 January 2026.

Late Applications and, where appropriate, schools' own Registration Forms, received after the Closing Date, are processed as late applications. Any request to change the name or ranking of a school made after the closing date will be processed in accordance with the late application policy.

Late applications will be considered for places after all the applications that were received by the Closing Date therefore, it is very likely that late applicants will not be offered a place at one of their preferred schools. If all preferred schools have been filled with on-time applications the closest school to the home address with vacancies will be allocated.

Applications received after the closing date will be passed to the appropriate Admission Authority for consideration under its Late Application Policy. Each Admission Authority is required to publish its own Late Application Policy which explains how late applications will be dealt with. The Late Application Policy for all Walsall community and voluntary controlled schools is shown below.

LATE APPLICATIONS RECEIVED UP TO 4 WEEKS AFTER THE CLOSING DATE

Late applications received up to four weeks after the Closing Date may be considered as being on-time but only where there are exceptional circumstances, including:

- Where the family were unable to submit their online application to Walsall Council on time because they moved into the Borough of Walsall after the Closing Date;
- The family were unable to comply with the admission timetable because of exceptional circumstances which prevented them from submitting their online application;
- When a single parent has been ill for some time.

In these cases, the circumstances must be given in writing at the time of application they will be subject to verification by the Admissions & Education Sufficiency Manager.

For secondary schools, this applies to applications received between 1 November 2025 and 29 November 2025.

For primary schools, this applies to applications received between 16 January 2026 and 14 February 2026.

LATE APPLICATIONS RECEIVED MORE THAN 4 WEEKS AFTER THE CLOSING DATE

Applications for schools received more than 4 weeks after the closing date but before the notification date will be processed as late applications and the applicant will receive notification of their offers as soon as possible after national offer day.

For secondary schools, this applies to applications received between 30 November 2025 and 28 February 2026.

For primary schools, this applies to applications received between 15 February 2026 and 15 April 2026.

LATE APPLICATIONS RECEIVED AFTER THE NOTIFICATION DATE (ONCE PLACES HAVE BEEN OFFERED)

Applications received after the notification date: a place will be offered at the highest ranked school if places are available.

For Walsall residents, if a place is not available at any of the preferred schools a place will be offered by Walsall Council at the nearest alternative Walsall school with vacant places, after consultation with the relevant admission authority and the child's name will be added to the waiting list for schools listed as preferences in admission criteria order, for any schools out of borough contact will have to be made with that Local Authority to request for the child to remain on the waiting list.

Offers for late applications will be made following National Offer Day as per the below table:

Date	Secondary Late Offer Days
16 March 2026	Late Offers - Phase 1 - Offers made for late applications received between 1/11/2025 & 28/02/2026
18 March 2026	Waiting List Positions available for Secondary 2026 applications
04 May 2026	Late Offers - Phase 2 - Offers made for late applications received between 01/03/2026 & 30/04/2026
22 June 2026	Late Offers - Phase 3 - Offers made for late applications received between 01/05/2026 & 21/06/2026
As Required	Further offers for late applications will be made as required

Date	Primary Late Offer Days
30 April 2026	Waiting list positions available for Reception 2026 & Junior 2026 applications.
4 May 2026	Late Offers - Phase 1 - Offers made for late applications received between 16/01/2026 & 30/04/2026
10 June 2026	Late Offers - Phase 2 - Offers made for late applications received between 1/05/2026 & 05/06/2026
As Required	Further offers for late applications will be made as required

WAITING LIST POLICY

Waiting Lists for all Walsall schools, other than Walsall Academy, will be maintained by Walsall Council until 31 August 2026, at this point they will be sent to the necessary school for coordinating in line with their midyear applications.

Parents may enquire about their child's position on any Waiting list by contacting the emailing the Admissions & Education Sufficiency Team, schooladmissionsadvice@walsall.gov.uk

Children in Care and previously children in care and those who are allocated to a school in accordance with Walsall's Fair Access Protocol must take precedence over those children on the waiting list.

Waiting lists are kept of all children who have been refused a place at any school that was ranked higher than the school at which they have been offered a place, for example

- If a child is offered a place at the school that was ranked 2nd on their application, then the child's name will only be placed on the waiting list for the school that was ranked 1st.
- If a child is offered a place at their parent's first preference school the child's name will not be added to any waiting list kept for lower ranked schools, unless requested in writing.

After 1 March 2026 (or next working day) for secondary transfers, or 16 April 2026 (or next working day) for primary admissions, a parent may contact the Admissions & Education Sufficiency Team to apply for a place at an oversubscribed Walsall school. Their child's name will be placed on the school's waiting list in admission criteria order.

Any vacancies will be offered based on the admission criteria for the school.

The Local Authority will continue to co-ordinate the primary and secondary phased rounds and will retain waiting lists until 31 August 2026.

After this, waiting lists for phased rounds will be held by the relevant admissions authority for a term only until 31 December 2026.

From 1 January 2027, parents who wish their child to be added to a new waiting list for a Walsall primary or secondary school should apply via either the primary or secondary mid-year admission application process.

MIDYEAR ADMISSIONS

APPLICATIONS FOR MIDYEAR ADMISSION TO WALSALL PRIMARY SCHOOL 2026/27

The Local Authority will coordinate the midyear admission process for applications to all Walsall primary schools and academies who have opted to join their co-ordinated scheme for the academic year 2026/27.

The list of primary schools and academies that have opted to join the Local Authority's scheme and those that have opted to co-ordinate their own arrangements for the academic year 2026/27 will be available on the Local Authority's website from 1 September 2026.

Parents who wish to apply for mid-year admission other than at the usual point of entry (Reception or Year 3 when transferring from an infant school to a junior school) for any school that has opted to join the Local Authority's Co-ordinated scheme should submit an online application via the school admission pages of the Walsall Council website.

Any supplementary information forms required by a school must be returned to the relevant school. Where a parent completes a supplementary form, it will not be regarded as a valid application unless the parent has also listed a preference for the school on their online midyear admission application.

Parents who wish to apply for mid-year admission other than at usual point of entry (Reception or Year 3) when transferring from an infant school to a junior school) for any school that has opted to co-ordinate their own mid-year admissions process should apply directly to their preferred schools.

Parents who wish to apply for mid-year admission to any school outside of the Walsall Local Authority area should contact the relevant local authority directly.

All Walsall maintained mainstream primary schools and academies must provide the Local Authority with accurate details of the number of vacancies in each year group on a weekly basis. This vacancy return process is to enable places to be offered to applicants for primary midyear admission at those schools that have opted to participate in the Local Authority's co-ordinated scheme without unnecessary delay. This process will also enable the Admissions & Education Sufficiency Team to fulfil its statutory duty to provide advice and guidance to parents and carers about school place availability in all primary schools in Walsall, not just those that are part of the Local Authority's co-ordinated scheme for mid-year admissions.

On receipt of an application for a primary midyear admission for a school that is part of the Local Authority's Co-ordinated admissions scheme for the academic year 2026/27 the Admissions & Education Sufficiency Team will assess the application in accordance with the relevant admissions criteria.

Once an application has been assessed in accordance with the published admission criteria of the preferred schools, the Local Authority must write to the applicant within 15 days of the receipt of their application to indicate one of the following outcomes:

- Where the child is eligible for a place at one or more of their parent's preferred schools they will be offered a place at the highest ranked preference;
- Where it is not possible to offer the highest ranked preference, where possible a place will be offered at a lower ranked preference and the offer letter will contain details of how the parent may appeal against the decision to refuse a place at the higher ranked school, and where there is a waiting list their child's name will be added to it. Waiting lists will be held until the end of the academic year and parents who wish their child's name to be added to the new waiting list will need to resubmit their online application at the start of each new term;
- If it is not possible to offer the applicant a place at any of their parent's preferred schools and the child is currently without a school place, a place will be offered at an alternative Walsall school, which has places available, following consultation with other admissions authorities where appropriate.

Parents of children with a statement of special educational needs or an Education Health and Care Plan (EHCP) must contact Walsall Council's SEN Team or the Local Authority that issued their statement or EHCP if they wish their child to move to a new school.

APPLICATIONS FOR MIDYEAR ADMISSION TO WALSALL SECONDARY SCHOOLS:

Parents who wish to apply for admission to any Walsall mainstream secondary school other than at the usual point of entry (Year 7) must apply directly to their preferred schools.

Parents who wish to apply for places at schools outside of Walsall should contact the relevant local authority directly.

All Walsall mainstream secondary schools and academies must provide the Admissions and Education Sufficiency Team with accurate details of the number of vacancies in each year group on a weekly basis to enable the Local Authority to provide accurate advice to parents and carers on secondary school place availability in Walsall.

Schools must notify the Local Authority promptly of all direct applications that are received, and of the outcome of all applications for midyear admission.

School must inform each applicant in writing of the outcome of their application within 15 days of receipt of the application also including the details of how the applicant can appeal an admissions decision if appropriate.

Parents of children with a statement of special educational needs or an Education Health and Care Plan (EHCP) must contact Walsall Council's SEN Team or the Local Authority that issued their statement or EHCP if they wish their child to move to a new school.

ADMISSION TO A YEAR GROUP OUTSIDE OF A CHILD'S CHRONOLOGICAL YEAR GROUP

Parents who wish to apply for their child to be admitted to a Walsall community or voluntary controlled primary school, in a year group other than that which is designated by their chronological age should submit a written request to Admissions & Education Sufficiency Manager.

Walsall Council, as admission authority for the school, will make the decision on whether or not to grant the request based on the individual circumstances of each case.

Requests will only be approved in circumstances where it is in the best interests of the child to be educated outside of their chronological year group.

Parents wishing to make an application for their child to be admitted out of their chronological year group to a voluntary aided or foundation school or academy, should write to the admission authority for the school. In either case, the letter should include details of why the parents/carers believe it is in the best interests of their child to be educated out of their chronological year group and should include supporting evidence from an appropriate professional.

Parents applying for midyear admission to a year group outside their child's chronological age, in a Walsall primary school will also need to submit an online midyear admission application to the Local Authority. Applications for midyear admissions for secondary schools must be completed with the secondary school directly.

POLICY FOR DEFERRED ENTRY TO RECEPTION

Children reach compulsory school age on the first day of the term following their fifth birthday. However, all Walsall primary schools provide full time places for pupils in a reception class from September in the year before children reach their fifth birthday.

If parents prefer their child to start school later than 1 September 2026, they have the option of deferring the child's entry until later in the 2026/27 school year. Parents opting for this must notify the school in writing of the date they wish their child to start in a reception class by Monday 1 June 2026.

Parents are not able to defer entry beyond the beginning of the term following their child's fifth birthday or beyond the academic year for which admission is sought.

The effect of this is that the place is held for that child and is not available to be offered to another child.

ADMISSION OF 'SUMMER BORN' CHILDREN TO RECEPTION

Summer born children, (born between 1 April and 31 August) reach compulsory school age in the September following their fifth birthday (or on their fifth birthday if it falls on 31 August). Parents of summer born children may submit a request for their child to be admitted to a reception class in the September following their fifth birthday, at the point at which other children in their age group are moving from the reception class to year 1.

Parents seeking deferred admissions to reception in a community or voluntary controlled primary school should make a request in writing to Walsall Council, providing details of the reason for the request and supporting medical evidence or evidence from the child's current head teacher, if

appropriate, demonstrating that deferred admission to Reception would be in the child's best interests.

Requests for deferred admission to Reception in respect of children who would normally be admitted in September 2026, should be submitted by 15 January 2026 where possible.

When an application for deferred admission to reception at the point at which other children in their age group are moving into Year 1 is received for a community or voluntary controlled primary school, Walsall Council, as admission authority for the school, will make the decision on whether to grant the request based on the individual circumstances of each case. Requests will only be approved in circumstances where it is in the best interests of the child to defer admission to Reception.

Parents seeking deferred admission to Reception in a voluntary aided school, foundation school or in an academy should submit a request directly to their preferred school. They must also notify the Local Authority in writing of the request and must complete a Local Authority application for the year of admission.

OVERSUBSCRIPTION CRITERIA FOR NURSERY SCHOOLS

Applications for nursery places should be made directly to the school.

If there are more applications than there are nursery places available, then places will be allocated using the Oversubscription Criteria in the following order of priority:

Priority for nursery places will be given to children born between 1 September 2022 and 31 August 2023. If places are oversubscribed, the following Oversubscription Criteria will apply:

- 1) Children in Care and all previous children in care, including those children who appear (to the admission authority) to have been in state care outside of England and ceased to be in state care because of being adopted
- 2) Pupils who have a sibling already in attendance at the school or paired junior school when the application is made and who will be still attending the school at the proposed admission date.
- 3) Pupils for whom a place at the school is essential on medical or social grounds and supported in writing by a medical practitioner or a Social Worker. (Applications will be subject to verification by the Admissions & Education Sufficiency Manager).
- 4) Distance between the home address and the school as measured in a straight line with those living closer to the school receiving the higher priority.

Where places are still available schools may only offer places to children who have attained the age of 3. If the remaining places are oversubscribed the Oversubscription Criteria 1-4, shown above, will apply.

If there is oversubscription in criteria 2 and 3, priority will be given to those living closest to the school as measured in a straight line.

ADDITIONAL INFORMATION

CHANGE OF ADDRESS

If you move house following submission of an application for any school place you must contact the Local Authority immediately as it may affect your child's application. Evidence will be required to show your new address, this would need to be validated by proof of address in the form of a utility bill, a solicitor's letter confirming completion of a house purchase and residency at the property as examples.

FRAUDULENT OR MISLEADING APPLICATIONS

The Local Authority will investigate any reports of an application that is suggested to be fraudulent or misleading. Any allegations that are confirmed by the Local Authority may result in the school place been withdrawn from the child.

The local Authority should be alerted to any potential fraudulent application by contacting the Admission & Education Sufficiency Team – schooladmissionsadvice@walsall.gov.uk

SCHOOL ADMISSION APPEALS

You can appeal at the standard points of admission (reception, year 3 or year 7), or mid-year if you've applied to move schools at a non-standard point. For appeals for schools outside Walsall Borough, you'll need to contact the relevant local authority.

It's important to be realistic about your reasons for appealing and the chances of being successful. An appeal can prolong the period of uncertainty for you and your child.

To make an appeal, you will have to set your case out in writing and attend an appeal hearing.

In reception, year 1 and year 2, the class size is limited to 30. Your application can be turned down if all the classes already have 30 children.

Complete your form, save a copy, and return to email AdmissionAppeals@walsall.gov.uk

You can also attach copies of evidence to your email. We accept scans and photos of original documents.

The deadline for you to submit your appeal form is 15 May 2026. Appeals received after this date may not be heard until the new school year, which starts 1 September 2026.

