

Cabinet

Wednesday 12 August 2020 at 5.30 p.m.

Meeting via Microsoft Teams: Public access: <https://youtu.be/VhXMy6EOMmg>

Portfolios

Councillor M.A. Bird,
Leader of the Council



Councillor G. Perry,
Community, leisure and
culture



Councillor A. Andrew
Deputy Leader and
Regeneration



Councillor C. Towe,
Education and skills



Councillor R. Martin,
Adult social care



Councillor S. Craddock,
Health and wellbeing



Councillor T. Wilson,
Children's



Councillor B. Chattha
Personnel and
business support



Councillor O. Butler,
Clean and green



Democratic Services, The Council House, Walsall, WS1 1TW
Contact name: **Helen Owen** ☎ (01922) 654522 ✉ helen.owen@walsall.gov.uk
www.walsall.gov.uk

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 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>

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.

Agenda

Part I – Public session

1. Apologies
2. Minutes – 15 July 2020 7 - 15
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

(Note: 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 of decisions 16 - 21

Overview and Scrutiny

8. Call-in of Cabinet decision: Future of Stanleys Nursery, Birchills
 - (a) To receive recommendation of the Scrutiny Overview Committee from its meeting on 3 August 2020 22 - 24
 - (b) Report to Scrutiny Overview Committee 25 - 83

Leader of the Council: Councillor Bird

Non key decisions

- | | | |
|-----|---|-----------|
| 9. | Treasury Management annual report 2019/20 | 84 - 107 |
| 10. | Corporate Plan 2021/22 | 108 - 112 |

Education and skills: Councillor Towe

Key decision

- | | | |
|-----|--|-----------|
| 11. | New Leaf Pupil Referral Unit – school place planning | 113 - 117 |
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Adult social care: Councillor Martin

Key decisions

- | | | |
|-----|---|-----------|
| 12. | Update on supplier relief payments to contract and non-contracted Adult Social Care providers | 118 - 129 |
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Part II – Private session

Adult Social Care: Councillor Martin

Key decision

13. Learning Disability Pooled Budget dispute resolution 130 - 135

[Exempt information under paragraph 3 of Part I of Schedule 12A of the Local Government Act, 1972 (as amended)]

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Cabinet minutes

Wednesday 15 July 2020 at 4.00 p.m.

Virtual meeting via Microsoft Teams

Held in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020; and conducted according to the Council's Standing Orders for Remote Meetings and those set out in the Council's Constitution.

Present

Councillor Bird	Leader of the Council
Councillor Andrew	Deputy Leader and Regeneration
Councillor Martin	Adult Social Care
Councillor Butler	Clean and green
Councillor Perry	Community, leisure and culture
Councillor Towe	Education and skills
Councillor Craddock	Health and wellbeing
Councillor Chattha	Personnel and business support

Welcome

At this point, the Leader opened the meeting by welcoming everyone, and explaining the rules of procedure and legal context in which the meeting was being held. He also directed members of the public viewing the meeting to the papers which could be found on the Council's Committee Management Information system (CMIS) webpage.

3572 Minutes

Councillor Bird moved approval of the minutes of the meeting on 17 June 2020 which was put to the vote by way of a roll-call of Cabinet members

The motion subsequently declared carried and it was:

Resolved (unanimously)

That the minutes of the meeting held on 17 June 2020 copies having been sent to each member of the Cabinet be approved and signed as a correct record.

3573 Declarations of interest

There were no declarations of interest.

3574 Local Government (Access to Information) Act, 1985

Resolved (by assent)

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.

3575 Petitions

No petitions were received

3576 Questions

No questions from the public had been received

3577 Forward plan

The forward plan as at 6 July 2020 was submitted:

(see annexed)

Resolved (by assent)

That the forward plan be noted.

3578 Corporate financial performance 2020/21 and Covid-19

Councillor Bird presented the report:

(see annexed)

In presenting the report, Councillor Bird said that he was of the view that the Council should support the Borough's medium and small businesses wherever possible to provide goods and services to the Council, albeit having regard to relevant legislation including Contract Law and EU rules. Cabinet members supported this view.

Councillor Bird moved the approval of the recommendations which was seconded by Councillor Andrew.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

That Cabinet:

- (1) Note the additional funding allocated to Walsall as set out in sections 4.5 and 4.6 of this report, and that this will be insufficient to cover the additional costs of supporting the council's Covid-19 response beyond the short term.
- (2) Approve the passporting of £253,601 of Reopening of High Streets Safely funding to Economy, Environment and Communities, as set out in 4.6 VI.
- (3) Note the forecast impact of Covid-19 to July 2020 as set out in section 4.7 to 4.24, including:
 - (i) The loss of income as set out in sections 4.13 to 4.16.
 - (ii) £3.46m of additional costs approved through Cabinet, Gold and Silver Control between 20 March and this report despatch date, and additional estimated costs to July 2020 of £1.03m, as set out at sections 4.17 to 4.21 and Appendix 1.
 - (iii) The estimated financial impact on the delivery of 2020/21 approved savings, as set out in sections 4.22 to 4.24.
- (4) Note the potential monthly cost of Covid-19 beyond July 2020 in section 4.9 to 4.11.
- (5) Approve the utilisation of Covid-19 grant to fund ICT business continuity as set out in 4.21.
- (6) Note a number of non Covid-19 related demand and other service pressures totalling c£4m as set out in 4.25 to 4.30, and actions being taken to address these.
- (7) Note, in summary, total pressures in 2020/21 ranging from c£35m to c£47m, which, after applying the known unringfenced Covid-19 Government grant and yet to be confirmed estimated grant for loss of income, results in net pressures of between £11m to £23m and that should no further Government funding be provided, then the council will be required to take action to address funding shortfalls. This is set out in sections 4.31 to 4.33.
- (8) Approve amendments to the capital programme as set out in section 4.35.
- (9) Note that the forecast council funded capital programme is expected to be a marginal overspend of £110k after re-phasing of £1.79m into 2021/22.
- (10) Note financial health indicator performance as set out in section 4.41 to 4.46 and Appendix 2.
- (11) Note the prudential indicators as set out in section 4.47 to 4.49 and Appendix 3.

- (12) Note the work underway to update to the Medium Term Financial outlook and approve the process for setting the 2021/22 to 2023/24 budget framework, as set out in section 4.50 to 4.60.
- (13) Note and approve the amendments to the Medium Term Financial Strategy, as set out in section 4.61.
- (14) Note that there are no amendments to the Tax Strategy and governance arrangements and that it remains fit for purpose.

3579 Regional Temporary Mortuary facility

Councillor Bird presented the report:

(see annexed)

It was noted that the decision on this matter would be made in the private session following consideration of a report containing confidential information.

3580 Mental wellbeing impact of Covid-19

Councillor Craddock presented the report:

(see annexed)

Councillor Craddock moved the approval of the recommendations which was seconded by Councillor Bird.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

- (1) That Cabinet approve the Action Plan for managing the anticipated impact of Covid-19 in the population, as set out in the appendix to the report.
- (2) That Cabinet note that the Health and Wellbeing Board will receive reports on the mental wellbeing outcomes of the Action plan.

3581 Community response to Covid-19

Councillor Perry presented the report:

(see annexed)

During the ensuing discussion, the Cabinet acknowledged the many organisations who had contributed to the response, including those who had not recorded the support they had given, and were thanked for their work.

Councillor Perry moved the approval of the recommendations which was seconded by Councillor Bird.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

- (1) That Cabinet notes the work of staff, partner organisations, the VCS and Communities in responding to the COVID-19 pandemic and thanks all those who have assisted in the community response.
- (2) That Cabinet notes the cessation of the Sneyd, central food parcel operation at the end of July 2020
- (3) That Cabinet approves the ongoing support of key infrastructure elements of the pandemic response in readiness for any potential second-wave or any local lockdown requirements;
 - Making Connections Walsall;
 - Community Hubs;
 - The network of Community Associations.
- (4) That Cabinet approves the support for Test, Trace and Isolate through Making Connections Walsall and Money, Home Job.

3582 Occupancy of Hollybank House – stroke rehabilitation unit

Councillor Martin presented the report:

(see annexed)

Councillor Martin moved the approval of the recommendations which was seconded by Councillor Bird.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

- (1) That Cabinet approves the issuing of a long-term lease by Walsall Council to Walsall Healthcare Trust of Hollybank House (shown edged in black on plan number EPMS 4845/1) to allow WHT to deliver their in-patient Stroke Rehabilitation Service.
- (2) That Cabinet delegates authority to the Executive Director Economy, Environment and Communities, in consultation with the Executive Director of Adult Social Care and the Portfolio Holder for Regeneration to agree the final terms of the lease.

- (3) That Cabinet approves that the rental income from Hollybank House can be used to fund the costs associated with Adult Social Care staff occupying community buildings alongside WHT colleagues at Blakenall Village Centre and other locality locations as well as using any balance of the income to support any costs arising from the Council's retained maintenance responsibilities of Hollybank House.

3583 **Future of Stanleys Nursery, Birchills**

Councillor Wilson presented the report:

(see annexed)

Councillor Wilson moved the approval of the recommendations which was seconded by Councillor Bird.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

- (1) That action taken to date in relation to Stanley's Nursery Birchills is noted.
- (2) That the results and feedback from parents / carers and stakeholders consulted on 4 options about the future of Stanley's Nursery be noted.
- (3) That the closure of Stanley's Nursery, Birchills (option 4) be approved.

3584 **Surveillance and access to communications data**

Councillor Perry presented the report:

(see annexed)

Councillor Bird moved approval of the recommendations and it was:

Resolved (by assent)

- (1) That Cabinet notes the use of the Regulation of Investigatory Powers Act 2000 for the years ending 31 March 2017, 31 March 2018, 31 March 2019 and 31 March 2020 and is assured by the Executive Director Economy Environment and Communities, as the Council's Senior Responsible Officer for this legislation, that usage is consistent with the Council's Policy and Procedures.
- (2) **To recommend to Council**
 - (a) That the draft Corporate Policy and Procedures on the Regulation of Investigatory Powers Act 2000 be approved.

- (b) That the draft Corporate Policy and Procedures on the Investigatory Powers Act 2016 on the Acquisition of Communications Data be approved.
- (3) That the Executive Director Economy Environment and Communities be delegated authority to make administrative amendments to the policies as part of the report to Council.

3585 **Alternative Education Framework contract**

Councillor Towe presented the report:

(see annexed)

Councillor Towe moved the approval of the recommendations which was seconded by Councillor Bird.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

- (1) That Cabinet delegate authority to the Executive Director of Children's Services, in consultation with the Portfolio Holder for Education and Skills, to extend the contracts with the Alternative Education providers (in Appendix A) for 1 year, from 1 August 2020 to 31 July 2021.
- (2) That Cabinet delegate authority to the Executive Director for Children's Services, in consultation with the Portfolio Holder for Education and Skills, to subsequently authorise the sealing of deeds and/or signing of contracts and any other related documents for the provision of such services as well as any variations to the contractual arrangements or other related documents should this be required throughout the duration of any contracts.
- (3) That Cabinet delegate authority to the Executive Director for Children's Services, in consultation with the Portfolio Holder for Education and Skills, to enter into contracts with providers of Alternative Education, not currently covered with these existing contractual arrangements, to meet identified gaps for children and young people with Special Education Needs and Disabilities (SEND.).

3586 **Special Educational Needs Disability Advice, Information and Support Service**

Councillor Towe presented the report:

(see annexed)

Councillor Towe moved the approval of the recommendations which was seconded by Councillor Wilson.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

- (1) That Cabinet delegate (i) authority to the Executive Director Children's Services to award a contract to the successful tender applicant to deliver the Special Educational Needs Disability Information, Advice and Support Service (SENDIASS) in consultation with the Portfolio Holder for Education and Skills from 7 September 2020 to 6 September 2022 and (ii) to delegate authority to extend the contract for up to 24 months if required.
- (2) That Cabinet delegate authority to the Executive Director for Children's Services, in consultation with the Portfolio Holder for Education and Skills, to subsequently authorise the sealing of deeds and/or signing of contracts and any other related documents for the provision of such services as well as any variations to the contractual arrangements or other related documents should this be required throughout the duration of any contracts.
- (3) That Cabinet delegate authority to the Executive Director for Children's Services, in consultation with the Portfolio Holder for Education and Skills, to authorise any variations to the SENDIASS contract, should this be required at any time during the term.

At this point in the meeting, Councillor Bird said that he was hugely impressed by the exceptional work being done and the time commitment of Council officers of all levels, in particular, the senior officer structure, to keep the Council functioning during the current pandemic and asked that his thanks be recorded.

3587 Private session

Exclusion of public

Resolved

That during consideration of the remaining item on the agenda, the Cabinet considers that the item for consideration is exempt information by virtue of the appropriate paragraph(s) of Part I of Schedule 12A of the Local Government Act, 1972, and accordingly resolves to consider the item in private.

3588 Regional Temporary Mortuary facility

Councillor Bird presented the report:

(see annexed)

Councillor Bird moved the approval of the recommendations which was duly seconded.

The motion was put to the vote by way of a roll-call of Cabinet members and subsequently declared carried and it was:

Resolved (unanimously)

- (1) That Cabinet note the urgent action waiver taken on 25 March 2020, by the Chief Executive, in consultation with the Leader, to enter into a Memorandum of Understanding with the six other West Midlands councils and Warwickshire County Council to contract with Kenyon International Emergency Services, for the provision of a temporary mortuary facility to manage excess death planning, for an initial period of up to 20 weeks from 26 March 2020.
- (2) That Cabinet approve the award of a contract to Kenyon International Emergency Services to continue delivery of the temporary regional mortuary with a reduced operation for up to the end of February 2021, in accordance with Option 5, as set out in this report and the attached private paper, which is the West Midlands Chief Executives' preferred option.
- (3) That Cabinet note that the costs of Option 5, as set out in the private paper, can be accommodated from the original financial envelope set aside, noting that this cost is being set against the Government's unringfenced Covid-19 response fund.
- (4) That the Executive Director, Economy, Environment and Communities, in consultation with the Leader, be authorised to sign contracts or contract variations and any other related documents for the continued operation of the temporary regional mortuary and to agree any minor variations to the contractual arrangements or other related documents should this be required throughout the duration of provision.