Appeals will take place during term time, up until late July 2026.

ADMISSION NUMBERS FOR COMMUNITY AND VOLUNTARY CONTROLLED PRIMARY SCHOOLS FOR 2026/27

Listed below are the proposed admissions numbers for community and voluntary controlled primary schools for 2026/27. The admission number is the capacity of the school to admit children at the normal age of entry in the 2026/27 academic year, that it:

- Admissions into Reception in Infant and Primary Schools
- Admissions into Year 3 in Junior Schools

Community or Voluntary Controlled Primary Schools	Proposed Admission Number	Community or Voluntary Controlled Primary Schools	Proposed Admission Number
Abbey Primary	30	New Invention Infant	90
Alumwell Infant	90	Old Church CE (C) Primary	60
Alumwell Junior	90	Palfrey Infant	90
Barcroft Primary	60	Palfrey Junior	90
Beacon Primary	60	Pelsall Village	30
Blakenall Heath Junior	60	Pinfold Street Primary	60
Butts Primary	30	Pool Hayes Primary	30
Castlefort JMI	30	Radleys Primary	30
Christ Church CE (C) JMI	60	Rosedale CE (C) Infant	60
Chuckery Primary	60	Rushall JMI	30
County Bridge Primary	30	Salisbury Primary	30
Delves Infant	90	Short Heath Junior	90 (proposed to change 2029/30 to align with Rosedale Infant)
Delves Junior	90	St Giles CE Primary	60
Elmore Green Primary	45	St James Primary	30
Hillary Primary	90	St John's CE Primary	45
Holy Trinity CE Primary	30	St Michael's CE (C) Primary	60
King Charles Primary	60	Sunshine Infant and Nursery	60
King's Hill Primary	60	Walsall Wood	30
Leamore Primary	30	Watling Street JMI	30
Leighswood	60	Whetstone Field Primary	30
Lindens Primary	60	Whitehall Nursery and Infant	90
Little Bloxwich CE (VC) Primary	30	Whitehall Junior School	90
Lower Farm Primary	60		
Meadow View JMI	60		
Millfield Primary	30		

DEFINITIONS:

HOME ADDRESS:

The home address of a child is the permanent residence of a child in a residential property when the place is offered. The address must be the child's only or main residence and is either:

- owned by the child's parent(s) or guardian; or
- leased to or rented by the child's parent(s), or guardian under lease or written rental agreement of not less than six months duration.

Documentary evidence of ownership or rental agreement may be required together with proof of actual permanent residence at the property concerned. In certain circumstances the child's current school will be asked to verify the address given.

Where parents have shared responsibility for a child and the child lives with both parents for part of the week, the main residence will be determined as the address where the child lives for **most** of the week. Parents may be requested to supply documentary evidence to support the address used for the application.

The offer of a place is based upon the address of the child when the offer is made. If a child is offered a place at an oversubscribed school the place may be withdrawn if it is found that the child moved (before the place was offered) to a new address, which was further away from the school, and the child would not have qualified for a place under the distance criterion.

If a family moves between the application and the date of offer, the Admissions & Education Sufficiency Team must be informed as soon as possible of these circumstances.

If the home address is a flat (or apartment) and there is more than one flat at the same address, priority will be given to applicants living at the lowest numbered flat on the lowest floor.

SIBLING:

A sibling is a child who resides at the same address as the child for whom a place is being requested and is one of the following:

- A brother or sister sharing the same parents.
- A half-brother or sister sharing one common parent.
- A stepbrother or sister (i.e., related by their parent's marriage).
- Any other child for whom it can be demonstrated that he or she is residing permanently at the same address (e.g., under the terms of a residence order).

Proposed Local Early Years Funding Formula 2025/26

Portfolio: Councillor Kaur – Education and Skills

Related portfolios: Councillor Perry – Leader of the Council

Service: Children's Services: Education

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 The Early Years funding formula is the local process that is utilised (informed by national early years funding guidance) to allocate the Early Years block of the Dedicated Schools Grant (DSG) funding that the Council receives to the early years providers in Walsall.
- 1.2 This report seeks approval to utilise the recommended Local Early Years Funding Formula in allocating the Early Years Block of the Dedicated Schools Grant (DSG) to Early Years Providers in 2025/26.

2. Summary

- 2.1 Central Government, in line with the commitment set out in its manifesto document, introduced an Early Years National Funding Formula (EYNFF) in April 2017 which was to deliver affordable, flexible and high quality childcare for all parents and children via a funding system which is fair for providers and local authorities.
- 2.2 The Early Years Block of the Dedicated Schools Grant (DSG) is paid to local authorities, who have a statutory duty to ensure sufficient early years places are available to meet the requirements in their area, and this funding is then paid by the local authority to providers based on the actual number of hours of funded childcare that is delivered.
- 2.3 The Early Years entitlements for 2025/26 include:
 - 15 hours entitlement for eligible working parents of children from 9 months up to 2 years old (extended to 30 hours from September 2025).
 - 15 hours entitlement for eligible working parents of 2 year old children (extended to 30 hours from September 2025).
 - 15 hours entitlement for 2 year olds receiving additional support.
 - 15 hours entitlement for all 3 & 4 year olds.
 - 15 hours entitlement for working parents of 3 & 4 year olds.

- 2.4 As the early years local funding formula will result in the Local Authority allocating funds to individual providers, and those providers utilising this for expenditure which will be significant (greater than £500,000), the approval of the formula is a key decision.

3. Recommendations

- 3.1 That Cabinet approves the proposed Local Early Years Funding Formula as set out in Appendix A.

4. Report detail - know

Context

- 4.1 In December 2024, the Department of Education (DfE) announced the local authority hourly funding rates for 2025/26 determined by the early years national funding formulae (EYNFF).
- 4.2 Local authorities are required to set a local Early Years Funding Formula for mainstream schools, nursery schools and private/voluntary early years providers in line with the Early Years entitlements: local authority funding operational guide 2025 to 2026 before the beginning of the financial year.
- 4.3 The agreed Early Years Funding Formula rates are then used to determine a budget share for all early years providers for 2025/26.

Proposed Early Years Funding Formula

- 4.4 Operational guidance sets out the funding factors that are permitted within the Early Years Local Funding Formula. These include a universal hourly base rate, a range of funding factor supplements including a mandatory deprivation factor and other discretionary funding factors, special educational needs inclusion fund (SENIF), disability access fund (DAF), early years pupil premium (EYPP) and additional funding in respect of maintained nursery schools.
- 4.5 Table 1 below sets out the proposed areas of the local Early Years Funding Formula (EYFF), highlighting the estimated cost of each area to be funded from the indicative allocation of £39.852m of Early Years Block Funding of the DSG that will be received in 2025/26, with a narrative describing each area set out below the table. The Table also shows that with the exception of the central expenditure, all of the funding received is passported directly to providers.
- 4.6 It should be noted that Early Years allocations are indicative at this stage and will be revised throughout the year as they are based on an estimated number of hours to be provided throughout the year. Final funding is then updated based on actual hours delivered.

Table 1 – Proposed 2025/26 Early Years Expenditure

Provision	Estimated Cost against Early Years Block of DSG for 2025/26 (£m)
3 & 4 Year Old Universal	13.754
3 & 4 Year Old Working Parents	4.555
2 Year Old Additional Support Parents	4.503
2 Year Old Working Parents (Apr-Aug)	1.113
2 Year Old Working Parents (Sep-Mar)	3.898
Under 2's - Apr-Aug	1.653
Under 2's - Sep-Mar	5.804
Early Years Pupil Premium (EYPP) - 3 & 4 Year Old	0.486
Early Years Pupil Premium (EYPP) - 2 Year Old	0.172
Early Years Pupil Premium (EYPP) - Under 2's	0.015
Maintained Nursery School (MNS) Supplement	2.175
Disability Access Funding (DAF) - 3 & 4 Year Old	0.196
Disability Access Funding (DAF) - 2 Year Old	0.042
Disability Access Funding (DAF) - Under 2's	0.016
Deprivation Supplement	0.119
SEN Inclusion Fund (SENIF)	0.100
Central expenditure on early years entitlement	1.251
Total	39.852

Universal and additional hours for working parents of 3 and 4 year olds

- 4.7 The operational guidance states that all local authorities must pay a universal hourly base rate for all their childcare providers in each of their local early years funding formulae for all the early years entitlements. The universal base rate must, in all cases, be multiplied by the number of estimated hours of attendance of children at each setting. The proposed rates for each entitlement included within the funding formula are detailed in Appendix A.

Funding Supplements

- 4.8 Funding supplements are amounts of funding paid to providers in addition to the universal hourly base rate to reflect local needs or policy objectives. Local authorities may apply a supplement to the base rate for any of the entitlements. For the 3 and 4-year-old entitlements, it is mandatory for local authorities to include a deprivation supplement in their local funding formula.
- 4.9 The proposed funding formula does not include funding supplements for rurality or sparsity, flexibility, quality or English as an additional language as these are all discretionary supplements.

Deprivation Supplement

- 4.10 This supplement recognises deprivation in local authorities' areas and supports children in those areas in taking up the early years entitlements. Use of the deprivation supplement is mandatory for 3 and 4-year-olds and discretionary for 2-year-olds and children aged 9 months up to 2 years.
- 4.11 The proposed Walsall Local Early Years Funding Formula allocates deprivation funding to 3 & 4 year olds based on the number of children recorded on prior year January census and headcount, whose postcode falls within band A of the Income Deprivation Affecting Children Index (IDACI).

Entitlement hours for 2-year-old children and children aged 9 months up to 2 years old

- 4.12 The introduction of the new working parent entitlements for 2-year-old children and children aged 9 months up to 2 years old in 2024 to 2025 means that there is now two separate 2-year-old entitlements.
- 4.13 Local authorities must ensure that the final hourly funding rate they pay to providers for a child on the entitlement for families of 2-year-olds receiving additional support is at least equal to the final hourly funding rate for the 2-year-old eligible working parent entitlement.
- 4.14 As detailed in Appendix A, the proposed Walsall Early Years Funding Formula sets the same base rate of £8.04 per hour for both 2-year-olds receiving additional support and for the 2 year old eligible working parent entitlement.
- 4.15 For the entitlement for working parents of children aged 9 months up to 2 years, local authorities can use the same formula structure as the 2-year-old working parent entitlement or set a different formula. However, higher funding rates for these younger children should be reflected. Walsall's proposed rate for 2025/26 is £10.99.

Maintained Nursery Schools Supplement (MNSS)

- 4.16 Local authorities with MNS will receive supplementary funding for the 2025 to 2026 financial year for universal 3 and 4-year-old entitlement hours only. This funding was introduced to enable local authorities to protect their 2016 to 2017 funding rates for the universal 15-hour entitlement for MNS (that is, the rates that existed before the EYNFF).
- 4.17 In 2025/26, local authorities' MNS supplementary funding rates include a notional allocation to acknowledge the additional pressures that their MNSs may face in respect of increases to teachers pay and employer pension contributions.
- 4.18 From 2023/24, the funding for this supplement that is paid to local authorities was changed to ensure that it was shared more evenly across all local authorities with MNSS. The DFE introduced a minimum value and a cap value on the hourly funding rate that local authorities can receive for their MNSS and which can then be allocated to maintained nursery schools. In 2025/26, the minimum hourly rate is £5.27 and the cap has been set at £10 per hour.

- 4.19 The allocated funding to local authorities is based on an estimate of hours to be provided by maintained nursery schools. The final value paid to the local authority will vary based on the actual number of hours provided. All providers must be paid the same hourly base rate.
- 4.20 The local EYFF therefore proposes that for 2025/26, the full allocation that the authority receives for MNSS funding, of £5.27 per hour, is also utilised as the basis for allocating the MNSS funding i.e. the full value received will be passed on to maintained nursery schools based on the actual number of hours provided – if the number of hours increases the funding allocated to the local authority and then paid to the setting will also increase, and if the number of hours reduces so will the funding.

Early Years Pupil Premium (EYPP)

- 4.21 The Early Years Pupil Premium (EYPP) gives providers additional funding to support children from families receiving additional support accessing an entitlement place. For 2025/26, EYPP covers all children who are accessing the entitlements and meeting the eligibility criteria detailed in Early Years Operational Guidance.

Disability Access Fund (DAF)

- 4.22 The DAF was introduced to support disabled children's access to the entitlements for 3 and 4-year-olds. From 2024 to 2025, DAF eligibility was extended to eligible 2-year-olds and children 9 months old to 2 years, accessing the entitlements.
- 4.23 DAF funds can be used, for example, to support providers in making reasonable adjustments to their settings and/or helping with building capacity, be that for the child in question or for the benefit of all children attending the setting. Settings may want to use DAF funding to pay for staff training to help meet children's specific needs, resources and adjustments to support the individual child's needs.

Special Education Needs Inclusion Fund (SENIF)

- 4.24 All local authorities are required to have a SENIF for all children eligible for the entitlements and who have SEN regardless of the number of hours taken. These funds are intended to support local authorities to work with providers to recognise and support the low-level and emerging needs of individual children with SEN who are taking up the entitlements.
- 4.25 These funds also support local authorities to undertake their responsibilities to strategically commission SEN services as required under the Children and Families Act 2014. Children not eligible for entitlements or with more complex needs and in receipt of an education, health and care plan will continue to be funded via the high needs block of the DSG.

Central Expenditure on Early Years Entitlement

- 4.26 The Early Years Funding operational guidance allows local authorities to retain a percentage of their Early Years funding allocation to support the costs of internal services relating to Early Years provision.

- 4.27 In previous years, local authorities were able to retain up to 5% of the Early Years block funding allocation passing on a minimum of 95% of the funding to providers. However, in summer 2023, the previous government consulted on the minimum pass-through requirement and outlined their intention to increase this from 95% to 97%.
- 4.28 It has been confirmed that this change will be embedded over 2 years increasing the minimum pass-through rate to 96% in 2025/26 and 97% in 2026/27. This requirement applies separately to all entitlements.
- 4.29 In 2024/25, the Walsall EYFF retained £778k (2.3%) of the Early Years Funding Block meaning an average pass through rate of 97.7%. This was applied to all of the entitlements for children from 9 months to 4 years old.
- 4.30 For 2025/26, the proposed EYFF retains £1.25m (3.41%) of the Early Years Funding Block meaning an average pass through rate of 96.59% and also applies this to all of the entitlements. This is within the allowable rates detailed in the Early Years Funding Operational Guidance. This is shown in Appendix B.
- 4.31 This centrally retained funding is also included in the Central Expenditure Budget report shared with Schools Forum on 21 January 2025. This report sought Schools Forum approval to retain these funds and provides further detail as to how these funds will be spent.
- 4.32 Table 2 below details the 2024/25 pass-through rates for the 4 Black Country local authorities. The 2025/26 information is not yet available however the proposed pass-through rate of 96.59% is in line with Wolverhampton and Sandwell current rates.