[Exempt information under paragraph 3 of Part I of Schedule 12A of the Local Government Act, 1972 (as amended)]

The meeting terminated at 5.00 p.m.

Chair:

Date:



Walsall Council

FORWARD PLAN OF KEY DECISIONS

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

3 August 2020

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 helen.owen@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.

Cabinet responsibilities are as follows

- Leader of the Council – Councillor Bird
- Deputy Leader and Regeneration – Councillor Andrew
- Adult social care – Councillor Martin
- Children’s – Councillor Wilson
- Clean and green – Councillor Butler
- Community, leisure and culture – Councillor Perry
- Education and skills – Councillor Towe
- Health and wellbeing – Councillor Craddock
- Personnel and business support – Councillor Chattha

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 (helen.owen@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 £250,000.
- (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.

Dates of meetings – to be confirmed

FORWARD PLAN OF KEY DECISIONS


SEPTEMBER TO DECEMBER 2020 (3.8.20)

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
3/20 (6.1.20)	Strategic development at Moxley Road, Darlaston Private session: Report contains information relating to the financial or business affairs of any particular person	Cabinet (Key decision)	Joanne Nugent 01922 654752 joanne.nugent@walsall.gov.uk Joel Maybury 01922 654748	Internal	Councillor Andrew	September 2020
8/20 (3.2.20)	Black Country Transport Team Collaboration Agreement: To approve the agreement to facilitate the delivery of a strategic transportation function across the four Black Country local authorities	Cabinet (Non key decision)	Matt Crowton 01922 654358 matt.crowton@walsall.gov.uk	Internal	Councillor Andrew	September 2020
27/19 (8.7.9)	A34 Walsall to Birmingham SPRINT (Bus Rapid Transit) scheme: To approve the sprint scheme	Cabinet (Key decision)	Matt Crowton 01922 654358 matt.crowton@walsall.gov.uk	Internal	Councillor Andrew	September 2020
68/19 (2.12.19)	West Midlands Enhanced Partnership Scheme: To approve a plan to improve bus travel in the A34 Walsall to Birmingham corridor through delivery of a new SPRINT service.	Cabinet (Key decision)	Matt Crowton 01922 654358 matt.crowton@walsall.gov.uk	Internal	Councillor Andrew	September 2020
43/18 (8.10.18)	Lighting Invest to Save: To consider proposals for a major investment in the highway lighting infrastructure by replacing all existing lighting with energy efficient LED lighting	Cabinet (Key decision)	Paul Leighton 07831 120871 paul.leighton@walsall.gov.uk	Public, Walsall Public Lighting Ltd., industry companies, internal	Councillor Andrew	September 2020

27/20 (3.8.90)	Carbon neutral Council: To consider measures through which the Council can become carbon neutral, in line with the Council resolution of 16 September 2020	Cabinet (Non key decision)	Kaye Davies 07908 161384 kaye.davies@walsall.gov.uk	Internal	Councillor Bird	October 2020
28/20 (3.8.90)	Extension of the Impact (Youth Employment Initiative) Programme: To approve acceptance of the offer of additional EU funding to continue and extend the programme through to July 2023 delegating authority to negotiate and enter into the necessary agreements or contracts.	Cabinet (Key decision)	Mark Lavender 07951 6230333 mark.lavender@walsall.gov.uk	Internal	Councillor Andrew	October 2020
29/20 (3.8.20)	Inclusive Economic Growth Programme: To review the performance, content and outcomes achieved so far through the programme in support of its corporate plan and approving its continuation through to 2023 utilising existing resources to support the continued development of Walsall's economy and its people.	Cabinet (Key decision)	Mark Lavender 07951 6230333 mark.lavender@walsall.gov.uk	Internal	Councillor Andrew	October 2020
30/20 (3.8.20)	Town Deal bids: To approve the submission of bids for both Walsall and Bloxwich towns and the eligible surrounding areas, as defined by Government and delegating authority to negotiate and enter into the necessary agreements and contracts	Cabinet (Key decision)	Mark Lavender 07951 6230333 mark.lavender@walsall.gov.uk	Internal	Councillor Andrew	October 2020
31/20 (3.8.20)	Mainstream Schools Funding Formula: To approve the school funding formula, as agreed by Schools Forum, to be used for the allocation of funding mainstream schools for 2021/22	Cabinet (Key decision)	Mohammed Irfan 01922 652330 mohammed.irfan@walsall.gov.uk	Schools Forum	Councillor Towe	October 2020

26/20 (3.8.20)	Information Governance Framework policy: To approve the framework policy which has been updated throughout the Covid-19 lockdown to include the changes required for mobile working alongside the Council's technology changes.	Cabinet (Key decision)	Paul Withers paul.withers@walsall.gov.uk	Internal	Councillor Chattha	October 2020
32/20 (3.8.20)	Treasury Management mid-year position statement: To note and forward to Council the mid-year position statement for treasury management activities 2020/21, including prudential and local indicators	Cabinet (Non key decision)	Richard Walley 07500 819796 richard.walley@walsall.gov.uk	Internal	Councillor Bird	December 2020

FORM S & PP 3

 <p>Walsall Council</p>	<p>REPORT OF THE SCRUTINY OVERVIEW COMMITTEE</p>	<p>DATE: 11 August 2020</p> <p>REF.NO:</p>
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TITLE OF THE MATTER CALLED-IN: Future of Stanleys Nursery

DATE CONSIDERED BY CABINET: 15 July 2020

CABINET PORTFOLIO HOLDER: Councillor T. Wilson

DATE OF OVERVIEW AND SCRUTINY MEETING: 3 August 2020

Grounds under which the matter was called in for scrutiny:

'We note with concern the decision to close Stanley Nursery, Birchills. Our concern centres on the disproportionate impact this closure will have in a deprived area of Walsall.

Whilst we are aware savings will be made, there are concerns that any savings made by the closure of the last remaining centre run by the council will create a long term legacy that further embeds deprivation in the Birchills area and ultimately would cost the authority and its partners significantly more.

The nursery provides much needed care and support to a cohort of vulnerable children, not just now but into the future. The long term impact of the closure has been recognised by One Walsall and the Dorothy Patterson Hospital who will find it more challenging be able to operate valuable services in the Birchills area.

In calling in this decision we note:

- The historic time-line from as far back as February 2015 through February 2017, and in particular the decision in February 2020 to consult on options for the future of the nursery provision at Stanley's Nursery.
- That all decisions up to and including the February 2020 decision to consult were taken pre-COVID-19 Pandemic
- That the decision to close was taken without the benefit of lessons learned from COVID-19 Pandemic

We further note:

That Council's across England, through the Local Government Association (LGA), are calling for a review of the early years system and are supportive of the Children's Commissioner for England's call through her Report "Best Beginnings" for the Government to make early years provision central to the COVID-19 Fightback. Early Years provision is known to assist in reducing educational and health inequalities.

In light of the above we urge the Cabinet to reconsider the closure of this setting and identify alternative funding that will sustain the centre and thus support local people improve their lives.'

Record here the Overview and Scrutiny Committee conclusions and proposals:

As part of their considerations, the Call-in Members, informed the Committee about the reasons for the 'call in' and heard representations from the Portfolio Holders for Children's Services and Education and Skills.

The call-in members elaborated on their reasons for the call in. They urged to keep the nursery open due to the nursery been located in a deprived ward and the negative impact this would have on its service users. The majority of which had protected characteristics. The argument was put forward that early years education was vital to preventing long-term disadvantage. This situation was exacerbated by the ongoing Covid-19 pandemic. The Children's Commissioner has identified early years provision as a key sector in addressing the effects of the pandemic. Investing in this nursery now could save the council and its partners money in the long term.

The Portfolio Holders explained it was an unfortunate situation but the budget pressures on the nursery meant it had not been possible to balance the budget for a number of years. The importance of early years education was acknowledged and it was noted that there were sufficient nursery places in the area to accommodate the displaced children who would all be assisted to find alternative places.

Following a debate, the Committee resolved to recommend to Cabinet that: *'In light of the impact of the Covid-19 Pandemic, the recommendations made in the Children's Commissioners report 'Best beginnings' and the support made to these recommendations by the LGA. Plus the commitment made in the Conservative Party Manifesto for the 2019 General Election to champion Family Hubs we urge the Cabinet to reconsider the closure of this setting and identify alternative funding that will sustain the centre and thus support local people to improve their lives.'*

Record here the specific recommendations of the Overview and Scrutiny Committee:

In light of the impact of the Covid-19 Pandemic, the recommendations made in the Children’s Commissioners report ‘Best beginnings’ and the support made to these recommendations by the LGA. Plus the commitment made in the Conservative Party Manifesto for the 2019 General Election to champion Family Hubs we urge the Cabinet to reconsider the closure of this setting and identify alternative funding that will sustain the centre and thus support local people to improve their lives.

Explain here how the proposals/recommendations of the Overview and Scrutiny Committee differ from those of Cabinet:

The Committee are recommending that Cabinet keep the nursery open rather than close it.

This form provides an accurate record of the meeting of the above named Overview and Scrutiny Committee.

Chair of Scrutiny Overview Committee

John Murray

Signature:**Date:** ...11 August 2020.....

Call-in of Cabinet decision 'Future of Stanley's Nursery, Birchills'

Ward(s) Birchills and Leamore

Portfolio: Councillor T. Wilson – Children's Services

Related Portfolios: Councillor C. Towe – Education and Skills

Report:

In line with the provisions contained within Part 4.5 of the Walsall Council Constitution the decision of Cabinet regarding 'Future of Stanley's Nursery, Birchills' has been "called in".

The reason for the call-in is:

'We note with concern the decision to close Stanley Nursery, Birchills. Our concern centres on the disproportionate impact this closure will have in a deprived area of Walsall.

Whilst we are aware savings will be made, there are concerns that any savings made by the closure of the last remaining centre run by the council will create a long term legacy that further embeds deprivation in the Birchills area and ultimately would cost the authority and its partners significantly more.

The nursery provides much needed care and support to a cohort of vulnerable children, not just now but into the future. The long term impact of the closure has been recognised by One Walsall and the Dorothy Patterson Hospital who will find it more challenging be able to operate valuable services in the Birchills area.

In calling in this decision we note:

- *The historic time-line from as far back as February 2015 through February 2017, and in particular the decision in February 2020 to consult on options for the future of the nursery provision at Stanley's Nursery.*
- *That all decisions up to and including the February 2020 decision to consult were taken pre-COVID-19 Pandemic*
- *That the decision to close was taken without the benefit of lessons learned from COVID-19 Pandemic*

We further note:

That Council's across England, through the Local Government Association (LGA), are calling for a review of the early years system and are supportive of the Children's Commissioner for England's call through her Report "Best Beginnings" for the Government to make early years provision central to the COVID-19 Fightback. Early Years provision is known to assist in reducing educational and health inequalities.

In light of the above we urge the Cabinet to reconsider the closure of this setting and identify alternative funding that will sustain the centre and thus support local people improve their lives.'

A copy of the received call-in notice, Cabinet decision and Cabinet reports are appended to this report.

The Overview and Scrutiny Committee are invited to review the decision taken in the light of the call-in. The Committee is able to make recommendations to the Executive on alternative courses of action should Members wish to do so.

Recommendation:

That Members consider the call-in and consider whether they wish to make any recommendations to the Executive.

Contact Officer:

Craig Goodall
Senior Democratic Services Officer
 01922 654765
 craig.goodall@walsall.gov.uk

Documents

- Appendix 1 – 'Call in' Notice
- Appendix 2 – Cabinet Decision on proposals
- Appendix 3 – Cabinet Report on proposals

 <p>Walsall Council</p>	<p>NOTICE TO THE CHIEF EXECUTIVE CALL-IN OF CABINET DECISION BY COUNCIL MEMBERS</p>	<p>23 July 2020</p>
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We, the undersigned members, under the provisions of paragraph 17(c)(ii) of the Overview and Scrutiny Rules, request the Chief Executive to invite the Chairman of the:

Scrutiny Overview Committee to call in the following item considered by Cabinet:

Item number: 13

Report title: Future of Stanley's Nursery

Date of Cabinet meeting: 15 July 2020

for consideration by the above named Overview and Scrutiny Committee for the following reasons:

Please see overleaf

and that following interested parties be invited to the meeting:

1. NameIan Shires.....
SignatureReceived via email.....
2. NameAftab Nawaz.....
SignatureReceived via email.....
3. NameDan Barker.....
SignatureReceived via email.....
4. NameTina Jukes.....
SignatureReceived via email.....
5. NameLee Jeavons.....
SignatureReceived via email.....

Note 1: Paragraph 17(c)(ii) of the Overview and Scrutiny Rules enables 5 Members of the Council (not being members of the relevant Overview and Scrutiny Committee) to give notice to the Chief Executive to invite the Chairman of the relevant Overview and Scrutiny Committee to exercise the powers of call-in for the reasons set out in the request.

Note 2: This form should be completed and returned to Democratic Services within 4 working days of the date of publication of the decision notice.

Signed _____  _____ Date received ___23 July 2020

(Chief Executive)

Amended 3.6.15

Reasons for call-in

We note with concern the decision to close Stanley Nursery, Birchills. Our concern centres on the disproportionate impact this closure will have in a deprived area of Walsall.

Whilst we are aware savings will be made, there are concerns that any savings made by the closure of the last remaining centre run by the council will create a long term legacy that further embeds deprivation in the Birchills area and ultimately would cost the authority and its partners significantly more.

The nursery provides much needed care and support to a cohort of vulnerable children, not just now but into the future. The long term impact of the closure has been recognised by One Walsall and the Dorothy Patterson Hospital who will find it more challenging be able to operate valuable services in the Birchills area.

In calling in this decision we note:

- The historic time-line from as far back as February 2015 through February 2017, and in particular the decision in February 2020 to consult on options for the future of the nursery provision at Stanley's Nursery.
- That all decisions up to and including the February 2020 decision to consult were taken pre-COVID-19 Pandemic
- That the decision to close was taken without the benefit of lessons learned from COVID-19 Pandemic

We further note:

That Council's across England, through the Local Government Association (LGA), are calling for a review of the early years system and are supportive of the Children's Commissioner for England's call through her Report "Best Beginnings" for the Government to make early years provision central to the COVID-19 Fightback. Early Years provision is known to assist in reducing educational and health inequalities.