Table 2 – Black Country LA 2024/25 Pass-through Rates	
LA	2024/25 Pass-through Rate
Walsall	97.7%
Wolverhampton	96.5%
Sandwell	96.9%
Dudley	98.8%

Detailed Funding Factor Values

- 4.33 Appendix A below confirms the proposed funding factors and their values for the 2025/26 Local Early Years Funding Formula.
- 4.34 It should be noted that the early years guidance also permits a number of additional discretionary supplements including rurality; quality; flexibility and English as a second language, however it is not proposed to use any of these permitted discretionary supplements in the 2025/26 Local Early Years Funding Formula. This is in line with prior years funding formula as agreed by Schools Forum and approved by Cabinet.

Council Plan priorities

- 4.35 The Council 2025-29 sets out the Council's vision and priorities for the next four years, where resources will be prioritised and how the Council will deliver these

against the We Are Walsall 2040 vision. Ensuring that a local EYFF is seen as equitable and is transparent to those who have been consulted with, such as Schools Forum, when setting the formula directly links to the Council's priorities for outcomes linked to providing a child friendly borough including ensuring children are school ready and working with education providers to ensure young people have the right pathway to education.

Risk management

- 4.36 Individual settings may see movements in the actual funds that are paid to them where the numbers of children taking up entitlement, have changed. Settings will, as they always have done, need to manage these changes within their overall funding. Where the impact of that is significant for any individual Early Years provider, the authority will work with those concerned to provide support in managing that.

Financial implications

- 4.37 The exact financial impact on individual providers cannot be predicted at this time as this will be dependent on actual hours of funded childcare that are delivered during 2025/26. This will be shared with providers by 28 February 2025 as recommended by the DfE.
- 4.38 Current financial modelling indicates that the proposed financial arrangements set out in Table 3 would be affordable within the Early Years Block funding provided within the Dedicated Schools Grant for 2025/26. It should be noted that, as the January 2025 census data is not yet available, prior year data has been used in the funding model to estimate affordability, however updated modelling will be undertaken once the January 2025 census data is available. Any risk associated with this is minimal as the funding allocation will also be updated to reflect any changes in the number of hours provided.
- 4.39 Payments are made to private, voluntary or independent (PVI) nurseries and Child Minders on a termly basis with 3 payments made per term. The first payment is 75% of their indicative allocation for the coming term, the second payment is the remaining 25% of their allocation updated for the latest portal data and the final payment then accounts for any further adjustments in pupil numbers by the end of the term.
- 4.40 Payments are made to schools and nursery schools on a termly basis with 2 payments made per term. The first payment is 100% of their indicative allocation for the coming term. The second payment is a final adjustment to the indicative allocation based on the latest census data available. The payment may be a payment for further funding or recovery of over payment.
- 4.41 Table 3 below shows the increase in rates for each funding entitlement for 2024/25 and 2025/26.

Table 3 – Funding Entitlement Rate Increases					
Entitlement	2023/24 Rate	2024/25 Rate	2024 Rate Increase	2025/26 Rate	2025/26 Rate Increases
3 & 4 year Old Universal	£4.86	£5.40	£0.54	£5.58	£0.18
3 & 4 year Old Working Parents	£4.86	£5.40	£0.54	£5.58	£0.18
2 year old Additional Support Parents	£5.51	£7.95	£2.44	£8.04	£0.09
2 year old Working Parents	NA	£7.95	NA	£8.04	£0.09
Under 2's	NA	£10.85	NA	£10.99	£0.14

To note, the funding entitlements for 2 year old working parents and under 2's were not introduced until 2024/25 therefore there are no rates included in Table 3 above for 2023/24.

- 4.42 In 2023, the government consulted with local authorities on the approach to distributing entitlement funding for 2 year olds and under from 2024/25. The outcome of this lead to a larger increase in the funding linked to 2 year olds. The increase in 2024 for Walsall was £2.44 and the full increase was passed to providers.
- 4.43 Table 4 below shows the current 2024/25 rates for the 4 Black Country local authorities.

Table 4 – Comparison Rates for other Local Authorities				
Entitlement	2024/25 Walsall Rates	2024/25 Wolverhampton Rates	2024/25 Sandwell Rates	2024/25 Dudley Rates
3 & 4 year Old Universal	£5.40	£4.98	£5.06	£5.07
3 & 4 year Old Working Parents	£5.40	£4.98	£5.06	£5.07
2 year old Additional Support Parents	£7.95	£7.83	£8.48	£7.58
2 year old Working Parents	£7.95	£7.83	£8.48	£7.58
Under 2's	£10.85	£10.71	£11.61	£10.41

- 4.44 In summary, the Table shows that:
- Walsall's rates for 3 & 4 year olds exceed all of the other LAs by an average of £0.36 or 7%.
 - Walsall's rates for 2 year olds exceed both Wolverhampton and Dudley by an average of £0.25 or 3%. Sandwell rates for 2 year olds are higher than Walsall.
 - Walsall's rates for under 2's exceed both Wolverhampton and Dudley by an average of £0.29 or 3%. Sandwell rates for under 2's are higher than Walsall.

Other Grants Supporting Early Years Entitlements

- 4.45 As part of government reforms to expand the entitlements for funded childcare to children aged 9 months to school age, Central Government agreed to provide additional revenue and capital funding to local authorities to support the expansion of Early Years provision to ensure adequate provision is available to meet expected growth in demand.
- 4.46 This was split into a Delivery Support grant, for which Walsall received £60,534.27 revenue funding in 2023-24, and a Childcare Expansion Capital grant, for which Walsall received £430,887.04 capital funding in 2023-24.
- 4.47 Of the Delivery Support grant received in 2023-24, £52,812 was unspent as at the end of 2023/24 and carried forward into 2024/25 and is expected to be fully spent by March 2025. The Childcare Expansion Capital grant remained fully unspent in 2023/24 and was carried forward in full to 2024-25 and is expected to be fully spent by March 2025. No further revenue or capital funding is expected to be received.
- 4.48 In the March 2023 Spring Budget, the government announced an investment of £289m for a national wraparound childcare programme, to support all families who need to access wraparound childcare from 8am to 6pm. An expansion in the availability of wraparound care was to begin from September 2024, with every parent who needs it able to access term-time wraparound childcare by September 2026. The potential and confirmed funding allocations for Walsall are included in the Table 5 below.

Table 5 – National Wraparound Programme Grant Allocations			
2023/24	2024/25	2025/26 (Provisional)	Total
£17,662.98	£954,830.50	£534,815.70	£1,507,309.18

- 4.49 In January 2024, the DfE also launched an Early Years Financial Incentives pilot scheme to provide financial incentives to new and returning eligible early years workers to support the planned childcare expansion. The DfE selected a number of authorities to take part in the pilot and then split these into 2 groups – a control group who would not offer the incentive and a trial group who will offer the incentive.
- 4.50 Walsall were selected to be in the trial group and confirmed participation in the pilot with the DfE. The total amount of funding available for Walsall was £251,935 to support around 160 new starters, however, due to low take-up from Early Years providers, it was agreed with the DfE that that second payment for 2024/25 would be withheld. The first payment was received in March 2024, so was carried forward in full to 2024-25. The potential and confirmed funding allocations for Walsall are included in Table 6 below.

Table 6 – Early Years Incentives Pilot Grant Allocations			
	2023/24	2024/25	Total
Planned Allocation	£125,967.50	£125,967.50	£251,935.00
Actual Allocation	£125,967.50	£0	£125,967.50

- 4.51 The funding was made available to the LA as a Section 31 grant, however, the guidance states that the LA can only retain up to 5% of the grant to support internal administration costs and all funding must be spent by 31st March 2025. To date £6k has been spent on the pilot plus a further £6k on administrative costs. All remaining unspent funds at 31 March 2025 will be returned to the DfE.
- 4.52 Funding was available between 2021-22 and 2023-24 to cover the work done by Local Authorities in support of the Early Years Experts and Mentors Programme, which gives Early Years providers access to mentoring to improve their performance ratings. Walsall participated in the Summer Term of the 2023-24 academic year, so received £4,000 in the 2023-24 financial year which was carried forward in full to 2024-25. This will all be fully spent in 2024/25.
- 4.53 An Early Years Assurance Group has been set up comprising of Officers from across Children's services, Finance, Business Intelligence Hub and the Communications team to ensure that all of the Early Years programmes detailed in sections 5.9 through to 5.17 are on track, relevant governance procedures are in place and adhered to, timelines are agreed and deadlines are met. Updates from the group are then shared with the Director on a regular basis.

Legal implications

- 4.54 The DfE has prescribed the way in which early years providers should be financed for the 2025/26 financial year. These guidelines are set out in the Early Years Entitlements: local authority funding operational guidance 2025 to 2026 and can be found at the following link:

<https://www.gov.uk/government/publications/early-years-funding-2025-to-2026/early-years-entitlements-local-authority-funding-operational-guide-2025-to-2026#local-authority-funding-of-the-entitlements---96-pass-through-requirement>

- 4.55 The purpose of these arrangements is to help secure greater consistency in the way in which funding is distributed to early years providers. The Council must follow the guidance issued by DfE within The School and Early Years Finance (England) Regulations, and the proposed Walsall local early years funding formula sets out how funding will be allocated to early years providers in Walsall within the prescribed arrangements.

Procurement Implications/Social Value

- 4.56 Schools are required to comply with the Council's procurement rules and policies in conducting their business.

Property implications

- 4.57 Unless any schools in Walsall were to close, there will be no property implications associated with this report.

Health and wellbeing implications

- 4.58 The content of this report has taken into account the Marmot objectives and it is confirmed that the proposals have been tested against the relevant considerations in this respect. As such there has been no indication that the proposed school funding formula would have any adverse impact on the health and wellbeing of staff and pupils based at Walsall schools.

Staffing implications

- 4.59 If individual providers see movement in the actual funding paid to them, due to movements in pupil numbers or changes in need, there is a risk that staff posts may also need to be reduced.

Reducing Inequalities

- 4.60 As part of the consultation on the implementation of an early years national funding formula, the government undertook a full equality impact assessment, taking into account the relevant protected characteristics identified in the Equality Act 2010.

Climate Change

- 4.61 There are no direct Climate Change implications arising from this report.

Consultation

- 4.62 Consultation has been undertaken with Schools Forum, which is made up of representatives of maintained schools and academies within Walsall and representatives from the private sector for early years providers, on 21 January 2025. Any relevant comments or feedback will be added to the final version of this report prior to circulation to Cabinet.

5. Decide

- 5.1 That Cabinet approves the proposed Local Early Years Funding Formula that was recommended by Walsall's Schools Forum at their meeting on 21 January 2025.

6. Respond

- 6.1 Following the decision by Cabinet, indicative budget shares for all early years providers for 2025/26, will be distributed according to the approved early years funding formula by 28 February 2025.

7. Review

- 7.1 Schools will be expected to monitor and stay within their delegated budget. The local authority will continue to provide support to schools to ensure that robust financial monitoring is carried out. Walsall's Schools Forum will continue to receive financial performance reports to monitor usage of school's budgets.
- 7.2 For private and voluntary providers, regular support from the Early Years Team is provided to ensure continuity of provision.

Background papers

Schools forum Report 21 January 2025 – Proposed Local Early Years Funding Formula 2025/26

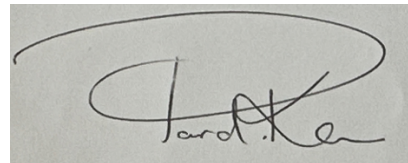
ESFA – Early years entitlements: local authority funding operational guide 2025/26

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Colleen Male
Executive Director Childrens & Customer
3 February 2025



Councillor Kaur
Portfolio Holder – Education & Skills
3 February 2025

Appendix A - Proposed Early Years Funding Formula 2025/26

Funding Factor	Unit / Description	2024/25 Rate / Value	2025/26 Rate / Value
3 & 4 Year Old Universal Entitlement	15 hours funded child care for all 3 & 4 year old children – rate per hour	£5.40	£5.58
3 & 4 Year Old Working Parents	Additional 15 hours funded childcare for eligible working parents – rate per hour	£5.40	£5.58
2 year old Additional Support	Rate per hour (previously known as the 2 year old disadvantaged entitlement)	£7.95	£8.04
2 year old working parent entitlement	15 hours April – August increasing to 30 hours from September 2025 – rate per hour	£7.95	£8.04
Under 2's working parent entitlement	15 hours April – August increasing to 30 hours from September 2025 – rate per hour	£10.85	£10.99
Deprivation Supplement – mandatory	Fixed annual sum per notional disadvantaged child derived from numbers recorded on January census & mapped by postcode to IDACI band A	£1140 pa p/p	£1140 pa p/p
Maintained Nursery Schools Supplement for 3 & 4 YO provision	Per Hour	£4.64	£5.27

Other Early Years Funding

Funding	Description	2024/25 Prescribed Rate	2025/26 Prescribed Rate
Early Years Pupil Premium (EYPP)	Additional funding to support disadvantaged children who meet the prescribed criteria	£0.68 per hour of universal free entitlement	£1.00 per hour of universal free entitlement
Disability Access Fund (DAF)	For children in receipt of disability living allowance – support access to free entitlement for all eligible children	£910 p/a lump sum	£938 p/a lump sum
Special Education Needs Inclusion Fund (SENIF) for all children with SEN eligible for entitlements	SENIF is targeted funding for children with lower or emerging SEN needs who are eligible for or taking up the entitlements regardless of the number of hours taken.	£640 per term	£640 per term

Appendix B – Hourly Rate Increases passed to Providers

Funding Entitlement / Factor	DSG Rate £	Rate Passed to Providers £	% of Funding passed to providers
3 & 4 year Old Universal	5.81	5.58	96%
3 & 4 year Old Working Parents	5.81	5.58	96%
2 year old Additional Support Parents	8.38	8.04	96%
2 year old Working Parents	8.38	8.04	96%
Under 2's entitlement	11.45	10.99	96%
Early Years Pupil Premium 3 & 4 year olds	1.00	1.00	100%*
Early Years Pupil Premium 2 year olds	1.00	1.00	100%*
Early Years Pupil Premium under 2's	1.00	1.00	100%*
Disability Access Fund 3 & 4 year olds	938.00	938.00	100%*
Disability Access Fund 2 year olds	938.00	938.00	100%*
Disability Access Fund Under 2s	938.00	938.00	100%*
Maintained Nursery Schools Supplement	5.27	5.27	100%*

*100% of the funding available must be passed to providers.

Cabinet – 12 February 2025

All Age Carers Strategy 2024-2027

Portfolio: Councillor Pedley – Adult Social Care

Related portfolios: Councillor Elson – Children and Young People

Service: Adults and Children's Services

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 Duties towards unpaid carers are woven through the Care Act 2014 and associated statutory guidance.
- 1.2 The local authority has a responsibility to identify and support young Carers. These responsibilities are set out in the Children Act 1989 (as amended by the Children & Families Act 2014) and under the Care Act 2014.
- 1.3 The All Age Carers Strategy pulls together the key principles underpinning the Care Act 2014 and the statutory duties placed on the Council regarding carers and details how the Council will meet those duties.
- 1.4 The aim of this strategy is to highlight the role of Carers in Walsall and outline our strategic intentions for improving the wellbeing of Carers living in the borough by helping them access quality services when they need them, and in a way that works best for them.

2. Summary

- 2.1 To update Cabinet on the All-Age Carers Strategy. A strategy designed to support all Walsall Carers to improve the quality of life for Carers to enable them to live a healthy and fulfilling life outside of their caring role.
- 2.2 Update Cabinet on progress of the All-Age Carers Strategy and delivery plan co-designed and to be co-delivered by Adult Social Care Commissioning and Children's services.
- 2.3 The strategy is in line with the vision outlined in We Are Walsall 2040. Walsall A community that cares. The All Age Carers Strategy will help in achieving the outcome: -

‘By 2040 all carers will be supported to meet their needs and maintain their quality of life.’

And Our Council Plan 2025-2029. Key priority Supported and cared for. The All Age Carers Strategy will deliver on our commitment that we: -

‘will have a clear and comprehensive carers strategy outlining how we will work with and support carers across the borough’

3. Recommendations

- 3.1 That Cabinet acknowledge the Walsall All Age Carers Strategy 2024-2027 is a joint and collaborative strategy across Adult and Children’s Services.
- 3.2 That Walsall All Age Carers strategy 2024-2027 is approved.

4. Report detail - know

Context

- 4.1. The Care Act 2014 defines a Carer as ‘An adult who provides or intends to provide care for another adult (adult needing care)” Section 10(3) of the Care Act 2014”. And NHS England defines a Carer as ‘Anyone who looks after a family member, partner or friend who needs help because of their illness, frailty, disability, a mental health problem or an addiction and cannot cope without their support’.
- 4.2. Carers provide unpaid care alongside their other responsibilities, with people often putting their lives on hold to provide care for a loved one, friend, neighbour or relative. This care could be for a few hours per day, or more and could be around the clock care. Anyone can become a Carer.
- 4.3. Carers often say they did not choose or plan to become Carers, and caring responsibilities can arise unexpectedly without any training, knowledge, or preparation. People do it out of love, kindness or a sense of duty. Many people do not see themselves as Carers because they are simply doing what they can for a relative, a friend or a neighbour who needs them because of their disability or illness.
- 4.4. The Council has a responsibility to identify and support young carers. These responsibilities are set out in the Children’s Act 1989 (as amended by the Children & Families Act 2014) and under the Care Act 2014. The latter introduced new rights for young carers to ensure young carers and their families are identified and their needs for support are assessed.

- 4.5. Young Carers are children and young people under the age 18 who provide regular and ongoing care and emotional support to a family member who is physically or mentally disabled or misuses substances.
- 4.6. Under section 63 of the Care Act 2014 the Local Authority must assess the needs of a young carer who is approaching the age of 18 when:
- a. It appears that the young carer has needs for Support; and
 - b. It appears that the young carer is likely to have needs for Support after becoming 18.
- 4.7. Key statistics about Carers in Walsall:
- There were 26,415 unpaid Carers in Walsall in 2021
 - This represents 10% of the total population in the Borough
 - The majority of unpaid Carers are woman (66%)
 - The largest group of Carers is aged between 45-64 years of age
 - There are currently 276 young Carers from the age of 8 – 21 years of age
 - Over 60% of young Carers are female
 - The largest group of young Carers are aged 13 – 15 years old
 - Around 60% of Carers provide care for 20 hours or more per week
 - 35% of Carers in Walsall provide over 50 hours of care each week
 - The economic value of unpaid care is estimated to be around £605 million per year
 - Around 60% of Carers provide care for a spouse or partner
- 4.8. It was agreed at EDMT on 8 August 2024 to develop a 3 year 'All Age Carers Strategy 2024-2027,' and that Adult Social Care and Children's Services should collaborate to coproduce the strategy.
- 4.9. Adult Social Care Commissioning and Children's Services worked collaboratively to align and integrate their individual strategies to co-produce the All-Age Carers Strategy. The Draft All-Age Carers Strategy was presented at EDMT on 9 October 2024 and presented at Children's DMT on 24 October 2024, where it was signed off.
- 4.10. This strategy builds on the progress made over recent years in identifying and improving the experience and wellbeing for Carers. Carers of all ages have shared their experiences of what caring is like and what support they need. These views have shaped and informed the priorities in the strategy.
- 4.11. This strategy has been developed through a process of coproduction and ongoing communication with Carers, Carer's Hub, the voluntary sector, Walsall Young Carers service and other key stakeholders.
- 4.12. Both Adult Social Care and Walsall Young Carers service support carers of all ages and through the All-Age Carers strategy have set 6 priorities in line with the Care Act 2014.

Priority 1 - Identification and Recognition

- Priority 2 - Improving the health and well-being of unpaid Carers
- Priority 3 - Improving information, advice and guidance to Carers
- Priority 4 - Supporting Carers to have a good life outside of caring, as well as after caring ('Time for Me')
- Priority 5 - Improving Carers Assessment and Support
- Priority 6 - Crisis management and professional awareness.

- 4.13. In order to effectively address the gaps that exist in meeting the needs of carers in Walsall and to implement the strategic priorities within the strategy, the development of a delivery plan identifying the stages of work required over the next three years, considering the financial challenges which the Council and the health service are currently under, is being developed.
- 4.14. We will introduce a robust governance structure and Carers Matter Partnership Board, where partners and Carers will be represented. The Board will oversee the delivery of the strategic priorities within the Strategic Delivery Plan. The Commissioning Manager (CBS) will have overall responsibility for its delivery via the All-Age Carers Steering Group which will report to the Carers Matter Partnership Board.

Council Plan Priorities

- 4.15 The All Age Carers Strategy contributes to the Council's outcomes in the Borough Plan We Are Walsall 2040. With the vision for Walsall to be a community that cares. The All Age Carers Strategy will help in achieving the outcome: -

'By 2040 all carers will be supported to meet their needs and maintain their quality of life.'

And key area of focus in Our Council Plan 2025-2029. Key priority, Supported and cared for. The All Age Carers Strategy will deliver on our commitment that we: -

'will have a clear and comprehensive carers strategy outlining how we will work with and support carers across the borough'

Risk Management

- 4.16. Not applicable.

Financial Implications

- 4.17. Currently we are consulting on the priorities within the strategy. Until the consultation is completed the financial implications are unknown. Once this is completed it will be clearer what the potential financial envelope required will be if any and how it will be resourced.

- 4.18 Currently, there are no savings attached to this, if probable savings are identified at any future point they will be modelled and form part of future year budget plans.

Legal Implications

- 4.19. The proposals will facilitate compliance by the Council with its statutory obligations towards Carers in the borough of all ages in the borough of Walsall under the Children Act 1989 (as amended) and the Care Act 2014.

Procurement Implications/Social Value

- 4.19. Although adults currently have a commissioned provider, to deliver the three-year strategy the Council may have to go out to tender, or consider a variation of the current contract with the current provider.

Property Implication

- 4.20 Not applicable.

Health and Wellbeing implications

- 4.21 The All Age Carers strategy is intended to ensure that we improve the health and well-being of all carers in Walsall. The Care Act places “wellbeing at the heart of care and support”. Councils are directed to apply this wellbeing principle to adult carers, young carers, and parent-carers who fall within scope of the Care Act 2014. The Council is also required to promote wellbeing when carrying out any of its care and support functions. Wellbeing is integral to our carer’s strategy.

Staffing implications

- 4.22 Current staff in the commissioning team are not funded from long term budgets, but grants. To deliver and sustain the strategy longer term funding for key roles will need to be agreed. This will likely be done through the work on People Commissioning.
- 4.23 Walsall early help currently has 2 permanent young carers practitioners in place.

Reducing Inequalities

- 4.24 To identify any anticipated impact on residents, service users and staff an Equality Impact Assessment will be completed for the lifetime of the strategy, clearly identifying any adverse impact on any of the protected characteristics and demonstrating if that impact is justified or if there are any mitigating actions to reduce the impact.

Consultation

- 4.25. As part of the development of the strategy there has been consultation and engagement with carers and commissioned providers and usage of National Surveys.
- 4.26. Carers have told us about the impact on them of caring, what is working well and what is needed.
- 4.27. The voice of Young Carers and promise to Young Carers has been included.
- 4.28. The Council have had an opportunity to identify the most important areas of work around Unpaid Caring in November DASS Chats.
- 4.29. Working closely with the coproduction lead ongoing consultation is taking place to ensure the priorities are right and delivery of the strategy is as required and so that the carer voice is central to delivery.

Climate Impact

- 4.30. Not applicable.

5. Decide

- 5.1. That Cabinet acknowledge the Walsall All Age Carers Strategy 2024-2027 is a joint and collaborative strategy across Adult and Children's Services.
- 5.2. That Cabinet approves the Walsall All Age Carers Strategy 2024-2027.

6. Respond

- 6.1. To help support the delivery of this strategy, the Council will work in partnership with Carers, Walsall Children's Service, Health and Adult Social Care, Walsall Together, statutory and voluntary agencies to provide the local steer for the commissioning and development of Carer services and the Carer Offer within the borough of Walsall.
- 6.2. Delivery Plan 2024-2027 currently being coproduced, will be discussed and agreed within the All-Age Carers Steering Group and brought back to EDMT and CMT in spring 2025.

7. Review

We will introduce a robust governance structure and Carers Matter Partnership Board, where partners and Carers will be represented. The Board will oversee the delivery of the strategic priorities within the Strategic Delivery Plan. The Commissioning Manager Community Based Services in Adult Social Care, will have overall responsibility for its delivery via the All-Age Carers Steering Group which will report to the Carers Matter Partnership Board.

Background Papers

None

Appendix

Appendix A: All Age Carers Strategy

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3 February 2025



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3 February 2025

All Age Carers Strategy

Carers Matter – Our commitment
to Carers in Walsall Council

2024-2027



Walsall Council





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Introduction

The purpose of this strategy is to highlight the role of Carers in Walsall and outline our intentions for improving the wellbeing of Carers living in the borough.

Our partnership with Carers, young Carers and their families, partner agencies, providers, health colleagues and community voluntary sector organisations is of paramount importance to deliver on the priorities highlighted in this strategy. Carers could be looking after someone who is a family member, partner or friend and need support to maintain their wellbeing and to support them in their caring role. We know that the support Carers give is unpaid, underestimated and often undervalued. In this document we have set out our strategic aims and priorities to support:

- Unpaid Carers
- Young adult Carers
- Young Carers

that are caring for family or friends living in Walsall. This strategy builds on the progress made over recent years in identifying and improving the experience and wellbeing for Carers. We are incredibly grateful to the Carers who have shared their experiences of what caring is like and what support they need. These views have shaped and informed the intentions in this strategy. We have included both national and local priorities with details of the proposed actions over the next 3 years. This strategy has been developed through a process of co-production and ongoing communication with Carers, our Carer's Hub, the voluntary sector, Walsall Young Carers service and other key stakeholders. We promise to support you and acknowledge and recognise your caring role in Walsall. We aim to improve our understanding of the needs of our Carers, and from this, help to design, shape and improve services in Walsall to meet these needs. Walsall will be a place where Carers are recognised, valued, and supported. Carers will be able to achieve their full potential, live their lives with confidence and resilience and access quality services when they need it, and in a way that works best for them.

We want Walsall Carers to be able to live a healthy and fulfilling life outside of their caring role.

We would like to thank any Carers in Walsall for the difference that they make to people's lives in Walsall.



Our commitment to Carers

As the Executive Directors of Adults and Children's Social Care we are proud to acknowledge the vital role that Carers play in our community. The selfless dedication and tireless work of Carers is essential in supporting our residents to live with dignity in their own homes, and we are extremely grateful for their contribution. Our Carers Vision sets out an ambitious 3-year plan to build on our current work and improve further the identification, support and recognition for Carers across the borough. We are committed to identifying and supporting more Carers, to improve their wellbeing and quality of life. The Council remains committed to delivering a range of measures to support Carers in Walsall. These include increased access to information, advice, and practical support, as well as training, education, and respite services. We are passionate about ensuring that Carers are recognised, valued and supported in every way possible. The Council is dedicated to working with Carers to ensure that they receive the help they need to maintain their own wellbeing, and to continue caring for their loved ones, friends and neighbours. Finally, we would like to express our deep appreciation for the contribution that Carers make to our communities, and we assure all Carers in Walsall that we remain committed to providing the support they need to continue their vital work.



We recognise the crucial importance of identifying and supporting young Carers in our Borough, ensuring their unique needs are met. Through active listening and engagement, we have understood what is essential to them in providing effective support. Our strategy is designed to help young Carers thrive, reach their potential, and make a successful transition to adulthood. By prioritising their wellbeing and offering targeted resources, we aim to create an environment where our young Carers are empowered and can continue to flourish.

We look forward to working with Carers to achieve our vision of a caring and supportive community for all.

Kerrie Allward
Executive Director - Adult Social Care

Colleen Male
Executive Director – Children's Services

Thank You

It's only right to start by thanking Walsall's Carers – of all ages - for the invaluable role they play in our community.

It's because of their dedication and hard work, that many of our most vulnerable residents can continue to live with dignity, in their own homes, supported by people they know and trust.

The council recognises the immense contributions that Carers make to our society 365 days a year, 24/7, and we remain committed to supporting you.

Caring can be a demanding and challenging role, and we want to assure all Carers that the council will remain here to offer the help and support you may need.

We know that our Carers are a diverse group of people, and it's important that the support they receive is useful to them and their circumstances.

We want our Carers to be able to access information, advice, and practical assistance easily, without any extra fuss, so they can do what they do, whilst also looking after themselves and their wellbeing.

It's quite simple – we want our Carers to receive the recognition, respect, and support they deserve, and we are committed to achieving this in every way possible.

Thank you for everything you do, and continue to do, for those you care for.