In light of the above we urge the Cabinet to reconsider the closure of this setting and identify alternative funding that will sustain the centre and thus support local people improve their lives.



Walsall Council

PUBLISHED ON THURSDAY 16 JULY 2020: Decisions set out below cannot be implemented until 5 clear working days after publication of this notice which is FRIDAY 24 JULY 2020

Cabinet – 15 July 2020

Decisions

Item	Page	Decision
13. Future of Stanleys Nursery, Birchills (<i>Councillor Wilson</i>)	188 – 224	(1) That action taken to date in relation to Stanley's Nursery Birchills is noted. (2) That the results and feedback from parents / carers and stakeholders consulted on 4 options about the future of Stanley's Nursery be noted. (3) That the closure of Stanley's Nursery, Birchills (option 4) be approved.

Cabinet – 15 July 2020

Future of Stanleys Nursery Birchills

Portfolio: Councillor T Wilson, Children's

Related portfolios: Councillor C Towe

Service: Early Help, Childrens Services

Wards: Birchills/Leamore

Key decision: Yes

Forward plan: Yes

1 Aim

To determine the future of the childcare provision known as Stanley's Nursery, based at Birchills Sure Start Centre.

2 Summary

Birchills childcare is the last remaining non statutory childcare provision directly provided by the council. The service is heavily subsidised by the council (Childrens Services budget) with an overspend in 2019/20 of £0.095m, forecasted to increase in 2020/21 to £0.138m.

The council is responsible for ensuring there are sufficient childcare places across the borough to meet demand but there is no statutory requirement to be a provider of childcare.

In February 2020, Cabinet approved the commencement of a consultation exercise with parents/carers and stakeholders about the future options for the service following two unsuccessful procurement / tendering exercises to transfer the service and the ongoing budget pressure.

This report sets out the approach to that consultation with parents/carers and stakeholders between March 2020 and May 2020 and provides a detailed analysis of the feedback received on the 4 options which were:

Option 1: Keep Stanley's Nursery open and identify a proposal to fund the shortfall of +£70,000 and we ask for your suggestions.

Option 2: Keep Stanley's Nursery open and in order to cover running costs raise childcare fees to £110 a day, £55 half day.

Option 3: Keep Stanley's Nursery open, charging the market rate of £50 full day and £25 half day and identify a proposal to fund the shortfall of £55,000. We seek your suggestions.

Option 4: Close Stanley’s Nursery meaning 105 children would need to find alternative childcare provision and 19 staff would be put at risk of redundancy.

* The original shortfall & fees in option 1 & 2 circulated as part of the consultation were based on the forecasted overspend of £0.070m as at February 2020. The 19 staff in option 4 related directly to those employed at the time to provide the childcare day service, not the cleaning and caretaking function. The 105 children relate to the children registered at the nursery as of February 2020, 48 of these children will be leaving the nursery to start nursery/school in September 2020.

This is a key decision because the proposal is above threshold for expenditure and requires cabinet approval.

Cabinet will note the following Appendices attached to this report

- Appendix 1 – Consultation Correspondence to Parents/carers
- Appendix 2 – Consultation Correspondence to Stakeholders
- Appendix 3 – EqIA Policies. Procedures, Services
- Appendix 4 – EqIA Organisational Change

3 Recommendations

- 3.1 That action taken to date in relation to Stanley’s Nursery Birchills is noted
- 3.3 That the results and feedback from parents / carers and stakeholders consulted on 4 options about the future of Stanley’s Nursery are considered

That the closure of Stanley’s Nursery, Birchills (option 4) is approved

4 Report Detail – Know

4.1 Stanleys Nursery, Birchills

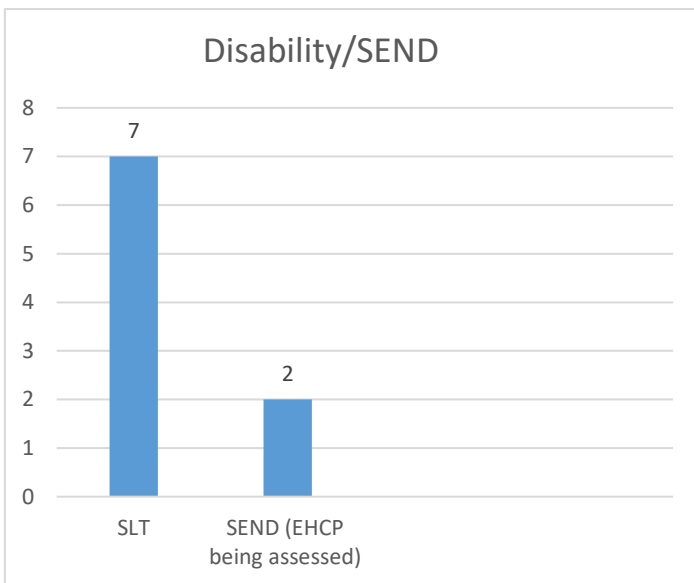
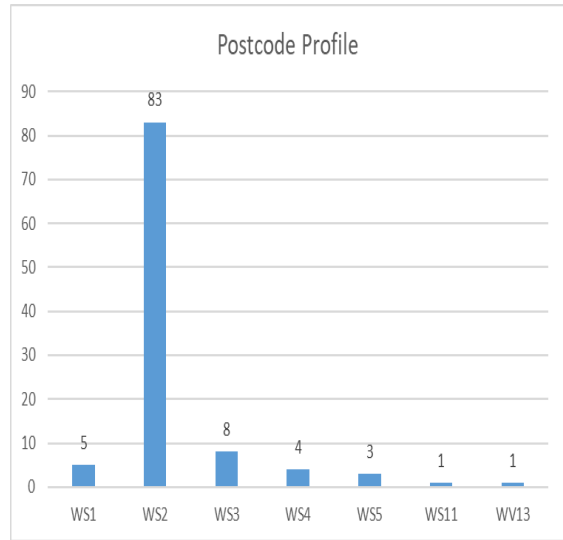
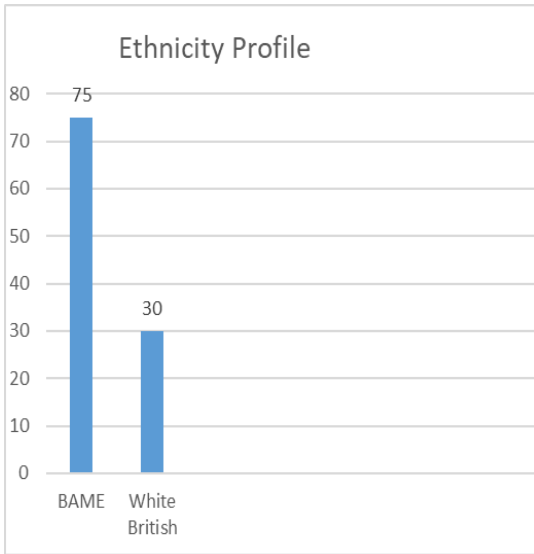
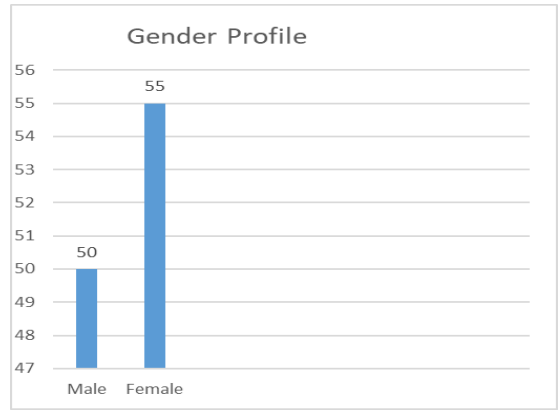
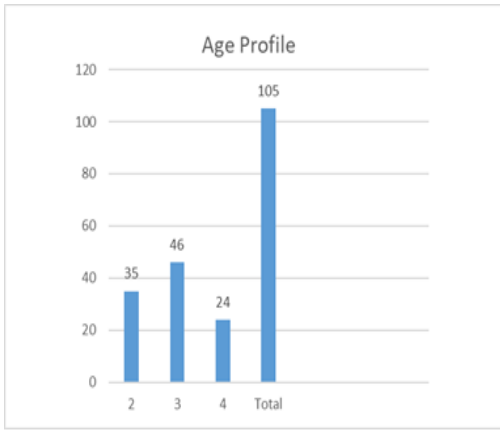
Stanley’s Nursery is the last remaining childcare service in the borough directly provided by Walsall Council. The provision of childcare by a Local Authority is not a statutory requirement; Local Authorities are responsible for ensuring there are sufficient childcare places across the borough to meet demand.

The nursery is a day care provision for children aged 2 years to 4 years of age. There are currently 105 children registered at the nursery with a total of 23 members of staff (including cleaning & caretaking employees)

The current weekly childcare usage is as follows:

Days attending	Total no. of children attending	All day	Mornings Only	Afternoons Only
Every Day	81	4	47	30
4 days a week	4	3		1
3 days a week	7	6	1	
2 days a week	11	6	5	
1 day a week	2	1		

The profile of the children attending nursery is as follows:



*SLT: Speech & Language Therapy
 SEND: EHCP currently being assessed

The proposal impacts children under 5 years of age, However, of the current 105 cohort of children attending the nursery provision, 48 children (46%) will be leaving in July 2020 to start Nursery School or Primary School in September 2020.

These 48 children have a transition plan in place and work is on-going with the new setting in preparation for a smooth transition.

The parents and carers of the remaining 57 children will be provided with a detailed and personal transition plan, along with a dedicated support package from the Family Information Service to secure alternative provision from school nurseries, private providers and/or child minders. Each child will have an individual action plan which will be reviewed weekly.

For the children receiving Speech & Language Therapy, 3 are due to leave July 2020, a transition plan to their new school/nursery will be provided. For the remaining 5, again the dedicated Family Information Service will ensure support is provided and appropriate alternative setting secured, relevant information shared as part of the transition planning.

For the children with SEND, currently having an EHCP assessment, both are leaving and a transition plan will be in place.

Parents and carers of children seeking a placement at Stanley's Nursery have been advised of the uncertainty of the future provision since Cabinet approval to consult (February 2020) and therefore there are no children currently on the waiting list for Stanley's Nursery Birchills. This decision was made to avoid unnecessary anxieties and delay in securing alternative placements with nearby providers. The Family Information Service has provided advice and assistance to secure alternative provision for any parents/carers making enquiries.

Appendix 3 EqIA Policies. Procedures, Services provides further detail relating to children, parents/carers.

4.1.1 Sufficiency of Provision

The provision of childcare by a Local Authority is not a statutory requirement, Local Authorities are responsible for ensuring there are sufficient childcare places across the borough to meet demand.

A recent review of the childcare market place and sufficiency within the borough (February 2020) concluded that there are sufficient placements available for 2, 3 and 4 year olds.

As part of the sufficiency drive within the local area to Birchills Nursery, a local school (Croft Primary Academy) are extending provision for children aged 2yrs, creating an additional 24 places, this will support the transition for some of the 57 children requiring an alternative placement.

4.1.2 Cabinet Decision making

In February 2015 Cabinet approved the implementation of a new model of delivery for children's centres, the transfer of some former children centre buildings to schools and a procurement process to transfer remaining childcare and buildings to suitable third party organisation/s.

Procurement was completed and services successfully transferred to alternative providers, for all except Stanley's Nursery Birchills

As part of a follow on report on the redesign of children centre services in February 2017, Cabinet approved the undertaking of a competitive procurement process to determine the most suitable provider(s) for the provision of childcare and early learning and to commence delivery from early Autumn 2017.

4.1.3 Procurement Activity

Following the Cabinet decision in February 2017, a tendering exercise took place between 25th April and 25th May 2017 to find an organisation to take over the running of Stanley's Nursery, Birchills but there were no bidders. A further tender exercise was undertaken between 26th June and 7th July 2017, one bid was received which did not meet the Council's requirements. Since the tender process was unsuccessful, a negotiation process was undertaken with the organisation that submitted a bid which led to them providing an initial business case. However, when further negotiations were undertaken to establish the validity of the business case the organisation found that there were some costs which they had not taken into account which meant that the business case was not viable and they withdrew from the negotiations in February 2018.

The Council was approached in May 2018 by another potential provider, negotiation took place based on the initial specification to determine if Stanley's Nursery Birchills could be a suitable site and an initial business case was developed but after further negotiations it was found that the business case was not viable and they withdrew from the negotiations.

4.1.4 Consultation & Analysis of Finding

Following Cabinet approval (February 2020) to consult on the future of the Nursery provision, comprehensive consultation has taken place, in line with the council's statutory duty to consult.

Consultation commenced 2nd March 2020 with the parents/carers of the 105 children attending the nursery at that time and with 6 stakeholders utilising, free of charge, the building to deliver services to children and young people such as Health Assessments, Speech & Language Support.

4.1.5 Parents/Carers Consultation

- Week commencing 2nd March 2020 letters were hand delivered and signed for by all parents and carers of the 105 children attending the nursery provision
- Paper questionnaires with a stamped address envelope for return were provided
- A telephone helpline for advice and assistance for parents/carers, including support with any language barriers was provided.
- Drop in sessions were arranged, 6 in total, covering different days and various times to ensure all parents/cares were given with an opportunity to seek further information, encourage to complete the questionnaires provided, help and support regarding alternative settings hold they require

- Follow-up telephone calls were made to parents/carers that had not been seen during drop in sessions to encourage participation in the consultation process
- A comments box was left at the nursery reception to encourage parents/carers to leave their comments and/or completed questionnaires
- 23rd March 2020, letters were sent to all parents/carers confirming consultation had been 'paused' due to the Covid 19 pandemic, (all parents had been spoken to the week prior regarding the Covid situation)
- 12th May 2020 letters sent to parents/carers advising on the conclusion of the consultation and extension to 27th May 2020 to allow additional time for people to respond

20th to 27th May 2020 telephone calls made to all parents and carers who had not been directly spoken to during the drop in session or previous telephone 'ring around' (30 parents in total)

During the consultation period parents/carers were asked to comment and give consideration of 4 options:

Option 1: Keep Stanley's Nursery open and identify a proposal to fund the shortfall of +£70,000 and we ask for your suggestions.