Councillor Keir Pedley
Portfolio Holder for Adult Social Care

Councillor Stacie Elson
Portfolio Holder for Children's Services

Who is considered to be a Carer

A Carer is anyone who looks after a family member, partner or friend who needs help because of their illness, frailty, disability, a mental health problem or an addiction and cannot cope without their support. The care they give is unpaid. If you are under the age of 18 you are defined as a young Carer.

Many Carers don't see themselves as Carers and it takes them an average of two years to acknowledge their role as a Carer. It can be difficult for Carers to see their caring role as separate from the relationship they have with the person for whom they care, whether that relationship is as a parent, child, sibling, partner, or a friend. It's likely that every one of us will have caring responsibilities at some time in our lives with the challenges faced by Carers taking many forms. Many Carers juggle their caring responsibilities with work, school and study and other family and social commitments. Some are not known to be Carers. They don't tell relatives, friends or health and care professionals about their responsibilities because of a fear of separation, guilt, pride or other reasons.

This means that the sort of roles and responsibilities that Carers have to provide varies widely including emotional as well as practical support. They can range from help with everyday tasks such as getting out of bed and personal care such as bathing, to emotional support such as helping someone cope with the symptoms of a mental illness. (Definition – NHS England 2024) Young Carers can have a wide range of caring roles and responsibilities, including house work, healthcare, intimate personal care and wider tasks such as translating for non-English speaking family members or managing the family budget. (Hidden from view – the Carers society 2013)

Many people do not see themselves as Carers because they are simply doing what they can for a relative, a friend or a loved one who needs them because of their disability or illness. Carers often put their lives on hold to provide care for a loved one, friend or relative. This care could be for a few hours a day or more and could be around the clock care.

Anyone can become a Carer. Carers tell us that often they do not choose or plan to become Carers, and caring responsibilities can arise unexpectedly without any training, knowledge, or preparation. People carry out their caring role out of love, kindness or a sense of duty for the cared for person who could not cope without this 'necessary and ongoing care.

National Context

According to Carers UK, nationally:

- 42% of Carers do not find it easy to access information and advice
- 8% of unpaid Carers in England are approaching their local authority for help
- 65% of Carers agreed that the increase in the cost of living was having a negative impact on their physical and/or mental health

Headline Facts & Figures

- Carers UK estimates there are 13.6 million unpaid Carers in the UK
- 1.4 million Carers provide more than 50 hours of care per week
- Carers save the economy £132 billion per year
- 40% of Carers have given up work to provide unpaid care
- 1 in 7 people in the workplace are also Carers
- 2/3rds of Carers are aged 51+

These statistics are often to the detriment of the Carer:

- 27% of unpaid Carers have bad or very bad mental health, rising to 31% for those caring for more than 50 hours a week, or for over 10 years
- More than three quarters of all Carers (79%) feel stressed or anxious, 49% feel depressed and half (50%) feel lonely.

Young Carers

- In the last census data (2011) there were 166,363 young Carers in England
- 2024 school census data said 53,976 pupils were recorded as young Carers, this is a low representation with 72% of schools across the country saying they do not have any young Carers.

The Children's Society report (Hidden from View 2013) shared:

- 1 in 12 young Carers spend more than 15 hours a week looking after a parent or sibling
- 1 in 20 young Carers said they missed school because of their caring responsibilities
- On average young Carers miss or cut short 48 school days a year
- The average annual income for families with a young Carer is £5,000 less than families who do not have a young Carer.
- 26% of young Carers said they have been bullied at school because of their caring role (Carers trust 2017)
- 97% of young Carers do not receive transition support, when they become adult carers

Our Duty To Carers

Key principles of the Care Act 2014 that link to duties of local authorities in supporting unpaid Carers.

- A carer has the right to request an assessment under Section 10 of the Act and the local authority has the duty to undertake an appropriate and proportionate assessment if there is an appearance of need.
- The purpose of the carer's assessment is to identify with the carer their personal outcomes, existing needs, and impact of the caring role on their individual wellbeing.
- A carer's assessment must also seek to establish if the caring role is sustainable and if the carer is willing and able to care for the adult needing care.
- The carer should have been provided with appropriate information and advice to enable them to work towards their priorities and personal outcomes, having been supported to identify their existing or potential set of personal strengths.
- Upon completion of a carer's assessment, the local authority should have a full picture of the carer's needs, priorities, and personal outcomes.
- The local authority must provide the carer with a copy of their assessment and their eligibility determination.

The local authority has a responsibility to identify and support young Carers. These responsibilities are set out in the Children's Act 1989 (as amended by the Children & Families Act 2014) and under the Care Act 2014.

The SEND Code of Practice 2015 and the Children and Families Act 2014 give guidance to health and social care, education, and local authorities to make sure that children and young people with SEND are properly supported.

The SEN Code of Practice 2015 provides guidance on the role of carers in supporting children and young people with special educational needs (SEN) or disabilities. Here are some key points:

- The code emphasizes the importance of involving parents and carers in decision-making processes regarding the support and provision for children with SEN. It highlights that parents' views are paramount and should be considered in all decisions
- Local authorities are required to provide information and advice to carers about the support available, including respite care, training, and financial help. This is to ensure that carers are well-informed and supported in their roles
- The Walsall Local Offer is a single place of information, services, and resources for children and young people (aged 0-25) with special educational needs and disabilities in Walsall.
- The code also outlines the responsibilities of local authorities to identify and support young carers, ensuring that their needs are assessed and met appropriately. This includes providing timely assessments and direct help for families to ensure sustainable progress for children

For more information visit send.walsall.gov.uk/

Walsall Council has a responsibility to follow Ofsted guidance and:

- Identify children and young people in need of help and protection, including young Carers.
- Complete assessments that are timely and result in direct help for families and sustainable progress for children
- There is a clear focus on promoting Carers' wellbeing and taking account of the impact caring has on all aspects of their lives.
- Councils must provide and maintain an information and advice service for all Carers about what can be done to help them (and those they care for) prevent, reduce or delay the development of longer-term needs for care and support, and to help them look after their own wellbeing.

- A young carers assessment must consider the young carers wishes and aspirations as well as their needs for leisure, support with education, and future employment opportunities.
- A young carers assessment will identify and put in place measures to reduce the caring role and reduce any negative impacts it has.
- A Carer's eligibility for an assessment is based solely on them having the 'appearance of need' for care and support. Councils must offer an assessment on this basis.
- Eligibility for support is based solely on whether the Carer's role has (or is likely to have) a 'significant impact' on their wellbeing and as a result they are unable to achieve one or more of the wellbeing outcomes described in the Care Act; this is a lower threshold than the person being cared for, whose eligibility is based on being unable to achieve two or more of these outcomes.
- There are no requirements for Carers to be providing substantial and regular amounts of care, or for a set number of hours, to be eligible for an assessment or support. This is important where Carers may be providing care that fluctuates over time.
- Carers must be given a written copy of a council's decision about their eligibility for support.
- Carers eligible for support must get a support plan, including a personal budget "sufficient to meet their care and support needs" that can be spent in a number of ways. Carers must always be offered the option of taking some, or all, of their personal budget as a direct payment
- Young adult Carers receive transition assessments as they approach adulthood, to enable a 'whole family' approach to providing assessment and support as they become adult Carers
- Since April 2015 young Carers have been entitled to an assessment of their needs from the local authority to assess and support children and young people from taking on excessive or inappropriate care. If young carers have inappropriate or excessive caring responsibilities they may be identified as children in need under the terms of the children's act and the family may be offered additional support by Children's services.

The Care Act 2014 defines a Carer as 'An adult who provides or intends to provide care for another adult (adult needing care)' Section 10 (3) Care Act 2014"

NHS England defines a Carer as 'Anyone who looks after a family member, partner or friend who needs help because of their illness, frailty, disability, a mental health problem or an addiction and cannot cope without their support. The care they give is unpaid'.

Carers provide unpaid care alongside their other responsibilities, with people often putting their lives on hold to provide care for a loved one, friend, neighbour or relative. This care could be for a few hours a day or more and could be around the clock care. Anyone can become a Carer.

Carers tell us that often they do not choose or plan to become Carers, and caring responsibilities can arise unexpectedly without any training, knowledge, or preparation. People do out of love, kindness or a sense of duty.

Many people do not see themselves as Carers because they are simply doing what they can for a relative, a friend or a neighbour who needs them because of their disability or illness.

Caring In Walsall

- There were 26, 415 unpaid Carers in Walsall in 2021
- This represents 10% of the total population in the Borough
- The majority of unpaid Carers are woman (66%)
- The largest group of Carers are aged between 45-64 years old

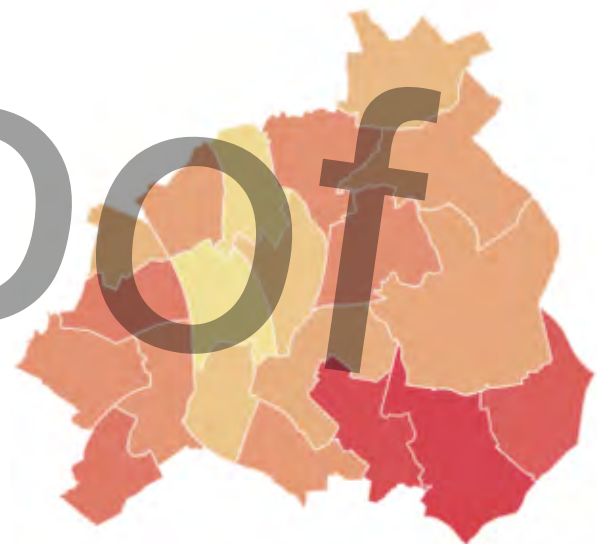
There are currently 276 young Carers from the age of 8 – 21 years old in Walsall

- Over 60% of our young Carers are female
- The largest group of young Carers are aged 13 – 15 years old

Unpaid Carer Change between 2011-21 by Ward, Census 2021

Indicates the change in proportion providing some form of unpaid care

Ward	2011%	2021%	Change
Pheasey Park Farm	12.6%	9.1%	-3.5%
Paddock	12.9%	9.6%	-3.3%
Streetly	12.8%	9.8%	-3.0%
Darlaston South	10.8%	8.2%	-2.6%
Short Heath	12.6%	10.1%	-2.5%
Rushall-Shelfield	12.7%	10.4%	-2.2%
Pelsall	13.0%	10.8%	-2.2%
Willenhall South	10.5%	8.3%	-2.2%
Bentley and Darlaston North	11.0%	8.9%	-2.1%
Palfrey	9.8%	7.8%	-2.1%
Bloxwich West	11.8%	9.8%	-1.9%
Aldridge North and Walsall Wood	12.6%	10.7%	-1.9%
Aldridge Central and South	12.6%	10.7%	-1.9%
St Matthews	10.3%	8.5%	-1.8%
Willenhall North	11.1%	9.4%	-1.6%
Brownhills	11.7%	10.1%	-1.6%
Pleck	9.4%	8.0%	-1.4%
Blakenhall	10.0%	8.6%	-1.4%
Bloxwich East	11.7%	10.6%	-1.1%
Birchills Leamore	9.7%	8.8%	-1.0%



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Caring In Walsall...

- Around 60% of Carers in the Walsall area provide care for 20 hours or more per week
- 35% of Carers in Walsall provide over 50 hours of care each week
- The economic value of unpaid care is estimated to be around £605 million per year
- Around 60% of Carers provide care for a spouse or partner

Unpaid Carers by Category and ward, Census 2021

Indicates the proportion providing care by hours per week

Ward	Provides 1 to 19 hours unpaid care a week	Provides 20 to 49 hours unpaid care a week	Provides 50 or more hours unpaid care a week
Aldridge Central and South	6.5%	2.0%	3.2%
Aldridge North and Walsall Wood	6.5%	1.9%	3.3%
Bentley and Darlaston North	4.3%	2.0%	3.6%
Birchills Leamore	3.5%	2.2%	3.5%
Blakenhall	3.4%	2.3%	3.6%
Bloxwich East	4.5%	2.3%	4.3%
Bloxwich West	5.1%	2.2%	3.5%
Brownhills	5.1%	2.2%	3.6%
Darlaston South	3.7%	2.2%	3.5%
Paddock	6.7%	1.9%	2.6%
Palfrey	4.0%	2.0%	2.8%
Pelsall	6.4%	2.1%	3.4%
Pheasey Park Farm	6.2%	1.7%	2.9%
Pleck	3.5%	2.4%	2.7%
Rushall-Shelfield	5.8%	2.0%	3.7%
Shorth Heath	5.6%	2.1%	3.6%
St Matthews	4.8%	1.9%	2.5%
Streetly	7.1%	1.5%	2.7%
Willenhall North	5.3%	1.9%	3.0%
Willenhall South	4.2%	2.1%	3.1%





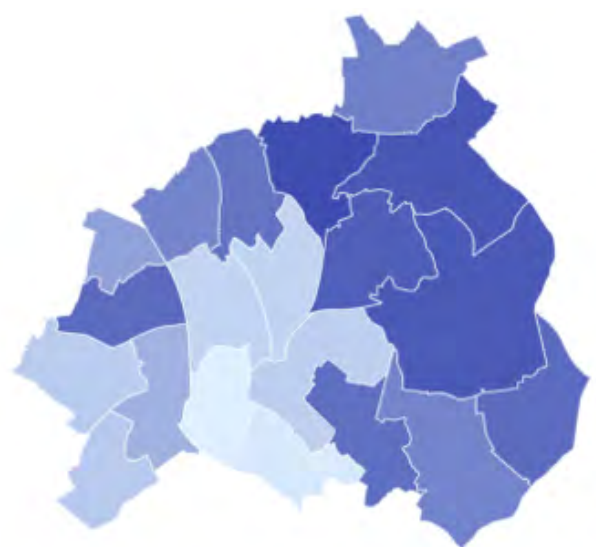
Caring In Walsall...

- Approximately 77% of Carers provide care within their home

Unpaid Carers by Category and ward, Census 2021

Indicates the proportion of the Ward's population whom provide some form of unpaid care

Ward	Change 2021%	2021%
Pelsall	9.1%	10.8%
Aldridge North and Walsall Wood	9.6%	10.7%
Aldridge Central and South	9.8%	10.7%
Bloxwich East	8.2%	10.6%
Rushall-Shelfield	10.1%	10.4%
Brownhills	10.4%	10.1%
Short Heath	10.8%	10.1%
Bloxwich West	8.3%	9.8%
Streetly	8.9%	9.8%
Paddock	7.8%	9.6%
Willenhall North	9.8%	9.4%
Pheasey Park Farm	10.7%	9.1%
Bentley and Darlaston North	10.7%	8.9%
Birchills Leamore	8.5%	8.8%
Blakenhall	9.4%	8.6%
St. Matthews	10.1%	8.5%
Willenhall South	8.0%	8.3%
Darlaston South	8.6%	8.2%
Pleck	10.6%	8.0%
Palfrey	8.8%	7.8%
Total	57,049	9.3%

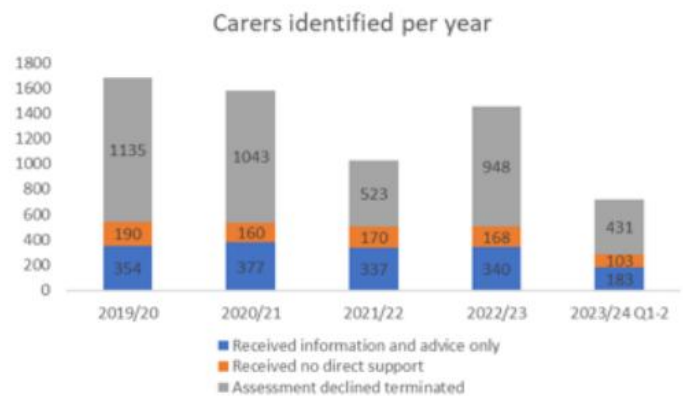


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Survey 100019529

Impact Caring has on you

As part of the development of this strategy there has been consultation and engagement with carers and commissioned providers and usage of National Surveys. The Survey of Adult Carers is a statutory biennial survey, carried out by local authorities across England on behalf of NHS Digital. The survey seeks the opinions of Carers aged 18 or over, on a number of topics that are considered to be indicative of a balanced life alongside their unpaid caring role. It used to monitor the impact of the national Carers strategy.

- The survey was comprised of **31** individual questions, **1** of which were bespoke to Walsall in order to obtain local intelligence.
- There are **26,415** known unpaid Carers in the borough living in Walsall.
- **1,534** Carers were known to Walsall Adult Social Care during the survey eligibility period of 01/09/2022 to 31/08/2023. Of these, **521** received a Carers assessment and/or review within the 12-month window and were therefore sent a copy of the survey. **1013** declined an assessment and were therefore ineligible to be surveyed.



Of the **521** Carers in receipt of an assessment and/or review during the period:

- **349** received information and advice only (of which replacement care provided to the cared-for person in **182** cases).
- **172** received no direct support (of which replacement care provided to the cared-for people in **121** cases).

A summary of the findings from the people who responded to the 2023-24 survey are:

- Response rate is the lowest since the survey was commissioned in 2012-13
- Overall satisfaction with Adult Social Care services has increased by 3.8%
- Carers reported quality of life has decreased by 0.6%
- The proportion of Carers who find it easy to find information about services has increased by 0.9%
- The proportion of Carers who report they have been included or consulted in discussions about the person they care for has decreased by 7.6%
- The proportion of Carers who reported they had as much social contact as they wanted increased by 2.5%

Respondents were encouraged to offer suggestions/comments, some of which can be found later in this section.

- 56% of Carers did not feel supported
- 59% said they did not know where to turn for information or advice
- Some Carers describe their role as a “24/7 job” with 75% of Carers reported feeling stressed as a result of their caring role.
- Carers have reported a sense of loss and grief for the life they had before starting caring
- Carers feel they did not have enough time to take care of their own health
- 78% of Carers reported that they did not feel their contribution to a society as a Carer was valued

What you have told us

- 60% of Carers reported that their caring role has had a negative impact on their physical health and 70% reported it had a negative impact on their mental health
- 54% of Carers reported that their caring role had become more difficult as a result of the pandemic
- 70% of Carers have they had lost touch with friends or found it difficult to maintain connections as a result of their caring role.
- 62% of Carers reported that they have experienced a loss of income



Carer / Respondent suggestions from recent consultation

"Need to speak to a person not a machine, telling you "will be in touch in the next 24-28 hours"

"Initial aids or help is good but fades after a few months, because I suffer with anxiety and depression, I lack the motivation to seek out help. Therefore, a monthly check in service could prove useful as sometimes when I have my dark periods talking to someone would be good"

"If the social services would be more helpful, efficient and supportive it would be very nice"

The Carer experience

"I am tired and feel I just can't cope as a Carer anymore"

"As I'm getting older I find it harder to look after my husband when I'm by myself. We are very grateful in what social services do for us but when there is a problem it is hard to speak to someone especially in the finance department. I'm still waiting for someone to call back and I have been trying to speak to someone since August to explain to me about the contribution we have got to pay because I think it's wrong"

"Carers are the forgotten, neglected group who save the NHS and indeed the country millions of pounds every year looking after relatives, young or elderly whilst having to put their own lives and the lives of their partners on hold and can only imagine what they may have enjoyed or achieved throughout all those lost years"

"Fatigue is a cause of stress that affects my well being. Uncertain about the future"

"I am stressed, tired and lonely because I am not having enough rest"

"The service I have received has been very good but like most things takes time and a lot of back and forth to get things sorted out. Other than that well done from my point and thanks for the help"

Positive reviews



"I have had great support from the social worker who was assigned to my mum- she was extremely helpful and compassionate. She also provided a lot of help about benefits etc"

The comments i have to give a truly blessing in disguise, how to lift my wife when she falls, if she falls, I can humbly say I have had support I never knew existed.

The work is good and I hope that I stay in good health myself and thank all Carers and council officials from the bottom of my heart"

"The help of Walsall Council has been very good. No complaints at the moment. Thank you all"

"I found social services always happy to help out in any situation. We have passion for care company and are very good"

"I didn't feel the support service was good in Sandwell as I never had a Carers assessment. I did manage to be offered a Carers assessment when moving house and under Walsall Council. I am very pleased with the care I received in finding my mom a suitable home, although I did get to a stage where my mom's care caused me alot of stress and pressure not having suitable support until a social worker was involved there at a cross stage"

Negative reviews



"I felt that I had no control social services took over and giving me no option or anything"

"No communication from one department to another, just passing the buck as the saying goes and getting nowhere. So stressful"

"Contact from social services was minimal, time consuming and lacked in appropriate support"

"I had to go through so many numbers and was passed around before i got any advice"

"I desperately need a holiday. Social services promised to find respite care but failed on the 2 occasions I requested it in the last 12 months"

What's going well?

What you have told us about the support you receive...

- "Thank you for this its appreciated".
- "Thank you for the phone call its nice to know someone cares".
- "Keep up the good work".
- "She thanked us so much and said we had been a brick and that it was so good to talk to people who are interested and understand things. She said she loved us to bits!"
- "Thank you for all of your help and signposting for the information".
- "Thank you ever so much for all your ongoing support and updates. I really appreciate it".



Some of the things you have told us you need...

We will look to embed these into our priorities and delivery plans

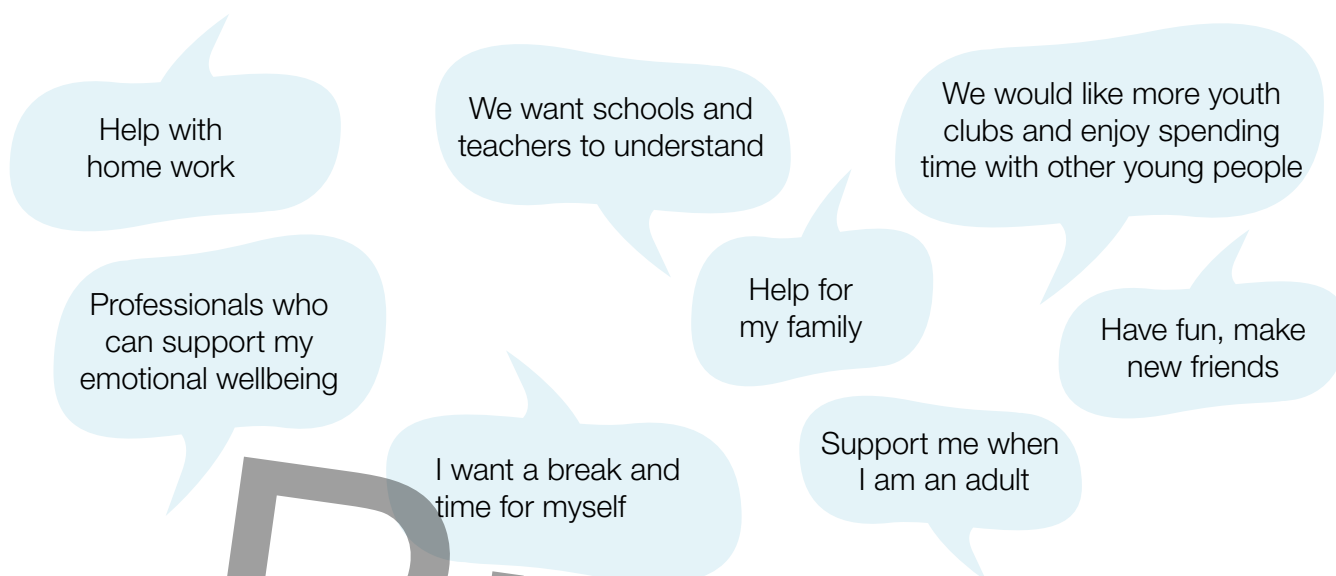
- “A visit or telephone call to advise on the help and benefits available to Carers.”
- “I feel council departments could learn from charitable organisations, in particular such as Age UK and Carers UK, who offer considerable information with regard to Carers. Perhaps adult social care departments could work more closely with these excellent charities, for the benefit of Carers.”
- “I think it would be useful if there was a number that a Carer could ring when feeling down and be able to speak to someone because sometimes you can feel completely alone and not wanting to put on family, just to talk things through. Sometimes that’s just enough, no more is needed.”
- “People disappear and you end up repeating your story over and over again.”
- “Access to Compliments and Complaints process – How can I give a compliment?”
- “A leaflet of benefits or of contacts which may be helpful would be good. Not everyone has the internet!”
- “There is some assistance available but it’s very difficult to get hold of.”
- “I need my own assessment and review... what was right for me 2 years ago isn’t now.”
- “Caring for someone is not easy at times so when you do need advice from services it is a little frustrating when your calls aren’t answered and you have to do the chasing. Also I don’t think you are always told about all the services that are available to yourself and the person you care for.”
- “Improvements to health and social care systems are needed urgently. I have felt unsupported and uncared for when trying to provide my mom with care. Funding was always being mentioned as a barrier to improve care.”
- “The importance of someone remaining within the home environment is the main desire of so many cared for people, but today it feels more driven by the financial needs of councils, rather than the Carer’s observation of the situation in which they find themselves and the wellbeing and safety of the person being cared for.”



The voice of Walsall Young Carers

We regularly consult with our young Carers to evaluate the service they receive and make sure they have access to the right support for their caring roles.

During young Carers action day we asked our young Carers what support and services were important to them. They shared:



Walsall Young Carers have agreed the following actions with young Carers practitioners:

Be aware	Listen
Increase the awareness and identification of young Carers and their needs.	To what young Carers and their families have to say. Improve the assessment and support of young Carers and their families
Work together	Have fun
Strengthen partnerships with services supporting young Carers. (we call this a multi agency approach)	Create opportunities for young Carers, providing support and positive things to do.

Our promise to young Carers:

- Young Carers have the same rights as other children and young people.
- Young Carers should be recognised and valued for their contribution to their families and society.
- Young Carers should be involved in the planning and delivery of services that affect them.
- Young Carers should have access to appropriate information, advice, and support.
- Young Carers should have the opportunity to enjoy a life outside their caring role.
- Young Carers should be protected from harm and exploitation.
- Young Carers should be supported to achieve their full potential.
- Young adult Carers are supported with transition

Our promise to Young Carers in Walsall has been implemented within the 6 key priorities for Carers.



Our Key Priorities for Carers

We want Walsall Carers to be able to live a healthy and fulfilling life outside of their caring role. We want to improve the quality of life for Carers. Walsall Borough Council's All age Carers Strategy links to:

- Adult Social Care Commissioning Strategy where there is a strategic commissioning intention focused upon unpaid Carers. Commissioning Intention 4 - "We will improve our Carers support offer" This commissioning intention aims to enhance the Walsall Carers support offer, ensuring that unpaid Carers receive comprehensive, tailored support that recognises their invaluable contribution, promotes their wellbeing, and strengthens their ability to provide care. It will address the diverse needs of Carers, improve their resilience and ensure they have everything they need to provide and experience quality care.
- Walsall's Early Help Partnership Strategy, Approach and Response to Children, Young People & their Families.

Improving the quality of life for Carers is important to us because:

- We want to recognise the contribution they make. We know they play a vital role in supporting individuals who have physical or mental health needs, disabilities or age-related conditions. We want to acknowledge and recognise the valuable contribution they make to the independence and wellbeing of those they care for and society.
- We want to promote wellbeing. Caring for a loved one has multiple demands so we need to work to prevent burnout, stress and exhaustion by ensuring there is an 'offer' so Carers can maintain their own health and resilience and achieve their full potential.
- We want to be able to enhance the quality-of-care Carers provide by ensuring they have the skills and knowledge to manage complex care tasks, navigate the system and address the changing needs of the person they care for.
- We want to promote independence to ensure people remain living in their own homes for as long as possible. We want to make sure Carers are prevented from needing to use residential and nursing care where it is appropriate and safe to do so.
- We want to facilitate social inclusion to help Carers connect with others who are in similar situations, reducing common feelings of isolation and to provide emotional support/solidarity. Carers should have the opportunity to enjoy a life outside their caring role.
- We want to enable choice and control so Carers can make informed decisions about their caring role and the services they may wish to access. We want to ensure Carers can assert their rights, voice their concerns and navigate the system effectively. Young Carers should have access to appropriate information, advice, and support.
- We want to make sure Carers have financial sustainability by alleviating the monetary burden they may experience, ensuring they have the resources to sustain their important role.
- Young Carers have the same rights as other children and young people and should be protected from harm and exploitation.
- Carers should be involved in the planning and delivery of services that affect them.
- We want to facilitate social inclusion to help Carers connect with others who are in similar situations, reducing common feelings of isolation and to provide emotional support/solidarity.
- We want to enable choice and control so Carers can make informed decisions about their caring role and the services they may wish to access. We want to ensure Carers can assert their rights, voice their concerns and navigate the system effectively.
- We want to make sure Carers have financial sustainability by alleviating the monetary burden they may experience, ensuring they have the resources to sustain their important role.