Option 2: Keep Stanley's Nursery open and in order to cover running costs raise childcare fees to £110 a day, £55 half day.

Option 3: Keep Stanley's Nursery open charging the market rate of £50 full day and £25 half day and identify a proposal to fund the shortfall of £55,000. We seek your suggestions.

Option 4: Close Stanley's Nursery meaning 105 children would need to find alternative childcare provision and 19 staff would be put at risk of redundancy.

* The original shortfall & fees in option 1 & 2 circulated as part of the consultation were based on the forecasted overspend of £0.070m as at February 2020. The 19 staff in option 4 related directly to those employed at the time to provide the childcare day service, not the cleaning and caretaking function. The 105 children relate to the children registered at the nursery as of February 2020, 48 of these children will be leaving the nursery to start nursery/school in September 2020.

By the final closing date of consultation

- 26 out of 103 questionnaires had been completed and returned (sibling groups received one questionnaire per household)
- 38 parents/carers had been seen at the drop in sessions
- All but 4 families were contacted successfully via telephone to encourage participation in the consultation
- 11 comments were received via the comment box left at the nursery

Appendix 1 provides detailed analyses of the questionnaire feedback received

Appendix 2 provides detailed analyses of the face to face, telephone calls and comment box feedback received.

When presented with four options for the future of Stanley's Nursery, the majority of those parents/carers who responded thought that the nursery should be kept open and the shortfall in funding met some other way (option 1). Suggestions for how the £70,000 shortfall could be met included generating income from making better use of the building through private room hire or through fundraising events. No suggestions were likely to generate the £70,000 required.

Some parents/carers felt that it should also be kept open and the fees increased to the market rate (option 3), 31% (8) of those parents/carers responding suggested this, however there was little support for increasing the fees to cover the running costs (option 2) or closing the nursery (option 4).

Regarding Option 4, closing the nursery, most parents/carers stated that should the nursery close they would find an alternative private nursery, 43% of parents & carers spoken to during the one to one drop in sessions advised that their child/ren would be leaving to start Nursery School or Primary School in September 2020. A few said they would no longer engage in early years' provision at all and seek childcare from family or friends, the main reason stated were around finding suitable local nurseries with places available, particularly one close to home. For a few possible closure would necessitate the reduction of work / study hours or giving up work/ study altogether, whilst others advised they would seek childcare from family and friends.

In terms of usage, 92 % of parents and carers responding were current users of the nursery with at least 1 child attending on a full or half day rota. The majority of childcare tends to be on a part-time basis as table below indicates. Of the parents/carers who responded to the consultation 73% state that their child / children get 15 hours free childcare a week and therefore attend for this number of hours. One parent/carers said they were entitled to 30 hours free childcare and their child attends for 23 hours a week, three said they attend for 12 hours or less a week.

Whilst most parents and carers stated that they utilise their free childcare entitlement, just two stated they pay the full cost of childcare, with their children attending for 20 hours and 5 hours a week.

Start and end times vary however most children (9) start at 09.00 in the morning and of these 8 stay until 12.00, all of these receive 15 hours free childcare. A total of 6 start earlier, between 07.30 and 08.30 and 5 children stay all day. Four of these receive 15 hours free childcare and one 30 hours.

4.1.6 Stakeholder Consultation

Responses have been received from 2 of the stakeholders, One Walsall who utilise rooms to provide adult weight management clinics and Dorothy Pattison Hospital who provide perinatal mental health services.

Both felt disheartened at the possibility of the building and facilities closing stating they provided much needed services to support the local community that potentially may impact families in the on the long term.

One Walsall raised a concern around the reduced availability and access to venues across Walsall and suggested renting out part of the building to organisations to help fund the shortfall.

4.1.7 Covid 19 Implications

Due to Covid 19 consultation was paused on the 23rd March 2020 and resumed 12th May 2020 to the 27th May 2020.

As part of the Government guidance to re-open Early Years settings, parents/carers were contacted to understand the potential demand on the service.

Of the 105 children attending the nursery, only 14 parents/carers have indicated that their children will be returning to the nursery before the summer break, with 33 parents stating they may consider an early return dependant on risk assessments and new working practices being implemented. At the time of this report being written work is undergoing to meet the Covid 19 recommendations with a view of re-opening on the 22nd June 2020. Following the advice the capacity of children that can return is 24 children. Priority will be given to those aged 3 and 4 in preparation to support transition into Nursery School and/or School for the September admissions, there are 45 children (43%) due to leave by this date.

4.2 Council Corporate Plan Priorities

There are sufficient childcare places available across the borough to meet the needs of all 2, 3 and 4 year old children. The support that will be provided to all parents/carers of those children requiring alternative childcare will be critical in ensuring children have the best start in life, are safe from harm, happy, healthy & learning well.

4.3 Risk management

4.3.1 Buildings

Capital grant funding was obtained for Children's Centres under the Governments Sure Start programme. The Council's funding agreement with the Department for Schools, Families and Children includes provisions whereby a proportion of the grant must be repaid in the event that the use of the building for childcare ceases.

Where the Council is the accountable body for Children's Centres which have been funded using Sure Start grant capital funding, it is under an obligation to notify and consult with the Education Funding Agency (EFA) about any proposal to dispose of or change the use of a property funded by such grant. The claw back will potentially apply for any property disposal or change of use within a period of 25 years from the date of the grant. Claw back of funding is triggered where an asset, wholly or partly funded by the grant, is disposed of or the asset is no longer used to meet the aims and objectives of Sure Start. The EFA has clarified that the grant of a lease of Children's Centres by the Council could trigger a capital claw back risk to the Council

To mitigate the risk of capital claw back Children's Services will utilise the building as part of the Transformation Programme and delivery of the existing 0-19 Early Help Locality Model, where services to children and young people will continue. The proposed future use of the building will be noted in the application to the Education Funding Agency for the deferral of the claw back as a mitigating factor.

4.3.2 Child Care

There is a risk to the 57 children remaining at Stanleys Nursery in securing an alternative provision. However, to mitigate the risks there will be a 3 month transition plan for each parent, carer and child. The Family Information Service will provide a dedicated personal resource to support all parents/carers to identify appropriate alternative provision for their children.

Each child will receive an individual transition plan reviewed on a weekly basis in partnership with parents/carers to consider the alternative options and supported, where requested to make applications and secure placements.

Children already moving into Nursery and/or School from September 2020 have existing individual transition plans which will continue to be supported, along with the appropriate liaison with the new setting including the sharing of appropriate/relevant information regarding SEND support needs and plans.

To avoid any unnecessary anxieties for parents/carers there are no children currently on the waiting list for Stanley's Nursery Birchills. Following Cabinet February 2020 local parents were advised of the consultation process and the uncertainty of the future of the provision, support has been provided to parents/cares making enquiries to secure alternative provision via the Family Information Service.

4.4 Financial Implications

Stanley's Nursery was overspent in the past financial year and is forecasted to be again in 2020/21 by £0.138m. This is expected to reduce to £0.096m if the nursery were to close by end of December 2020

	2020/21 Forecast
	£m
Staffing costs	0.357
Non-staffing costs	0.033
Total costs	0.390
Total expected income	(0.251)
Overspend	0.138

This position is an ongoing pressure, for which an ongoing solution needs to be found if the nursery is not closed. There is a requirement for a set number of employees in relation to the number of children attending the nursery, so it is not possible to reduce staffing costs. Therefore additional income would need to be generated to offset the expected overspend. Please see table below for possible changes to fees:

	All day £	AM £	PM £	Increase in total income £
Current Rate	37.50	19.25	19.30	
Market Rate	55.00	25.00	25.00	17,108
Original rate required to cover all costs in 2019/20	110.00	55.00	55.00	71,765
Rate required to cover all costs in 2020/21	165.00	82.50	82.50	137,898

An increase from the current rate of pay to the market rate would generate an additional £0.017m income based on the current cohort of children, which would not be sufficient to cover the running costs.

The original fee increases circulated as part of the consultation were based on the forecasted overspend of £0.070m as at February 2020. The 2019/20 outturn position was actually an overspend of £0.095m prior to mitigating actions. The overspend for 2020/21 is forecasted to increase to £0.138m prior to mitigating actions so the rate increase to £110/£55 (based on February 2020 forecast position) would no longer be sufficient to cover the expected costs. The rates would need to increase to £165/£82.50 to cover all the forecasted costs for 2020/21. The amount fees would have to be increased by to cover all costs is not realistic.

If the council continues to run the nursery, a budget would need to be allocated from within Childrens Services to cover the additional costs of operating the service. This is not considered feasible, as there are already significant funding pressures on statutory services so it is not possible to remove budget from these services to fund a non-statutory service.

Should the decision be to close the nursery, there will be one-off redundancy and pension costs of circa £0.156m.

4.5 Legal Implications

There has been significant change to both national and local policy on Early Years since Children's Centres were first established, including the Government's policy on free early education for disadvantaged 2 year olds and the announcement of the increase to 30 hours a week of the free early education entitlement for working parents of 3 and 4 year olds. Section 7 of the Childcare Act 2006 places a duty on Local Authorities to secure early years provision free of charge for eligible 2 year olds.

This free entitlement to learning is aimed at improving disadvantaged children's social and cognitive outcomes so that by the age of 5 they are as ready as their more advantaged peers to start and fully benefit from school.

Whilst the Council has a duty to ensure sufficiency of childcare places within the borough, there is no statutory duty for the Council to provide childcare services.

4.6 Procurement Implications/Social Value

Procurement to transfer the Birchills Childcare has taken place twice without success. The specification has been reviewed however there is limited capacity for the council to make any further amendments that would attract any bidders. The deficit operational costs and the pension liabilities remain a key area of concern to potential bidders. Whilst Children's Service can continue to scope the market and carry out a further procurement exercise it is unlikely to be successful without significant financial incentives being put in place.

4.7 Property Implications

In the event that Stanley's Nursery is approved for closure, under the Corporate Landlord Model, the operational need for the building within Children's Services will need to be considered. If the building is considered to be surplus to Children's Services' requirements, then it will revert to being a corporate asset and consideration will be given to potential alternative operational uses for the building. If no such uses are identified, then consideration would be given to declaring the building surplus to the Council's requirements and seeking to dispose of the asset. As detailed above, the cessation of the use for early years and / or the disposal of the building are triggers for the capital claw back of the grant funding. Accordingly, the feasibility of the relocation of the Children's Services Early Help Central and South Locality hub is being considered.

4.8 Health and Wellbeing Implications

The Council is required to provide sufficient Childcare places and to secure early education for every eligible 2 year old. Children's Services Early Years team have confirmed that there are sufficient places within the immediate and wider areas to accommodate the childcare needs that will continue to support the health and wellbeing of the children and the parents/carers.

As described in 4.8.4 above there are plans to support the parents and carers of the 57 children who will require alternative provision, with individual transition plans, reviewed and monitored weekly over a 3 month transition period to ensure all children and secured alternative placements.

4.9 Staffing Implications

The implication of the closure of Stanley's Nursery Birchills may result in up to 23 staff redundancies. This includes staff from cleaning and caretaking. Staff will be formally consulted in line with the Council's Redundancy Policy and will have access to redeployment opportunities in line with the Council's Redeployment Policy once the future model of delivery has been agreed.

Appendix 4 EqIA Organisational Change

Staff and Unions have been advised and updated throughout this process.

Birchills is the largest childcare service operated by Children's Services and is the last of the childcare service that is directly provided by the Council, meaning there is no opportunity for staff to assimilate into the same role elsewhere within the Authority. However, HR and Managers will work with staff who would like to consider alternative roles to explore any suitable opportunities available to them via redeployment. As there are also caretaking and cleaning staff employed at the Nursery consultation will take

place with those staff via Facilities Management and again where possible staff will be redeployed within any service vacancies.

4.10 Reducing Inequalities

Equality Impact Assessment's (EqIA) has been completed, see Appendix 3 and Appendix 4.

This proposal does effect some protected characteristic groups negatively including staff, children, parents and carers. As detailed in the EqIA's including:

- children under the age of 5, a high proportion of whom are BAME
- small group of children with SEND
- staff who are predominately female and
- parents and carers who took part in the consultation activities were all female.

However actions to mitigate impact have been taken into account as follows:

- all parents/carers will be provided with a dedicated resource from the Family Information Service to identify and secure alternative provision. Each child will have an individual transition plan reviewed weekly with parents/carers
- all children with SEND needs, will have a detailed and personal transition plan implemented for their new nursery and/or school or child minder
- the survey feedback with parents/carers did not highlight concerns negatively around BAME, this will be monitored
- parents/carers consulted with were predominately female, this would be expected as it is predominately 'mums' who bring their children into nursery and who tend to be the liaison with nursery on a daily basis, again feedback did not raise issues around this, letters were sent to the home address allowing all parents/cares to be involved with the consultation activities

4.11 Consultation

A comprehensive consultation plan has been implemented and meets the statutory requirements which included engagement with parents/cares and partner stakeholders.

Appropriate staff consultation will take place subject to the decision made by Cabinet, in light of the current Covid 19 situation and the limitations this presents in terms of face to face consultation, Trade Unions will be informed of proposed appropriate methods of consultation with employees in the event that the decision necessitates this.

5. Decide

Cabinet to decide if the recommendation for the closure of Stanley's Nursery, Birchills is to be approved, taking into account

- The childcare provision is a non-statutory service the Local Authorities responsibility is to ensure there are sufficient childcare places across the borough
- There are sufficient childcare places across the borough, with an additional 24 places for 2 year olds being provided by a local school within a close proximity of Stanley's Nursery

- The service is heavily subsidised by the council, with Childrens Services having an overspend 2019/20 of £0.095m, forecasted to increase in 2020/21 to £0.138m.
- Detailed consultation with parents/ cares and stakeholders has been completed
- The continued delivery of the nursery is not financially viable

6. Respond

Children's Services to implement the approved recommendation and take the appropriate action.

The Family Information Services within Early Help will provide a dedicated helpline and contact all parents and carers of the 57 children remaining registered at the nursery from September 2020 to support the identification of alternative childcare provision and support parents/carers where required to secure placements.