Moving forward, and using Carer and partner organisation feedback, we have set out 6 key priorities to deliver upon. These are:-



Priority 1: Identification and Recognition

- We heard that it is important that we identify and recognise people with caring responsibilities. We aim to identify and recognise more unpaid Carers within Walsall. Many Carers provide care within a family network and do not want or need additional support. We know that many Carers and young people do not think of themselves as a 'Carer'. However, some Carers need support to prevent the escalation of their own needs, and those of the person they look after. We aim to identify Carers early, this will help to ensure Carers know where to go to when they require support, keeping them well for longer and helping to avoid crisis which necessitates involvement from statutory services.
- We will raise awareness, promote our Walsall Carers offer and young Carers service, train professionals in NHS, adult social care and other agencies to identify, champion and work with Carers. We particularly want to improve our links with hospitals, GP practices and education to promote support for Carers and raise the profile of caring. We will also utilise annual calendar events such as Carers Week, National Young Carers action day and Carers Rights Day.
- We will work with partners across the statutory, and the community and voluntary sector to ensure that Carers if they wish to, are identified earlier and provided with information, advice, guidance, and support. We will ensure that Carers continue to be involved as expert partners in the designing, commissioning, and evaluating of Carers services. Carers will be well informed and able to exercise choice in relation to the support services available to them.
- Carers are valued and respected as expert partners in the care of the person they look after. We will support former Carers and recognise that Carers need support to rebuild their lives after their caring commitment ends.
- Work with schools to ensure the school census figures reflect young Carers identified in Walsall Council.
- Continue the Young Carers Champion Roles with partners and the delivery of Walsall young Carers multi agency action group with partners
- We will continue to promote Walsall young Carers Identification card scheme with partners
- We will collaborate with partners throughout Walsall to identify and provide support to underrepresented young Carers who currently do not utilise available services.



Priority 2: Improving the health and well-being of unpaid Carers

- You told us that improving opportunities for Carers to maintain good wellbeing is essential to supporting Carers in their caring role. We will support Carers health, mental health and wellbeing to enable them to remain mentally and physically well.
- Our partnership work through Walsall Together aims to better support people and the communities they live in, so they can manage their own health and wellbeing needs, prevent ill health and live happier lives.
- The Walsall Wellbeing Outcomes Framework provides the infrastructure for our partnership to plan, report, and account for its activity. It will be used as a mechanism for analysing progress towards improved population wellbeing whilst simultaneously integrating it into all partnership activity.

- We intend to work in partnership with Carers, health and adult social care colleagues, the voluntary sector and employers to support Carers to maintain good physical and mental health, and to help Carers to carry on caring.
- Walsall Wellbeing Outcomes Framework which was created in 2023 following extensive engagement and consultation within the Borough. (<https://walsalltogether.co.uk/our-work/resilient-communities/walsallwellbeing-outcomes-framework>).
- We will encourage Carers to be known to their GP practice in order that appropriate support can be offered when required. We will encourage the training and development of Carer Champions and Young Carers champions within our GP practices across the Borough.
- We will develop a culture where professionals working with the cared for, acknowledge and respond to the needs of Carers to maintain their health and wellbeing before reaching the point of crisis.
- We will promote and raise awareness around Carers Rights and legislation across the Borough, ensure mechanisms are in place to ensure more employers are made aware of an employee with caring responsibilities and that employers can take simple, but effective action to enable Carers to balance their caring and employment responsibilities. Where possible we will aim to influence businesses to consider what flexible working practices might help both the employer and employee, recognise and supporting Carers in the wider community and society, raising awareness of caring among the wider population in order to build Carer friendly communities.
- Carers tell us that they need flexible working arrangements and better care for the person they care for to enable them to remain in employment. We will aim to become an exemplar employer leading by example and increasing the knowledge of our partners and businesses of issues that affect Carers. We will encourage the adoption of Carer friendly practices. We will also support former Carers to adjust to a life after caring. We will develop a Walsall Carers Charter with the voice of Walsall Carers. Its purpose is to be a statement of values, standards and principles that outlines Walsall's commitment to supporting Carers. It will cover various themes that will be defined by Carers, partners from health, Walsall Together, adult social care, the Council and voluntary sector. It will be promoted with all organisations and settings across Walsall to help support Carers and ensure that any future services are designed to better support Carers to continue in their caring role.
- We recognise the emotional demands on Carers and will offer Carers their own assessment and Care Plan and young adult Carers transition plan. Which will support Carers with the demands of caring. Improving wellbeing is a key area within our Carers assessment process. We will also promote wellbeing assessments through our commissioned and partner organisations. We will review Care Plans on at least an annual basis to ensure they continue to meet Carers needs.
- We will support Young Carers to have the same rights as other children and young people.



Priority 3: Improving information, advice and guidance to Carers

- You told us of the importance of having access to good quality information, advice and guidance about support services available in the Borough. You explained that this is key to enabling Carers to have choice and control and to be able to continue to care. We aim to improve access to clear, concise relevant information in a range of formats for our population that will help to avoid, reduce or delay the need for assessment and more intensive support. Information will be provided on a range of topics, including navigating the care system, accessing benefits, and managing their own health and well-being.

- We will use relevant sources of information across the Borough, within our Walsall Connected sites and other partner venues including GP practices, across the Internet through various digital platforms and social networking as well as through our new Wellbeing Directory which was introduced earlier in 2024. We will ensure that information is reliable, easily accessible and up to date which gives Carers the best chance of knowing what is on offer in their communities to support them at any stage in their caring journey.
- We will keep up-to-date with technological opportunities by developing and improving digital resources as a primary source of information, and utilising social networks to empower and enable collaboration within communities.
- As well as for Carers themselves, it is of paramount importance that we make information available for professionals and any agencies who come into contact with Carers.
- We will ensure that we signpost Carers who want more information about benefits, grants and financial management to relevant financial support and advice.
- We will review our personalisation offer for Carers to enable them to have more influence over their lives and increased flexibility around how they use the resources they are eligible for. For example, through direct payments.
- Increase the identification and awareness of young Carers by updating Walsall council Young Carers website and access to young Carers services
- We will continue to build partner relationships through Walsall young Carers multi agency action group offering services and support to young Carers and their families



Priority 4: Supporting Carers to have a good life outside of caring, as well as after caring ('Time for Me')

- We heard from you that being able to take a break (Time for Me) from caring responsibilities and having the opportunity to work and access education and leisure opportunities are vital areas of support to Carers. We aim to give Carers a break from their caring responsibilities, allowing them to recharge and pursue their own interests and needs. Carers should be able to maintain their social relationships with family, friends and others. Remaining socially connected has an impact on our mental and physical health, therefore, identifying and developing opportunities for Carers to meet others, either in the same situation or otherwise, is a key focus.
- We will support Carers to be able to access social and leisure interests away from their caring role as they choose. We will improve our offer to provide flexible options that enable choice and value for money and where possible look towards discounts for Carers as well as considering the introduction of a Carers lanyard to help show empathy, raise awareness and offer support
- We will have fun! Providing young Carers with access to our young Carers groups and enrichment activities. Creating new opportunities and positive things to do including family days, activities within the school holidays and Young Carers festival
- We will Provide a young adult Carers group to support young people transitioning to adult Carers
- We will support Carers through putting them in touch with the Carers Hub and our commissioned and non-commissioned services available in the Borough in order to establish new connections and a wider support network
- We will promote digital solutions such as through digital apps and social media, to enable Carers to form and sustain new networks of support. Hopefully this will lead to good support and fewer experiences of Carers feeling isolated.

- We will continue to support Carers to have a break from their caring role in a way that suits them to enable them to continue to work and to continue with their interests outside of their caring role. We will continue to ensure that Carers are aware of opportunities for them to participate in their communities or interests and support them to be able to do this. We will extend our support so Carers can remain in work, training and or education if they wish.
- For Carers whose role as a Carer has come to an end, we will link them to relevant support which could be bereavement support, support around their mental health as well as the wider Walsall Carers Offer. For some former Carers, there may be aspirations around providing care in their community or pursuing training or employment opportunities in the care sector.
- As sensitively as possible, we want to support former Carers to return them back to their life of their personal aspirations prior to becoming a Carer



Priority 5: Improving Carers Assessment and Support

- Through the discharge of the council's legal duties to adult Carers, we will improve how we identify the specific needs, challenges, and preferences of unpaid Carers, ensuring that support services are tailored to their individual circumstances and direct payments are applied if applicable.
- We will review (and amend as necessary) our current Carers assessment and support arrangements (including self-assessments) to ensure the most effective and affordable support arrangements are in place to deliver support to Carers equitably across Walsall. We will endeavour that the need for Carers to repeat their story is kept to a minimum.
- We will improve our partnership working and encourage Carer support providers to work together in true collaboration with each other for the benefit of Walsall Carers.
- We will continue to promote and explain Carers rights to an assessment and routinely offer one on the identification of need-suggest removal as carers assessment would identify need, explaining the benefits of an assessment to the Carer. Where an assessment identifies eligible needs, we will look to meet these with support from their local community in the first instance, avoiding the need for statutory provision wherever possible.
- We will offer information, advice and guidance to all Carers, as well as signposting to support from their local community.
- We will seek to increase the number of Carers who have their own Carers Assessment and recognise that needs change and therefore support will need to be reviewed. All Carers who have a Carer's assessment will be offered the choice to be referred to our Carers Hub for further advice, information and support and/or to be signposted to other appropriate support organisations.
- We will support Young adult Carers from 16 years of age with a transition assessment and plan to support their role as an adult Carer
- As previously mentioned, we will also promote wellbeing assessments through our commissioned and partner organisations.
- We will conduct an assessment for any child or young person identified as a Carer, considering their wishes and aspirations and implementing steps to lessen the caring role and its negative impacts. The assessment will include family members using a whole-family approach.
- We will look to co-produce with Carers of all ages to improve our Carers Assessments and support offered



Priority 6: Crisis management and professional awareness

- You told us that we need to do more to support Carers at point of crisis. We know that many Carers are able to manage their caring responsibilities independently of help from statutory agencies and have established family networks whom they can call on in a crisis. However, some do not have robust contingency arrangements and may need support.
- We aim to provide support to help Carers to plan effectively should a crisis occur and provide a prompt response and support in the event of such a situation.
- We will aim to ensure that professionals are trained and skilled in order to recognise a potential crisis and help to put arrangements in place to prevent one occurring. We will raise awareness with the promotion of Carer Champions within the Borough to raise the profile of unpaid Carers.
- We will ensure that Carers know where they can get help in the event of a crisis and our respite offer is clear. We will ensure that Carers who are eligible can access a break from caring and provide this in a cost-effective manner, doing the best we can within the resources available.
- We will ensure that robust arrangements are in place so that, in the event of a crisis, responses from Adult Social Care and partners are prompt, provide reassurance and show respect towards the feelings of the Carer and the cared for person.
- Young Carers practitioners will support young Carers and their families. If we have any concerns for young people and their family we will discuss this with young Carers and access the appropriate support through Walsall children's services and partners

Proof

The Walsall Wellbeing Outcomes Framework



- We will encourage Carers to be known to their GP practice in order that appropriate support can be offered when required. We will encourage the training and development of Carer Champions within our GP practices across the Borough.
- We will develop a culture where professionals working with the cared for, acknowledge and respond to the needs of Carers to maintain their health and wellbeing before reaching the point of crisis.
- We will promote and raise awareness around Carers Rights and legislation across the Borough, ensure mechanisms are in place to ensure more employers are made aware of an employee with caring responsibilities and that employers can take simple, but effective action to enable Carers to balance their caring and employment responsibilities. Where possible we will aim to influence businesses to consider what flexible working practices might help both the employer and employee, recognise and supporting Carers in the wider community and society, raising awareness of caring among the wider population in order to build Carer friendly communities.
- Carers tell us that they need flexible working arrangements and better care for the person they care for to enable them to remain in employment. We will aim to become an exemplar employer leading by example and increasing the knowledge of our partners and businesses of issues that affect Carers. We will encourage the adoption of Carer friendly practices. We will also support former Carers to adjust to a life after caring. We will develop a Walsall Carers Charter with the voice of Walsall Carers. Its purpose is to be a statement of values, standards and principles that outlines Walsall's commitment to supporting Carers. It will cover various themes that will be defined by Carers, partners from health, Walsall Together, adult social care, the Council and voluntary sector. It will be promoted with all organisations and settings across Walsall to help support Carers and ensure that any future services are designed to better support Carers to continue in their caring role.
- We recognise the emotional demands on Carers and will offer Carers their own assessment and Care Plan which will support Carers with the demands of caring. Improving wellbeing is a key area within our Carers assessment process. We will also promote wellbeing assessments through our commissioned and partner organisations. We will review Care Plans on at least an annual basis to ensure they continue to meet Carers needs.

If we deliver on our strategy, our aspirations and priorities...

As a Carer....