All staff will be advised of the outcome of Cabinet decision, will be treated fairly and in line with HR policies and procedures.

7. Review

The sufficiency of childcare within the area will continue to be monitored and the Early Years team will work with providers to meet any future demand.

Background papers

- Cabinet Papers February 2015
- Cabinet Papers February 2017
- Cabinet Papers February 2020

Author

Julie Jones
Group Manager Early Help
☎ 07557541064
✉ julie.jones@walsall.gov.uk



Sally Rowe
Executive Director
6 July 2020



Councillor Wilson
Portfolio holder
6 July 2020

1. The Future of Stanley's Nursery - Findings from consultation

1.1 Background and approach to consultation

Stanley's Nursery is the borough's remaining childcare service provided and subsidised by Walsall council. The annual subsidiary rate is currently £70,000 and is predicted to rise to £87,000 by the next financial year. In order to inform decisions about the nursery's future, a programme of consultation with parents and carers was conducted, the findings of which would be used alongside other information to inform the final decision.

On 2 March 2020 letters explaining the consultation and questionnaires were given to parents / carers of children who attend the nursery or are due to attend. In addition, in order to gain a richer understanding 6 face to face sessions were arranged where officers were on hand to take comments or provide assistance completing the questionnaire. Unfortunately due to the Covid 19 situation 4 out of the 6 drop in face to face sessions were delivered.

Feedback gathered at these sessions is summarised in appendix 2

Consultation began on 2 March 2020 and was due to conclude on 31 March 2020, however the COVID-19 crisis meant that on 23rd March 2020 consultation was paused while the service and families themselves adjusted to the challenges that the pandemic brought. Consultation resumed on 12th May 2020 with a final deadline of 27 May 2020. Letters were sent to all parents and carers on 11th May 2020 notifying them of the extension to the consultation and the final deadline.

During the consultation efforts were made to encourage response. Parents and carers were reminded to respond when dropping off / collecting their children as well as phone calls being made week commencing 16th March 2020 and week commencing 20th May 2020.

By the final closing date

- 26 out of 103 questionnaires had been completed
- 38 parents/carers had been seen at the drop in sessions help
- All but 4 families were contacted successfully via telephone to encourage participation in the consultation
- 11 comments were received via the comment box left at the Nursery
- 2 of the stakeholders and provided feedback

2. Key findings

- Respondents tend to use childcare at Stanley's Nursery on a part-time basis, with most getting 15 hours free childcare a week. Just two respondents pay the full cost of childcare.

- Being close to home is the main reason why parents chose Stanley's Nursery for their childcare needs.
- The staff, the quality of care / the Ofsted report and the good reputation of the nursery in the community were also common reasons for choosing the nursery. Due to the large proportion of users getting free childcare places, cost is not a major factor.
- The importance of being close to home reflects the fact that most respondents walk their children to nursery.
- Most respondents thought that the nursery should be kept open and the shortfall in funding met some other way (option 1).
- There was some support for keeping it open and increasing the fees to the market rate (option 3), however there was little support for increasing the fees to cover the running costs (option 2) or closing the nursery (option 4).
- Suggestions for how the £70,000 shortfall could be met included generating income from making better use of the building through private room hire or through fundraising events. No suggestions were likely to generate for £70,000 required.
- Most state they if the nursery closed they would find an alternative private nursery.
- For a few possible closure would necessitate the reduction of work / study hours or giving up work/ study altogether. Some would seek childcare from family and friends.
- For some, closure would mean that they would no longer engage in early years' provision at all.
- Many feel that possible closure and the resulting change of routine would be unsettling for their child, several respondents express how much their child enjoys going to Stanley's Nursery and the benefit it brings.
- Some feel it will be difficult to find suitable local nurseries with places available, particularly ones close to home.

3. Main findings

The following summarises the results from the questionnaire and is based on the views of 26 people. Due to the small number of responses percentages may be misleading and therefore only counts are reported here.

In terms of usage, most respondents were current users of the nursery with at least 1 child attending. 24 respondents currently use full or half day childcare with one respondent saying they plan to use full or half day childcare at Stanley's Nursery.

17 respondents require term-time only childcare and 5 all year round.

Childcare tends to be on a part-time basis. Most respondents (19) state that their child / children get 15 hours free childcare a week and therefore attend for this number of hours. One respondent said they were entitled to 30 hours free childcare and their child attends for 23 hours a week. Three said they attend for 12 hours or less a week.

Whilst most respondents utilise their free childcare entitlement, just two respondents pay the full cost of childcare, with their children attending for 20 hours and 5 hours a week.

Start and end times vary however most children (9) start at 09.00 in the morning and of these 8 stay until 12.00, all of these receive 15 hours free childcare. A total of 6 start earlier, between 07.30 and 08.30 and 5 children stay all day. Four of these receive 15 hours free childcare and one 30 hours.

Being close to home is the main reason why parents chose Stanley's Nursery for their childcare needs, all but three respondents selected this. The staff, the quality of care / the Ofsted report and the good reputation of the nursery in the community were also common reasons for choosing the nursery. Due to the large proportion of users getting free childcare places, cost is not a major factor.

Q6 reasons for choosing Stanley's Nursery	
Close to home	23
The staff	17
Quality of care / Ofsted report	15
Good reputation in the community	14
The building and facilities	12
Security and safety	12
Recommend by family / friend / Health Professional / Social Worker	10
Opening hours	8
Places available / no waiting list	7
Parking / drop off	6
Close / on route to place of work / study	5

Low cost compared to other providers	4
Attached to local school	2
Other, please tell us	1

The importance of being close to home reflects the fact that 17 respondents walk their children to nursery. Just 5 used the car and 2 the bus.

When presented with four options for the future of Stanley's Nursery, most respondents (13) thought that the nursery should be kept open and the shortfall in funding met some other way. Eight felt that it should also be kept open and the fees increased to the market rate (option 3).

Q7. Which of the following options do you think should be taken?	
Option 1: Keep Stanley's Nursery open and identify a proposal to fund the shortfall of +£70,000	13
Option 2: Keep Stanley's Nursery open and in order to cover running costs raise childcare fees to £110 a day, £55 half day	3
Option 3: Keep Stanley's Nursery open charging the market rate of £50 full day and £25 half day and identify a proposal to fund the shortfall of +£70,000	8
Option 4: Close Stanley's nursery meaning 105 children would need to find alternative childcare provision and 19 staff would be put at risk of redundancy.	1

Just 3 were prepared to pay fees that covered the running costs and 1 said close the nursery (option 4).

Reasons given for why option 1 should be taken included the negative affect it would have on their children and that the council should prioritise funding this important service:

"Because closing the school will affect the kids."

"Wouldn't want the nursery to close. Will be very stressful for the children and for the parents to find somewhere else that is as good as Stanley's nursery. The nursery is very good and the staff are really good there. My child is really happy there. I really do not want it to close. It's a great place for the community to get together and offers lots of resources."

"Other funding for different areas provided by Walsall Council aren't necessary- whereas nurseries are NECESSARY."

"Childcare, investing in young people and family should be a priority for a council not some cost-cutting exercise."

"Council has money so they should fund it, especially if we can have 15/30 hours free, what does our tax money go on?!"

"Because not a lot of people can afford."

"Baby room like college. Bring back paying parents."

"Local to parents - easier to get here for all. Easy to walk to."

Reasons given for preferring option 2 (keep open and increase fees to cover costs) included:

"Because Stanley Nursery is a good nursery."

"Would make more sense instead of making more people unemployed. Making parents find a different nursery when others have long waiting lists and making parents cut down their work hours and find childcare moving children when they are settled, they know their teachers and friends."

Reasons given for preferring option 3 (keep open and charge the market rate) included:

"It is a service required in the area, priority should be given to working parents. Volunteer drive should be increased to reduce the amount spent on wages."

"Only nursery in borough funded by council. Also, not able to find nursery places for children at schools so I sent my child here. Schools not willing to take on nursery children till reception because they do not have any places in nursery left."

"Reasonable compromise. Don't think it's fair on children structure childcare to use rooms."

"Keep the nursery going, very good."

"Want to see nursery stay open."

When asked to suggest a different option, no detailed suggestions were put forward.

"Council pay for it."

"Option 2 unrealistic. Why don't you take babies?"

"Plan to send her here. 5 min walk. Universal Credit not working."

When asked how Children's Services could make the necessary savings of +£70,000 a number of respondents suggested generating income from making better use of the building through private room hire or through fundraising events. None are likely to generate for £70,000 required.

"The building can be used to host parties during weekends that will bring in income. Working parents are likely to pay to extra hours of child care, they should be given priority."

"Could rent rooms for meetings, parties etc."

"It is not a case of making savings, it is a case of making money from space that is provided at Stanley's Nursery. There are many ways that money could be made using the facilities, space and rooms that are provided at Stanley's Nursery."

"Get sponsors or do fundraisers and events throughout the year or do some cut backs on things parents could help with food and equipment."

"Fundraisers or cutting down other Council Costs!"

"Try to raise money on Facebook. Ask parents who use the nursery to make regular donations to go towards the £70,000 shortfall. Even those parents who get free places. If all the parents stuck together the money could be raised."

Other comments referred to the need to make changes to the way the nursery is run and the fees that are charged.

"Run it like a proper nursery and add a baby room which will add up funding."

"I think it should stay open and up their prices instead. Would make more sense as the other nurseries are full and it has taken me 4 months to get my daughter into one."

"Paying parents."

When asked what they would do if the nursery closed, most (10) said they would find another private nursery. Possible closure would necessitate the reduction of work / study hours of 8 people and 6 say they would have to give up work / study altogether to look after their child themselves.

A total of 4 respondents say they would seek childcare help from family and friends. 4 respondents did not know what they would do if closed.

Q10 What would you do if Stanley's Nursery closed?	
Find another private nursery	10
Reduce working / study hours and look after your child / children yourself	8
Give up work / study and look after your child / children yourself	6
Don't know	4
Seek childcare help from family members	3
Seek childcare help from friends	1
It would not affect me / my child	1

Respondents were asked what impact, if any, the possible closure of Stanley's Nursery would have on them, for some it would mean that they would no longer engage in early years' provision at all and instead would see them stay at home. For one respondent closure would have a social impact on them.

"My child would drop out of a nursery setting and spend most of her time at home which is not good for her development."

"My child would have to stay at home"

"My child will have to stay home with me while I stop work and school to look after him."

"Less interaction with other parents and babies as I don't have many mom-friends."

For others their work / study would be impacted, which for some may also have an impact on income and living costs.

"Change or lose job need 8 start 6 finish."

"Would have to give my course as I struggle to find childcare for my son due to his behaviour."

"I would have to reduce working hours resulting in lower income and a strain on living costs."

"By reducing hours, I will be eligible for working tax credit, housing benefit and council tax reduction possibly. So if they're 5 families like me, how much will you really save? Currently not eligible for any of the mentioned benefits because I earned enough."

Many feel that its possible closure and change of routine would be unsettling for their child, several comments express how much their child enjoys going to Stanley's Nursery and the benefit it brings.

"A big impact! That's the closest nursery to me and my child never left my side since he was born so it was hard for him to stay there but because of the amazing staff he loves going there."

"My child has been here just over a year and is doing well. If I had to move her to another nursery, this would unsettle her."

"My child currently enjoys his time at Stanley Nursery and he looks forward to nursery every day."

"Settled into nursery and is getting on really well"

"It would be very stressful for me and my child. He is very happy there and knows the staff. He doesn't want to come back home he is so happy there. I can't imagine him going anywhere else. I don't want it to close."

"Would be lost if the nursery closed. Don't know any other nursery I'd feel comfortable with. Looked at 5 other nurseries and this was the only one that made me feel comfortable and safe to send my child to. My child is very happy there. The staff are lovely and my child is settled there. I don't want any change in my child's early learning. He is doing so well at Stanley's. Do not close it. It has to stay open. For my child and the local community."

Other comments refer to it being difficult to find suitable local nurseries with places available. Being close to home is an important factor for many.

"Would be a pain as it took me 4 months to get my daughter into a nursery and now she's finally settled, made friends. There is nowhere else for her to go unless you sort the waiting lists out."

"As this is the closest childcare provider to my house, I would be forced to have my child stay at home until they start reception as all schools I have applied to for nursery places have said that they have none left."

"Child has learning difficulties and is not yet walking but I wouldn't go anywhere else because they are too far."

"At the moment, nothing but when child goes to nursery, will need to walk further or take public transport. Not familiar with the area, previously in Wolverhampton."

In addition to childcare, a range of other services are run from Stanley's Nursery, most respondents however had not used them (11). Of those who had used the services, 2 were willing to travel to another location to access them, whilst 4 said they would no longer access those services.

Q12 Other services accessed at Stanley's Nursery	
None of these	11
Health visitor baby clinic	7
Speech and language	5
Stay and Play	4
One You	1
Early Help	1

4. Summary of respondent demographics

- 24 respondents were female
- The average age of respondents was 28, ranging from 19 to 37
- 4 respondents were Foster parents
- 7 were single parents
- 8 respondents worked in a part-time role and 2 in a full-time role. 7 were unemployed. A total of 4 were studying / training or on a career break / maternity. 5 respondents were looking after the home and 1 was a carer.
- 8 respondents were on a low income and claiming Universal Credit, whilst 3 respondents stated they were not entitled to Child Benefit (thus one person in the household earns £50,000+).
- Most respondents were of a White (9) or Asian (9) background. 3 were Black or Black British or other (1).
- Most respondents (20) lived in the WS2 postcode area, with 2 living in WS1 and the remainder living in WS3 and WS4.

1. The Future of Stanley's Nursery – Findings from face to face consultation drop in sessions, phone calls, comments box and stakeholder feedback

1.1 Brief background

To inform decisions about the future of Stanley's Nursery based at Birchills Sure Start Centre consultation with parents / carers of children who attend the nursery and Stakeholders who utilise the premises and facilities commenced on 2nd March 2020.

Consultation to determine the future of Stanley's Nursery commenced on 2nd March 2020 with parents / carers of the 105 children who attend the nursery and 6 stakeholders who utilise the premises and facilities.

2. Consultation approach

Parents / carers and stakeholders were given a number of opportunities to provide their views and comments including:

- Parents / carers of children attending the nursery:
 - Letters and questionnaires handed to parents / carers of 105 children
 - 4 out of 6 face to face drop in sessions took place attended by 38 parent / carers
 - Comments received via the comments box located at Stanley's Nursery reception
 - All but 4 families (96%) were contacted via the telephone to encourage response, check they had received a letter and questionnaire, make them aware of all the opportunities available to provide their views and answer any questions.

- Stakeholders:
 - 6 letters emailed to stakeholders – responses received from 2 stakeholders

2.1 Face to face drop in sessions

On 2nd March parents / carers were handed letters whilst attending the nursery explaining the reasons for the consultation and seeking their views on the 4 options being considered.

They were also offered an opportunity to attend any of the 6 face to face drop in sessions from 4th March until 25th March. Each session was supported by Officers to provide a more detailed understanding of the impact of the 4 options to their families, ask questions and receive assistance to complete the questionnaire if required.

The face to face drop in sessions were staggered over a 4 week period and timed to coincide with the drop off and pick up times of the nursery sessions.

Consultation was planned to conclude on 31 March 2020, however the COVID-19 crisis meant that on 23rd March consultation was paused and resumed on 12th May with a final deadline of 27 May 2020. Parents / carers were notified by letter of the extension and final deadline.

The 4 drop in sessions that took place were attended by a total of 38 parent / carers, a breakdown of attendance per sessions is as follows:

Date	Time	Attendance no
Wednesday 4 th March 2020	11:45 am – 12:45 pm	11
Tuesday 10 th March 2020	08:45 am – 09:45 am	15
Thursday 12 th March 2020	12:45 pm - 13:45 pm	9
Monday 16 th March 2020	17:00 pm – 18:00 pm	3 (assistance provided to complete the questionnaires)*
Friday 20 th March 2020	15:45 pm – 16:45 pm	Cancelled due to Covid 19
Wednesday 25 th March 2020	11:45 am – 12:45 pm	Cancelled due to Covid 19

The drop in sessions aim was to discuss the purpose of the consultation and to provide parent / carers a more detailed opportunity to talk to us to gain a better understanding about:

- Why parents / carers chose Stanley’s Nursery for their child(ren) to attend
- What they like about the Nursery
- The impact any of the 4 options will have to their family
- Suggestions of how Children Services could fund the current financial shortfall
- What would they do if Stanley’s Nursery closed

3. Main findings

The following summarises the responses and is based on the views of **35** participants who provided feedback at the face to face drop in sessions.

*Please note feedback from the 3 participants who attended the drop in session on the 16th March 2020 is included in the questionnaires feedback summary in Appendix 1.

Most participants used the nursery on a part time basis and stated they received 15 hour free childcare; 3 participants received 30 hour free child care, 4 attended play and stay and 1 full paid childcare place.

Most of the participants thought the Nursery should stay open and the shortfall in funding should be met in some other way (option 1). One participant preferred option 3 to keep the nursery open but charge the market rate for childcare.

Feedback was analysed based on the following key themes: close to home; quality of staffing; previous experience with the nursery; Impact to child’s development and behaviour; social impact, parental health concerns and availability of alternative suitable childcare places.

The main reason why parents chose and liked Stanley’s nursery is that it was close to home (30) with most of them living in the WS2 catchment area. Secondly, they talked about the quality of the staffing (9) stating that their child(ren) were happy and settled in the nurse as they were familiar with the staff and parents / carers also trusted the staff knowing they could manage and support their child(ren) as older siblings had previously attended the nursery (3).

“It’s nearest to my home, I can walk to the nursery and my sister lives in walking distance to support me if needed”

“It’s a 5 mins drive away as I work full-time I can drop my daughter and son off on the way”

“My 5 year old daughter attended the nursery before and as I trust the staff my son now attends. [Mother stated she would not send her son to another setting as she was did not think he would settle elsewhere]”.

“My son turns 2 in May he knows the teachers which will help him settle in, he is very clingy and doesn’t go to anyone.”

“I trust the staff with my daughter, I have health issues and find it difficult to trust people.”

“Staff are really good, they have built a good relationship with the children”.

“My daughter has delayed development and is being assessed for autism. She needs a lot of support, she loves coming and is attached to the staff who go over and above to support her needs.”

“All my children have loved it here, the staff understand my child’s needs and she has picked up things a lot quicker with the one to one support.”

When asked about the impact any of the 4 options would have to their family, participants talked about their concerns of the possible closure of Stanley’s Nursery. These included the potential deterioration in their child’s behaviour and development (4) and social impact it would have on their children’s social skills (1).

“The staff helped a lot with my son who was autistic when he attended the nursery, he wasn’t sleeping and always screamed. My daughter now attends and she needs a lot of support too. She could not speak English before she came and now she is very talkative and picking things up a lot quicker”.

“My son has behaviour issues; he can get aggressive and has hit his nan so she’s no longer able to cope with him. The staff have been good at managing his behaviour which has improved since attending the Nursery which is only 5 mins bus journey away”.

“My daughter is benefiting from the development and socialising with other children”.

“It’s developing my daughter’s character, opening her mind.

“My child is the youngest and she is already learning so much. I didn’t send my other children to nursey at 2 yrs.”

One parent / carer was visibly upset at the possibility of Stanley’s Nursery closing. Her daughter is 3 years old, has delayed development and she struggles to sleep. She is currently being assessed for autism and requires a lot of support. When she started the nursery she would scream and head-butt the wall, with the help from Nursery staff her development and behaviour has significantly improved. This has impacted on mums health and she struggles to sleep and has lost weight, she fears that her health with deteriorate and she will not cope as she also has 2 other sons, one is autism.

The hours my daughter spends at the nursery have meant the world to me. If Stanley’s was not here I would struggle as I don’t get a lot of sleep now and have lost weight. Family and friends are unable to cope my kids behaviour.”

When asked for suggestions on how Children Services could fund the current financial shortfall. Participants suggested generating income from making better use of the building and offering out for room hire, sharing the places equally between funded and fee paying, ag Government to increase the funding for 2 year old places, offer a babies group and increase the fees for paid places. None are likely to generate the £70,000 shortfall required.

“Offer venue for use for parties to generate additional funding”

“To offer equal number of free and fee paying places”

“Government should increase the funding for 2 year old places”

“To offer baby places for a fee”

“To increase fees for paying parents”

When asked what parents / carers would do if the nursery closed, 43% of the children will be moving on to Nursery Schools or starting school in September 2020 and although the remaining parents / carers preferred to remain at Stanley’s Nursery they would consider alternative child care across the borough. However, 3 stated they would be unable to continue with the 2 – 3 year funded places, 2 of these due to the limited availability of suitable alternative local childcare places and one parent stated she would have to give up her college course to look after her son as his behaviour can be difficult to manage.

“If the nursery would close I would have to give up college to look after my son as I don’t think other nurseries would be able to manage his behaviour. My grandparents are unable to help as they cannot cope with and my partner works full time. This nursery is close enough to fit in with my college course”.

“I would not send my son to another setting as I do oldn’t think he will settle elsewhere”.

“Would look in the Palfrey area near husbands workshop”

“If closed would not use 15 hours for the rest of the entitlement period from Jan 2020 – Dec 2020 as other children go to Birchills School. I would not access anywhere else.”

4. Summary of participants demographics (this information was optional and not provided by all participants)

Majority (over 90%) were female parents/carers with 2 year olds attending the nursery.

4.1 Phone calls / responses

To encourage a response to the consultation all parent / carers of the 105 children who attend Stanley’s Nursery were contacted on various occasions by telephone to check they had received the letter and questionnaire, if not questionnaires were re-issued and to answer any questions or offer any support / assistance if required.

All but 4 families were contacted successfully.

Just under half of the children (43% parents / carers are moving their children to a Nursery School or children are starting School in reception in September 2020 admissions. With another 3 considering a Nursery School provision, irrespective of the consultation for September admission. Of these 12 preferred to remain at Nursery and all but 2 spoke positively about Stanley’s Nursery.

“Nursery is perfect, very local. I’m a student at University and use it 4 days a week”

“very happy with Stanley’s don’t close it”

“Prefer Stanley’s, more convenient and local”

“Prefer to keep my youngest child at Stanleys”

2 parents and carers were not happy or had a mixed view about the support provided by the staff and the hygiene standards:

“Not happy with the Nursery you should close it, they have no time for parents”

“Not happy with the hygiene at the Nursery but sad to hear it may close”.

3 parents / carers were paying for places and requested a list of alternative child care providers in the Borough.

1 child had left the area.

4.2 Comments Box

Parents / Carers were provided an additional opportunity to share their views about the Nursery via a Comments Box that was located at the front reception of the Nursery.

Overall 11 comments were received, 9 from parents / carers and 1 from a student/parent and 1 from a student.

The majority are positive comments about the service provided by the Nursery and opposing any possible closure.

“I feel this nursery is improving a child’s mind and ability better than most nursery / primary schools within our area. They also provide a lot of support for adults and parents”.

“Stanley’s service provider a great service to children from the ages of 2 – 3 years. If this service closes what other place is available that is near the town.”

“I think Stanley’s Nursery provides an excellent service for both 2 and 3 year olds. To close this Nursery would have a huge effect on a lot of children as they have settled in well”

“This place is like a second home to my kid and the staff are just adorable. Please! Please! Please! Don’t shut this Nursery. Thanks

“Where’s the funding going? Lovely School child felt right at ease as never left parents side. Made him comfortable, settle really well and made him learn a lot of things to help with his development.”

A couple of comments were posted by the students undertaking their placements at the Nursery. They have referred to the support they have received from staff and how it has improved their confidence. One of the students also has a child attending the Nursery and may have to re-consider continuing with her course.

“I have been at Stanley’s Nursery for 3 years now. When I first started I was very insecure and had a lot of problems and no confidence at all. This place [Stanley’s Nursery] helped me with my problems and supported me and never judged me for them. My confidence has boosted the staff are very friendly and helpful. I don’t feel comfortable looking for a new placement so I will end up dropping out of college.”
(Student/Parent)

“I have been here in Stanley’s for placement over the past 2 years. When I first started I was insecure and had a lack of confidence, whereas this place has boosted my confidence. The staff are really nice and helpful. I am not looking forward to finding a new placement. (Student).

Other comments received were generally asking whether support will be offered to find alternative places and concerns around the limited availability of nursery places.

“How can you not afford to keep Stanley’s Nursery open when Schools are unable to provide nursery places”.

4.3 Stakeholder responses

Stanley's Nursery building is also currently utilised free of charge by 6 stakeholders to deliver services to children and young people such as health assessments, speech and language support.

On 2nd March 2020 letters were emailed to all 6 stakeholders: One you Walsall; Connecting Communities – Job Club; Dorothy Pattison Hospital; Child Development Centre; Speech and Language Service and Black Country Women's Aid explaining the purpose of the consultation and seeking their views and comments on the impact the options presented may have on their services and service users.

Responses have been received from 2 of the stakeholders mainly One you Walsall who utilise rooms to provide adult weight management clinics and Dorothy Pattison Hospital to provide perinatal mental health services.

Both felt disheartened at the possibility of the building and facilities closing stating they provided much needed services to support the local community that potentially may impact families in the on the long term.

One you Walsall raised a concern around the reduced availability and access to venues across Walsall and suggested renting out part of the building to organisations to help fund the shortfall.

"These services are much needed in the Walsall area, ranging from health to Citizen Advice to domestic violence, to mention a few. Where would these services be able to support the Walsall communities as other venues close or restrict use of the buildings."

"I think ideally the nursery would continue to operate with the addition of parts of the building being rented by other organisations to help fund the shortfall."

Considering the 4 options presented, Dorothy Pattison Hospital preferred Option 1 to keep Stanley's Nursery open and identify a proposal to fund the shortfall of £70,000 followed by Option 3 whereby they would prepared to cover the costs of the room hire.

"It would be such a shame to see the centre closed, or to see parents having to pay increased fees."

"Birchills I feel that it would be a great loss to close the service. I feel that option 3 would be the best way forward."

Both suggestions to rent the building out and cover the costs for room hire are unlikely to fund the shortfall £70,000.

Equality Impact Assessment (EqIA) for Policies, Procedures and Services

Proposal name	Future of Stanley's Nursey Birchills		
Directorate	Children's Services		
Service	Early Help		
Responsible Officer	Julie Jones		
Proposal planning start	28/01/2020	Proposal start date (due or actual date)	28/01/2020 02/03/2020 updated 04/06/2020 updated

1	What is the purpose of the proposal?	Yes / No	New / revision
	Policy	No	
	Procedure	No	
	Guidance	No	
	Is this a service to customers/staff/public?	Yes	
	If yes, is it contracted or commissioned?	In-house provision	
	Other - give details		
2	What is the business case for this proposal? Please provide the main purpose of the service, intended outcomes and reasons for change?		
	<p>Stanley's Nursery Birchills is the only remaining childcare service in the borough directly provided by Walsall Council. The provision of childcare by a Local Authority is not a statutory requirement, the Local Authorities responsibility is to ensure there are sufficient childcare places across the borough.</p> <p>Cabinet approved (February 2015) the implementation of a new model of delivery for Children's Centres, reducing the number of centres to 5 Locality Hubs along with the approval that the remaining Children Centre buildings would transfer to the applicable school, where based on a school site, and the remaining childcare and buildings form part of a procurement process to transfer to a suitable third party organisation/s.</p> <p>The procurement was successfully completed and service's transferred to the successful providers excluding Stanley's Nursery Birchills.</p> <p>Cabinet received a further report (February 2017) regarding the 'Redesign of Children's Centre Services and Sites as part of a 0-19 Early Help Locality Model and Children's Centre South Contract'. In relation to the Birchills site - Cabinet approve the undertaking of a competitive procurement process to determine the most suitable provider(s) for the provision of childcare and early learning and to commence delivery from early Autumn 2017.</p>		



Two procurement/tendering exercises for Stanley's Nursery along with negotiations with a range of different providers have been held however the transfer of the provision has to date been unsuccessful.

The provision is heavily subsidised by Children's Services in 2019/20 total subsidy £95k with a forecast to increase 2020/21 to £138k. Due to the financial pressures on the directorate, Cabinet (February 2020) approved a further consultation with parents/cares and key stakeholders on the future of the nursery provision.