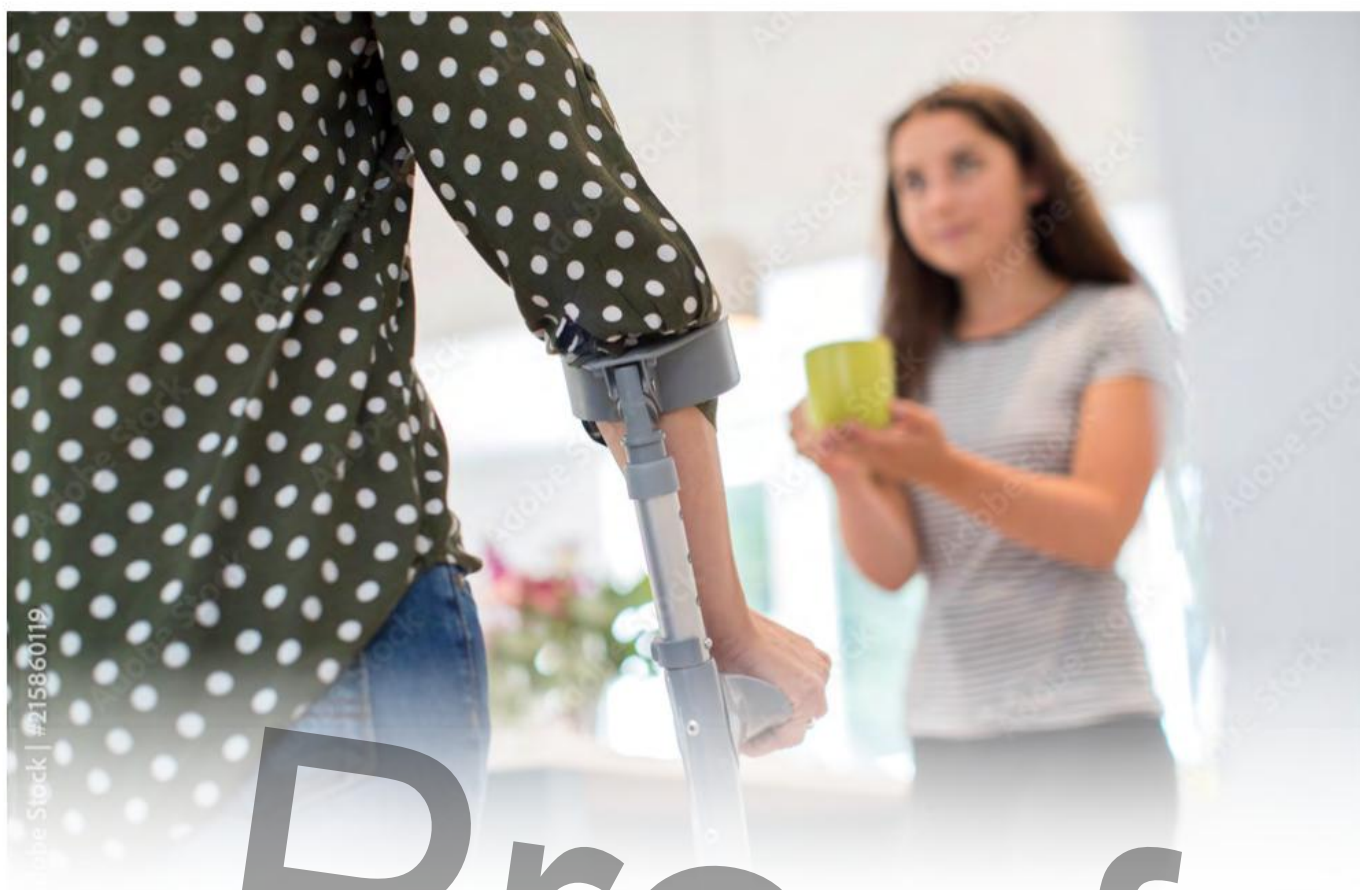
- I can meet with people who are also Carers so we can share our experiences and support each other.
- I will be treated with respect and dignity. My voice will be heard in planning what support I would like/need.
- I can live the life I want and do the things that are important to me as independently as possible.
- I will feel valued as a Carer for the contribution that I make to my community.
- I will be supported to manage my own well being in a way that makes sense to me.
- I will feel safe and supported to understand and manage the risks to me as a Carer.
- I will have access to respite care and other support services that will allow me to take a break from my caring responsibilities when needed.
- I know who to contact if something goes wrong.
- I will be offered my own Carers assessment.
- I will be treated with respect, dignity and feel valued and respected by professionals for the person I support.
- I will have a better choice of good quality affordable services for the person I care for.
- I will feel valued as a Carer for the contribution that I make to my community.
- I have a co-produced Carers Plan that sets out how I can be as active as I want to be and involved in my community.
- I will have a say in planning and monitoring future services as an expert with lived experience.
- I will know the Carers allowances I can claim and will receive the financial support that I am entitled to.
- I can maintain my links with family, friends and my community.
- I can live the life I want and do the things that are important to me as independently as possible.
- I have a plan for the future that helps me feel confident my cared for person will be OK.
- I will be supported as a former Carer.
- I will have reliable good quality support that help my cared for person live well and stay independent.
- I can access support in a timely way.
- I will know that the person I support will be supported as well.
- I can get information and advice that helps me as a Carer and is up to date and provided in a way that I can understand.
- I can get information and advice about my well being and how I can be as well as possible – physically, mentally, and emotionally.
- I will be aware of the activities, social groups, leisure, and learning opportunities in my community that can support me, as well as health and care services.
- I will know what my rights are and can get information and advice on what I need.
- I will have the same rights as other young people and children
- I will be supported to transition from a young Carer to an adult Carer
- I will be supported to achieve my full potential within education

Governance

'To help support the delivery of this strategy, we will work in partnership with Carers, Walsall Children's service, health and adult social care, Walsall Together and statutory and voluntary agencies to provide the local steer for the commissioning and development of Carer services and the Carer Offer within Walsall.

- We will also be mindful of the implementation of local and national priorities and strategies. We envisage that through building upon our strong approach to partnership working, adult Carers will have more support, choice and control to have a life of their own alongside their caring role.
- In order to effectively address the gaps that exist in meeting the needs of Walsall Carers and to implement the strategic priorities within this strategy, the following stages of work will need to be undertaken over the next three years, taking into account the financial challenges that the local authority and health service are currently under.
- We will introduce a robust governance structure and Carers Matter Partnership Board, where partners and Carers will be represented. The Board will oversee the implementation of the strategic priorities highlighted within the strategy with a clear 'Strategic Delivery Plan.'
- We will look to co-produce delivery of the Strategy with all stakeholders including Carers
- The Carers Matter Partnership Board will oversee and take responsibility for the implementation of the Carers strategic delivery plan across multi organisations across Walsall.
- Task and Finish groups will be formed to ensure the development and success of the strategic priorities identified within the delivery plan. Clear links to any commissioned services and the Walsall Carers Hub will be made
- Walsall young Carers action group will continue to meet and work in partnership supporting strategic priorities identified within the delivery plan.





What Next?

- We will introduce the Carers Matter Partnership Board which will develop an action plan setting out how we will deliver upon each of the priorities outlined in this strategy.
- We will continue to build partnerships to support young Carers through our multi-agency – Young Carers action Group
- We will regularly monitor and review progress against the action plan and our aspirations to support Carers within Walsall.
- Our ambition is to work with partners including Carers to progress an all-age multi-agency Carers strategy across Walsall.
- We will continue to promote the importance of caring and the value of Carers, celebrating the contribution that Carers make to our community.
- By delivering upon the priorities outlined in this strategy we aim to ensure that Carers in Walsall receive the support and recognition they deserve.

We want Walsall Carers to be able to live a healthy and fulfilling life outside of their caring role.

Do you need support now?

Please contact Walsall Council on: **0300 5552922** or at our website www.walsall.gov.uk

Walsall Council Carers page: <https://go.walsall.gov.uk/health-and-social-care/Carers>

Walsall Young Carers page: <https://go.walsall.gov.uk/children-and-young-people/early-help/early-help-children-and-young-people/young-Carers>

Walsall Young Carers email: youngCarersearlyhelp@walsall.gov.uk

You might find the following websites useful:

Walsall Carers Hub – our commissioned service Walsall Carers Hub is a service led by Forward Carers CIC with the regional charity, Midland Mencap as the lead delivery partner to provide support and services for unpaid Carers in Walsall: <https://walsallCarershub.org.uk/>

Forward Carers: <https://forwardCarers.org.uk/>

Employers for Carers: <https://www.employersforCarers.org/>

National family Carer network for Carers of a relative with autism or a learning disability: <https://www.hft.org.uk/our-services/family-Carer-support-service/>

Carers UK: <http://www.Carersuk.org/>

For financial support:

Carer benefits: <https://www.gov.uk/Carers-allowance>

Childrens society: <https://www.childrensociety.org.uk/>

Carers society: <https://Carers.org/getting-support-if-you-are-a-young-Carer-or-young-adult-Carer/getting-support-if-you-are-a-young-Carer-or-young-adult-Carer>

Barnardos Sub Hub: <https://www.barnardos.org.uk/get-support/young-Carers>

Carer's allowance: <https://www.gov.uk/Carers-allowance>

You can also find more information about local and national services on the Walsall Wellbeing Directory contains activities, services and groups to help all residents of the Walsall Borough live healthy, active and fulfilling lives.

You can find something to help you, whether you want to:

- keep healthy
- be sociable
- stay independent
- feel included
- improve your wellbeing
- get involved
- stay safe

Find suitable care and support:

<https://go.walsall.gov.uk/health-and-social-care/walsall-wellbeing-directory>

*Thank you to all our local Carers
and to our partners, who worked
with us to develop our vision*



Proof

Recommendations from Economy and Environment Overview and Scrutiny Committee regarding the utilisation of Council assets

Portfolio:	Councillor Andrew – Associate Leader and Portfolio Holder for Economic Growth & Regeneration
Related Portfolios:	Councillor Flint – Portfolio Holder for Health and Wellbeing
Service:	Economy, Environment and Communities
Wards:	All
Key decision:	N/A
Forward plan:	N/A

1. Aim

To receive a recommendation from the Economy and Environment Overview and Scrutiny Committee made on 21 November 2024.

2. Recommendations

That Cabinet considers the recommendations of the Economy and Environment Overview and Scrutiny Committee.

3. Report detail – know

At its meeting of 21 November 2024, the Economy and Environment Overview and Scrutiny Committee received a report on the underutilisation of Council Assets including Walsall Town Hall.

In September 2024, the Cabinet approved the Council's commercial strategy which provided a vision for the Council to be financially resilient, innovative and helps to achieve income generation from Council-owned buildings and land. It was noted that Walsall Town Hall, opened in 1903 and had been regularly used for community events up to 2017. The Committee noted that for the Town Hall to become viable event space, significant capital investment would be required to regenerate the space such as accessibility review, renewal of toilet facilities and bar/kitchen.

Members noted that overall, the Council owned 302 estate assets which were comprised of community buildings, schools, investment properties and ground leases which had a combined estimated value of £350m. Forest Art Centre (Walsall Arena) was highlighted as a good example of effective commercialisation of Council assets. However, there was a recognition that the Council was not a commercial company and therefore, needed to balance

commercialisation with public duty whilst being financially sustainable and generating income. This was supported by the encouragement for a social value strategy.

The Committee debated the item, and it was agreed that a review of Council assets and buildings should be undertaken to determine viability and safeguard assets which were of community value. In this respect, it was suggested that a dedicated team be established to prioritise and promote use of the Council's estate assets.

Resolved:

- 1. That, the Council undertake a review of which council estate assets were available, including their condition, economic viability and any future intentions for their use.**
- 2. That, the Cabinet develop a policy for safeguarding listed buildings and assets of significant community value and consider forming a dedicated team to promote the use of our estate assets, including our district town halls.**

4. Decide

The recommendations of the Committee are set out and the Cabinet could choose to:

1. Accept the recommendations as set out;
2. Reject the recommendations; and/or
3. Choose to receive a report in more depth at a future Cabinet meeting.

5. Respond

Following the decision of Cabinet, the Economy and Environment Overview and Scrutiny Committee will be advised of the outcome of their recommendation.

6. Review

Subject to the decision of Cabinet, further reports at Economy and Environment Overview and Scrutiny Committee meetings or Cabinet meetings may be required.

Background papers

None

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Cabinet – 12 February 2025

Recommendations from Economy and Environment Overview and Scrutiny Committee regarding grass cutting

Portfolio:	Councillor Murphy – Street Pride
Related Portfolios:	Councillor Flint – Portfolio Holder for Health and Wellbeing
Service:	Economy, Environment and Communities
Wards:	All
Key decision:	N/A
Forward plan:	N/A

1. Aim

To receive a recommendation from the Economy and Environment Overview and Scrutiny Committee made on 14 January 2025.

2. Recommendations

That Cabinet considers the recommendations of the Economy and Environment Overview and Scrutiny Committee.

3. Report detail – know

At its meeting of 14 January 2025, the Economy and Environment Overview and Scrutiny Committee received a report on the Council's grass cutting programme for 2025.

The Committee was informed about the 2024 grass cutting programme, which was projected to save £50,000. This saving was anticipated due to an amended schedule of cuts, reducing the frequency from bi-weekly or tri-weekly cuts to just one cut per year at 73 locations across all 20 wards.

A consultation was conducted regarding the 2024 programme, which revealed that 99 individuals had commented on the proposal, with only 51% of respondents expressing support. The consultation underscored the significance of permitting longer grass to enable the Borough to achieve the Government's biodiversity targets aimed at halting the decline of species by 2030 through rewilding and enhancing wildlife habitats. In this respect, there was a view that "rewilding" was used to justify less grass cutting in the Borough. However, Members recognised the importance of parks and open spaces which were critical for families and residents to enjoy outdoor spaces and for children to utilise valuable play areas.

As a result of a favourable financial settlement and concerns about the impact of the proposal, the saving on the introduction of rewilding was removed from the Draft Revenue Budget and Draft Capital Programme for 2025/26 to 2028/29.

There was a view that there had been a disconnect between Elected Members and the grass cutting programmes in recent years, which had resulted in negative feedback being received from residents. The Portfolio Holder for Street Pride has confirmed the development of a five-year amenity grass management programme. This initiative aimed to strategically manage grass areas through mapping green spaces to optimise their environmental impact and enhance their usability.

A lengthy discussion took place on the role of grass verges in the Borough and their effective use as a soakaway for surface water. In this respect, there was a view that due to parking issues within areas of the Borough, many residents decide to park on grass verges which ultimately deteriorate grass areas to look unkept and unsightly.

The Committee debated the item, and it was agreed that whilst Members note the Council's five-year plan for amenity grass management, the Cabinet should commit to the 2023 grass cutting programme and should look at the cost of tarmacking grass verges destroyed by parked cars which looked unsightly. It was also recommended that the responsibility for grass cutting be streamlined under a single Cabinet Portfolio Holder area. Currently, these responsibilities were divided between Street Pride and Health and Wellbeing. Therefore, the Cabinet should commit to reviewing and realigning the Portfolio Holder responsibilities to place grass cutting under one cohesive Portfolio Holder area for transparency.

The Cabinet should commit to produce plans to improve the public realm for each ward area of the Borough including analysing priorities of each area in consultation with Ward Members. The Committee also discussed Walsall and Bloxwich Town Deals, emphasising the need to involve children and young people in Council projects.

Resolved:

- 1. That, whilst Members note the Council's five-year plan for amenity grass management, the Cabinet should commit to the 2023 grass cutting programme and should look at the cost of tarmacking grass verges destroyed by parked cars.**
- 2. That, the Cabinet should commit to reviewing and realigning the Portfolio Holder responsibilities to place grass cutting under one cohesive Portfolio Holder area.**
- 3. That, the Cabinet should commit to produce plans to improve the public realm for each ward area of the Borough including analysing priorities of each area in consultation with Ward Members.**
- 4. That, all future development schemes should be reviewed in accordance with Walsall's 2040 vision, therefore, any Council promoted scheme should consult with local children and young people to gather their views and how they would like to see the future of the Borough.**

4. Decide

The recommendations of the Committee are set out and the Cabinet could choose to:

1. Accept the recommendations as set out;
2. Reject the recommendations; and/or
3. Choose to receive a report in more depth at a future Cabinet meeting.

5. Respond

Following the decision of Cabinet, the Economy and Environment Overview and Scrutiny Committee will be advised of the outcome of their recommendation.

6. Review

Subject to the decision of Cabinet, further reports at Economy and Environment Overview and Scrutiny Committee meetings or Cabinet meetings may be required.

Background papers

None

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