Four options were provided as part of the consultation

Option 1: Keep Stanley's Nursery open and identify a proposal to fund the shortfall of +£70,000 and we ask for your suggestions.

Option 2: Keep Stanley's Nursery open and in order to cover running costs raise childcare fees to £110 a day, £55 half day.

Option 3: Keep Stanley's Nursery open charging the market rate of £50 full day and £25 half day and identify a proposal to fund the shortfall of £55,000. We seek your suggestions.

Option 4: Close Stanley's Nursery meaning 105 children would need to find alternative childcare provision and 19 staff would be put at risk of redundancy

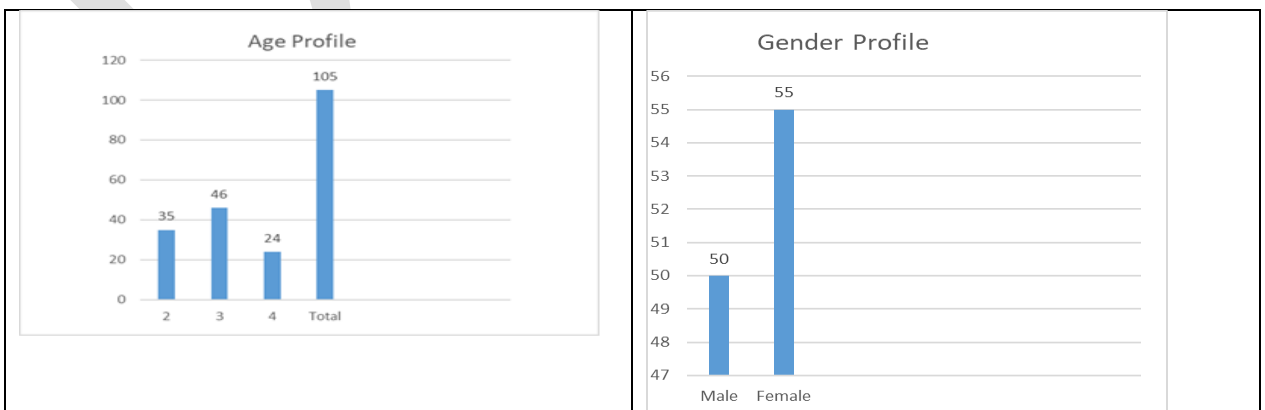
3 Who is the proposal likely to affect?

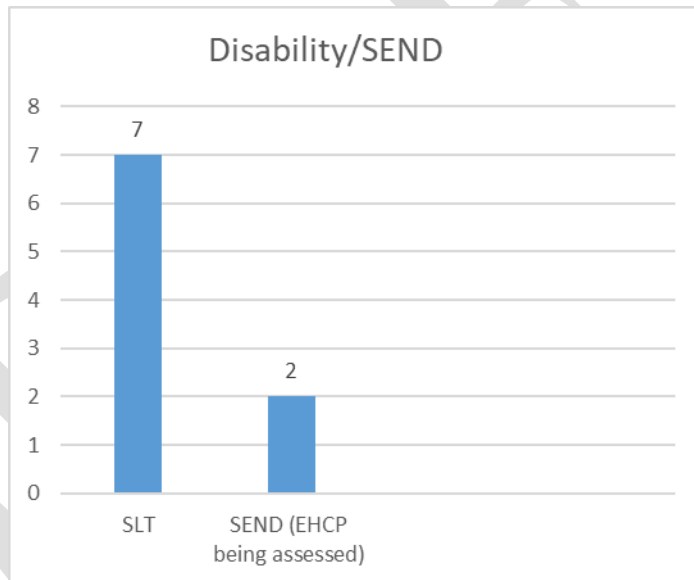
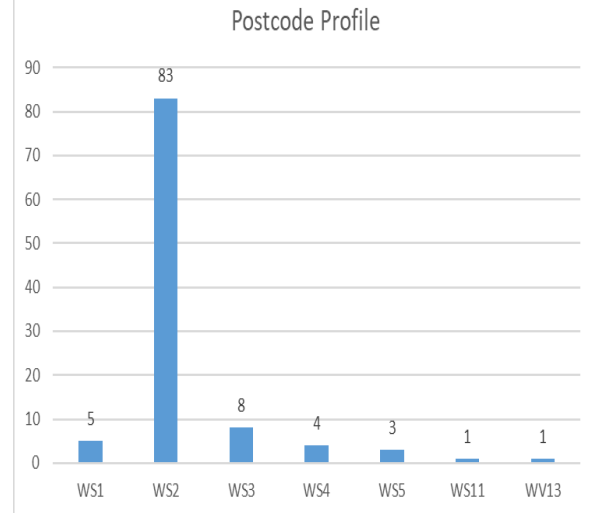
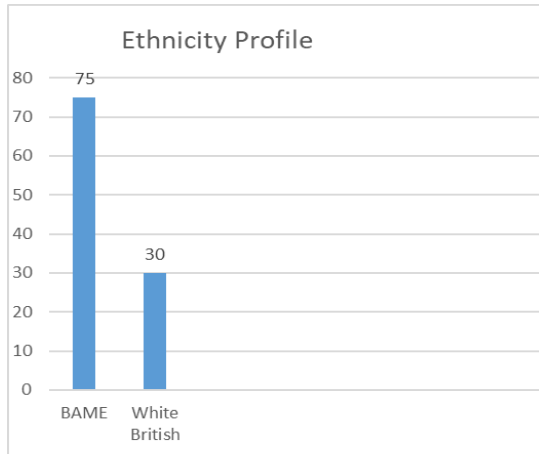
People in Walsall	Yes / No	Detail
All	No	Children aged 2, 3 & 4 years of age who attend the Birchills Nursery and their parents/carers
Specific group/s	Yes	
Council employees	Yes	
Other (identify)		

4 Please provide service data relating to this proposal on your customer's protected characteristics.

Profile of the 105 children attending the nursery in

- Age
- Gender
- Ethnicity
- Postcode Area of Home Address
- SEND/EHCP is as follows:





- SLT: Receiving Speech & Language Therapy
- SEND: EHCP currently being assessed

As at the end of August 45 out of the 105 remaining children will be leaving the nursery provision to attend Nursery School or commence School with Reception Year.

For the children receiving Speech & Language Therapy, 3 are due to leave and a transition plan to their new school/Nursery will be provided.

For the children with SEND, currently having an EHCP assessment, both are leaving and again a transition plan will be in place.

Alternative provision: A recent review of the market place and sufficiency within the borough (February 2020) concluded that with Croft Primary Academy extending their provision for children aged 2yrs, providing an additional 24 places there is sufficient places available for all 2, 3 & 4 year olds across the borough as a whole to meet demand.

The Family Information Service will provide a dedicated resource to support all parents/carers to identify appropriate alternative provision for their children.

Each child will receive an individual action plan reviewed on a weekly basis in partnership with parents/carers to consider the alternative options and supported, where requested to make applications and secure placements.

Children already moving into Nursery and/or School from September 2020 have exiting individual transition plans which will continue to be supported, along with the appropriate liaison with the new setting including the sharing of appropriate information regarding SEND support needs and plans.

5 Please provide details of all engagement and consultation undertaken for this proposal. (Please use a separate box for each engagement/consultation).

Consultation Activity

Type of engagement/consultation	Letter to parents/carers and stakeholders advising of consultation.	Date	02/03/2020 12/05/2020
Who attended/participated?	All parents/carers and stakeholders		
Protected characteristics of participants	103 Letters to parents 6 Stakeholder letters		
Feedback A detailed summary in contained within Section 6 below:			

Type of engagement/consultation	Drop In Sessions	Date	04/03/2020 11:45am 10/03/2020 08:45am 12/03/2020 12:45pm 16/03/20 05:00pm
Who attended/participated?	Parents/Carers		
Protected characteristics of participants	See below		

Date	Time	Parents/Carers Attendance
Wednesday 4 th March 2020	11:45 am – 12:45 pm	11
Tuesday 10 th March 2020	08:45 am – 09:45 am	15
Thursday 12 th March 2020	12:45 pm - 13:45 pm	9
Monday 16 th March 2020	17:00 pm – 18:00 pm	3 (assistance provided to complete the questionnaires)*
Friday 20 th March 2020	15:45 pm – 16:45 pm	Cancelled due to Covid 19
Wednesday 25 th March 2020	11:45 am – 12:45 pm	Cancelled due to Covid 19

Feedback: A detailed summary in contained within Section 6 below:

Summary:

The main reason why parents chose and liked Stanley's nursery is that it was close to home (30) with most of them living in the WS2 catchment area. Secondly, they talked about the quality of the staffing (9) stating that their child(ren) were happy and settled in the nursery as they were familiar with the staff and parents / carers also trusted the staff knowing they could manage and support their child(ren) as older siblings had previously attended the nursery (3).

DRAFT

Type of engagement/consultation	Questionnaires and stamped address envelope for return to encourage views and on-line provision to complete	Date	02/03/2020 12/05/2020
Who attended/participated?	Parents and carers of children attending the nursery		
Protected characteristics of participants	<p>26 parents returned the questionnaires</p> <p>Summary of respondent demographics</p> <ul style="list-style-type: none"> • 24 respondents were female • The average age of respondents was 28, ranging from 19 to 37 • 4 respondents were Foster parents • 7 were single parents • 8 respondents worked in a part-time role and 2 in a full-time role. 7 were unemployed. A total of 4 were studying / training or on a career break / maternity. 5 respondents were looking after the home and 1 was a carer. • 8 respondents were on a low income and claiming Universal Credit, whilst 3 respondents stated they were not entitled to Child Benefit (thus one person in the household earns £50,000+). • Most respondents were of a White (9) or Asian (9) background. 3 were Black or Black British or other (1). • Most respondents (20) lived in the WS2 postcode area, with 2 living in WS1 and the remainder living in WS3 and WS4. 		
<p>Feedback</p> <p>The summary of the questionnaires completed are based on the views of 26 parents/carers, a detailed summary in contained within section 6 below.</p> <p>In terms of usage, most respondents were current users of the nursery with at least 1 child attending. 24 respondents currently use full or half day childcare with one respondent saying they plan to use full or half day childcare at Stanley's Nursery.</p> <p>Childcare tends to be on a part-time basis. Most respondents (19) state that their child / children get 15 hours free childcare a week and therefore attend for this number of hours. One respondent said they were entitled to 30 hours free childcare and their child attends for 23 hours a week. Three said they attend for 12 hours or less a week</p> <p>17 respondents require term-time only childcare and 5 all year round.</p> <p>Whilst most respondents utilise their free childcare entitlement, just two respondents pay the</p>			

<p>full cost of childcare, with their children attending for 20 hours and 5 hours a week</p> <p>Start and end times vary however most children (9) start at 09.00 in the morning and of these 8 stay until 12.00, all of these receive 15 hours free childcare. A total of 6 start earlier, between 07.30 and 08.30 and 5 children stay all day. Four of these receive 15 hours free childcare and one 30 hours.</p>			
Type of engagement/consultation	Telephone Calls	Date	Week commencing 16/03/2020 Week commencing 20/05/2020
Who attended/participated?	Parents/Carers		
Protected characteristics of participants	All but 4 of the 100 parents/carers were contacted via telephone to encourage response, check they had received a letter and questionnaire, make them aware of all the opportunities available to provide their views and answer any questions. Mainly mothers were spoken to during this process.		
Feedback /Findings			
A detailed summary in contained within Section 6 below			
Type of engagement/consultation	Comments Box	Date	From week commencing 02/03/20 to 20/03/20 close of nursery due to Covid 19
Who attended/participated?	Parents/Carers		
Protected characteristics of participants	Overall 11 comments were received, 9 from parents / carers and 1 from a student/parent and 1 from a student		
Feedback /Findings			
A detailed summary in contained within Section 6 below, however the majority are positive comments about the service provided by the Nursery and opposing any possible closure.			
Type of engagement/consultation	Letters & emails to stakeholders	Date	2 nd March 2020
Who attended/participated?	Parents/Carers		
Protected characteristics of participants	<p>6 stakeholders were contact via email with a follow up letter to gain encourage consultation of the future of the provision.</p> <p>The stakeholders utilise the upstairs of the building, free of charge to deliver session work.</p> <ul style="list-style-type: none"> • One you Walsall • Health Visitors 		

- Speech and Language
- Black Country Women's Aid
- Connecting
- Dudley & Walsall Mental Health Trust
-

Feedback /Findings

Responses have been received from 2 of the stakeholders, One Walsall who utilise rooms to provide adult weight management clinics and Dorothy Pattison Hospital to provide perinatal mental health services.

Both felt disheartened at the possibility of the building and facilities closing stating they provided much needed services to support the local community that potentially may impact families in the on the long term.

6 Concise overview of all evidence, engagement and consultation

A comprehensive consultation plan has been implemented and meet the statutory requirements which included engagement with parents/cares and partner stakeholders.

Questionnaires Responses

The following summarises the results from the questionnaire and is based on the views of 26 people. Due to the small number of responses percentages may be misleading and therefore only counts are reported here.

In terms of usage, most respondents were current users of the nursery with at least 1 child attending. 24 respondents currently use full or half day childcare with one respondent saying they plan to use full or half day childcare at Stanley's Nursery.

17 respondents require term-time only childcare and 5 all year round.

Childcare tends to be on a part-time basis. Most respondents (19) state that their child / children get 15 hours free childcare a week and therefore attend for this number of hours. One respondent said they were entitled to 30 hours free childcare and their child attends for 23 hours a week. Three said they attend for 12 hours or less a week.

Whilst most respondents utilise their free childcare entitlement, just two respondents pay the full cost of childcare, with their children attending for 20 hours and 5 hours a week.

Start and end times vary however most children (9) start at 09.00 in the morning and of these 8 stay until 12.00, all of these receive 15 hours free childcare. A total of 6 start earlier, between 07.30 and 08.30 and 5 children stay all day. Four of these receive 15 hours free childcare and one 30 hours.

Being close to home is the main reason why parents chose Stanley's Nursery for their childcare needs, all but three respondents selected this. The staff, the quality of care / the Ofsted report and the good reputation of the nursery in the community were also common reasons for choosing the nursery. Due to the large proportion of users getting free childcare places, cost is

not a major factor.

Q6 reasons for choosing Stanley's Nursery

Close to home	23
The staff	17
Quality of care / Ofsted report	15
Good reputation in the community	14
The building and facilities	12
Security and safety	12
Recommend by family / friend / Health Professional / Social Worker	10
Opening hours	8
Places available / no waiting list	7
Parking / drop off	6
Close / on route to place of work / study	5
Low cost compared to other providers	4
Attached to local school	2
Other, please tell us	1

The importance of being close to home reflects the fact that 17 respondents walk their children to nursery. Just 5 used the car and 2 the bus.

When presented with four options for the future of Stanley's Nursery, most respondents (13) thought that the nursery should be kept open and the shortfall in funding met some other way. Eight felt that it should also be kept open and the fees increased to the market rate (option 3).

Q7. Which of the following options do you think should be taken?

Option 1: Keep Stanley's Nursery open and identify a proposal to fund the shortfall of +£70,000	13
Option 2: Keep Stanley's Nursery open and in order to cover running costs raise childcare fees to £110 a day, £55 half day	3
Option 3: Keep Stanley's Nursery open charging the market rate of £50 full day and £25 half day and identify a proposal to fund the shortfall of +£70,000	8
Option 4: Close Stanley's nursery meaning 105 children would need to find alternative childcare provision and 19 staff would be put at risk of redundancy.	1

Just 3 were prepared to pay fees that covered the running costs and 1 said close the nursery (option 4).

Reasons given for why option 1 should be taken included the negative affect it would have on their children and that the council should prioritise funding this important service:

"Because closing the school will affect the kids."

"Wouldn't want the nursery to close. Will be very stressful for the children and for the parents to find somewhere else that is as good as Stanley's nursery. The nursery is very good and the staff are really good there. My child is really happy there. I really do not want it to close. It's a great place for the community to get together and offers lots of resources."

"Other funding for different areas provided by Walsall Council aren't necessary- whereas nurseries are NECESSARY."

"Childcare, investing in people and family should be a priority for a council"

not some cost-cutting exercise."

"Council has money so they should fund it, especially if we can have 15/30 hours free, what does our tax money go on?!"

"Because not a lot of people can afford."

"Baby room like college. Bring back paying parents."

"Local to parents - easier to get here for all. Easy to walk to."

Reasons given for preferring option 2 (keep open and increase fees to cover costs) included:

"Because Stanley Nursery is a good nursery."

"Would make more sense instead of making more people unemployed. Making parents find a different nursery when others have long waiting lists and making parents cut down their work hours and find childcare moving children when they are settled, they know their teachers and friends."

Reasons given for preferring option 3 (keep open and charge the market rate) included:

"It is a service required in the area, priority should be given to working parents. Volunteer drive should be increased to reduce the amount spent on wages."

"Only nursery in borough funded by council. Also, not able to find nursery places for children at schools so I sent my child here. Schools not willing to take on nursery children till reception because they do not have any places in nursery left."

"Reasonable compromise. Don't think it's fair on children structure childcare to use rooms."

"Keep the nursery going, very good."

"Want to see nursery stay open."

When asked to suggest a different option, no detailed suggestions were put forward.

"Council pay for it."

"Option 2 unrealistic. Why don't you take babies?"

"Plan to send her here. 5 min walk. Universal Credit not working."

When asked how Children's Services could make the necessary savings of +£70,000 a number of respondents suggested generating income from making better use of the building through private room hire or through fundraising events. None are likely to generate for £70,000 required.

"The building can be used to host parties during weekends that will bring in income. Working parents are likely to pay to extra hours of child care, they should be given priority."

"Could rent rooms for meetings, parties etc."

"It is not a case of making savings, it is a case of making money from space that is provided at Stanley's Nursery. There are many ways that money could be made using the facilities, space and rooms that are provided at Stanley's Nursery."

"Get sponsors or do fundraisers and events throughout the year or do some cut

backs on things parents could help with food and equipment."

"Fundraisers or cutting down other Council Costs!"

"Try to raise money on Facebook. Ask parents who use the nursery to make regular donations to go towards the £70,000 shortfall. Even those parents who get free places. If all the parents stuck together the money could be raised."

Other comments referred to the need to make changes to the way the nursery is run and the fees that are charged.

"Run it like a proper nursery and add a baby room which will add up funding."

"I think it should stay open and up their prices instead. Would make more sense as the other nurseries are full and it has taken me 4 months to get my daughter into one."

"Paying parents."

When asked what they would do if the nursery closed, most (10) said they would find another private nursery. Possible closure would necessitate the reduction of work / study hours of 8 people and 6 say they would have to give up work / study altogether to look after their child themselves.

A total of 4 respondents say they would seek childcare help from family and friends. 4 respondents did not know what they would do if it closed.

Q10 What would you do if Stanley's Nursery closed?

Find another private nursery	10
Reduce working / study hours and look after your child / children yourself	8
Give up work / study and look after your child / children yourself	6
Don't know	4
Seek childcare help from family members	3
Seek childcare help from friends	1
It would not affect me / my child	1

Respondents were asked what impact, if any, the possible closure of Stanley's Nursery would have on them, for some it would mean that they would no longer engage in early years' provision at all and instead would see them stay at home. For one respondent closure would have a social impact on them.

"My child would drop out of a nursery setting and spend most of her time at home which is not good for her development."

"My child would have to stay at home"

"My child will have to stay home with me while I stop work and school to look after him."

"Less interaction with other parents and babies as I don't have many mom-friends."

For others their work / study would be impacted, which for some may also have an impact on income and living costs.

"Change or lose job need 8 start 6 finish."

"Would have to give my course as I struggle to find childcare for my son due to his behaviour."

"I would have to reduce working hours resulting in lower income and a strain on living costs."

"By reducing hours, I will be eligible for working tax credit, housing benefit and council tax reduction possibly. So if they're 5 families like me, how much will you really save? Currently not eligible for any of the mentioned benefits because I earned enough."

Many feel that its possible closure and change of routine would be unsettling for their child, several comments express how much their child enjoys going to Stanley's Nursery and the benefit it brings.

"A big impact! That's the closest nursery to me and my child never left my side since he was born so it was hard for him to stay there but because of the amazing staff he loves going there."

"My child has been here just over a year and is doing well. If I had to move her to another nursery, this would unsettle her."

"My child currently enjoys his time at Stanley Nursery and he looks forward to nursery every day."

"Settled into nursery and is getting on really well"

"It would be very stressful for me and my child. He is very happy there and knows the staff. He doesn't want to come back home he is so happy there. I can't imagine him going anywhere else. I don't want it to close."

"Would be lost if the nursery closed. Don't know any other nursery I'd feel comfortable with. Looked at 5 other nurseries and this was the only one that made me feel comfortable and safe to send my child to. My child is very happy there. The staff are lovely and my child is settled there. I don't want any change in my child's early learning. He is doing so well at Stanley's. Do not close it. It has to stay open. For my child and the local community."

Other comments refer to it being difficult to find suitable local nurseries with places available. Being close to home is an important factor for many.

"Would be a pain as it took me 4 months to get my daughter into a nursery and now she's finally settled, made friends. There is nowhere else for her to go unless you sort the waiting lists out."

"As this is the closest childcare provider to my house, I would be forced to have my child stay at home until they start reception as all schools I have applied to for nursery places have said that they have none left."

"Child has learning difficulties and is not yet walking but I wouldn't go anywhere else because they are too far."

"At the moment, nothing but when child goes to nursery, will need to walk further or take public transport. Not familiar with the area, previously in Wolverhampton."

In addition to childcare, a range of other services are run from Stanley's Nursery, most respondents however had not used them (11). Of those who had used the services, 2 were willing to travel to another location to access them, whilst 4 said they would no longer access those services.

Q12 Other services accessed at Stanley's Nursery

None of these	11
Health visitor baby clinic	7
Speech and language	5
Stay and Play	4
One You	1
Early Help	1

Face to Face Drop In Responses

The following summarises the responses and is based on the views of **35** participants who provided feedback at the face to face drop in sessions.

*Please note feedback from the 3 participants who attended the drop in session on the 16th March 2020 is included in the questionnaires feedback summary above

Most participants used the nursery on a part time basis and stated they received 15 hour free childcare; 3 participants received 30 hour free child care, 4 attended play and stay and 1 full paid childcare place.

Most of the participants thought the Nursery should stay open and the shortfall in funding should be met in some other way (option 1). One participant preferred option 3 to keep the nursery open but charge the market rate for childcare.

Feedback was analysed based on the following key themes: close to home; quality of staffing; previous experience with the nursery; Impact to child's development and behaviour; social impact, parental health concerns and availability of alternative suitable childcare places.

The main reason why parents chose and liked Stanley's nursery is that it was close to home (30) with most of them living in the WS2 catchment area. Secondly, they talked about the quality of the staffing (9) stating that their child(ren) were happy and settled in the nursery as they were familiar with the staff and parents / carers also trusted the staff knowing they could manage and support their child(ren) as older siblings had previously attended the nursery (3).

"It's nearest to my home, I can walk to the nursery and my sister lives in walking distance to support me if needed"

"It's a 5 mins drive away as I work full-time I can drop my daughter and son off on the way"

"My 5 year old daughter attended the nursery before and as I trust the staff my son now attends. [Mother stated she would not send her son to another setting as she was did not think he would settle elsewhere]"

"My son turns 2 in May he knows the teachers which will help him settle in, he is very clingy and doesn't go to anyone."

"I trust the staff with my daughter, I have health issues and find it difficult to trust people."

"Staff are really good, they have built a good relationship with the children".

“My daughter has delayed development and is being assessed for autism. She needs a lot of support, she loves coming and is attached to the staff who go over and above to support her needs.”

“All my children have loved it here, the staff understand my child’s needs and she has picked up things a lot quicker with the one to one support.”

When asked about the impact any of the 4 options would have to their family, participants talked about their concerns of the possible closure of Stanley’s Nursery. These included the potential deterioration in their child’s behaviour and development (4) and social impact it would have on their children’s social skills (1).

“The staff helped a lot with my son who was autistic when he attended the nursery, he wasn’t sleeping and always screamed. My daughter now attends and she needs a lot of support too. She could not speak English before she came and now she is very talkative and picking things up a lot quicker”.

“My son has behaviour issues; he can get aggressive and has hit his nan so she’s no longer able to cope with him. The staff have been good at managing his behaviour which has improved since attending the Nursery which is only 5 mins bus journey away”.

“My daughter is benefiting from the development and socialising with other children”.

“It’s developing my daughter’s character, opening her mind.

“My child is the youngest and she is already learning so much. I didn’t send my other children to nursey at 2 yrs.”

One parent / carer was visibly upset at the possibility of Stanley’s Nursery closing. Her daughter is 3 years old, has delayed development and she struggles to sleep. She is currently being assessed for autism and requires a lot of support. When she started the nursery she would scream and headbut the wall, with the help from Nursery staff her development and behaviour has significantly improved. This has impacted on mums health and she struggles to sleep and has lost weight, she fears that her health with deteriorate and she will not cope as she also has 2 other sons, one is autism.

The hours my daughter spends at the nursery have meant the world to me. If Stanley’s was not here I would struggle as I don’t get a lot of sleep now and have lost weight. Family and friends are unable to cope my kids behaviour.”

When asked for suggestions on how Children Services could fund the current financial shortfall. Participants suggested generating income from making better use of the building and offering out for room hire, sharing the places equally between funded and fee paying, ag Government to increase the funding for 2 year old places, offer a babies group and increase the fees for paid places. None are likely to generate the £70,000 shortfall required.

“Offer venue for use for parties to generate additional funding”

“To offer equal number of free and fee paying places”

“Government should increase the funding for 2 year old places”

“To offer baby places for a fee”

“To increase fees for paying parents”

When asked what parents / carers would do if the nursery closed, 43% of the children will be moving on to Nursery Schools or staring school in September 2020 and although the remaining parents / carers preferred to remain at Stanley’s Nursery they would consider alternative child care across the borough. However, 3 stated they would be unable to continue with the 2 – 3 year funded places, 2 of these due to the limited availability of suitable alternative local childcare

places and one parent stated she would have to give up her college course to look after her son as his behaviour can be difficult to manage.

"If the nursery would close I would have to give up college to look after my son as I don't think other nurseries would be able to manage his behaviour. My grandparents are unable to help as they cannot cope with and my partner works full time. This nursery is close enough to fit in with my college course".

"I would not send my son to another setting as I do oldn't think he will settle elsewhere".

"Would look in the Palfrey area near husbands workshop"

"If closed would not use 15 hours for the rest of the entitlement period from Jan 2020 – Dec 2020 as other children go to Birchills School. I would not access anywhere else."

Phone Calls Responses

To encourage a response to the consultation all parent / carers of the 105 children who attend Stanley's Nursery were contacted on various occasions by telephone to check they had received the letter and questionnaire, if not questionnaires were re-issued and to answer any questions or offer any support / assistance if required.

All but 4 families were contacted successfully.

Just under half of the children's 45 (43% parents / carers are moving their children to a Nursery School or children are starting School in reception in September 2020 admissions. With another 3 considering a Nursery School provision, irrespective of the consultation for September admission. Of these 12 preferred to remain at Nursery and all but 2 spoke positively about Stanley's Nursery.

"Nursery is perfect, very local. I'm a student at University and use it 4 days a week"

"very happy with Stanley's don't close it"

"Prefer Stanley's, more convenient and local"

"Prefer to keep my youngest child at Stanleys"

2 parents and carers were not happy or had a mixed view about the support provided by the staff and the hygiene standards:

"Not happy with the Nursery you should close it, they have no time for parents"

"Not happy with the hygiene at the Nursery but sad to hear it may close".

3 parents / carers were paying for places and requested a list of alternative child care providers in the Borough.

1 child had left the area.

Comments Box Responses

Parents / Carers were provided an additional opportunity to share their views about the Nursery via a Comments Box that was located at the front reception of the Nursery.

Overall 11 comments were received, 9 from parents / carers and 1 from a student/parent and 1 from a student.

The majority are positive comments about the service provided by the Nursery and opposing any possible closure.

"I feel this nursery is improving a child's mind and ability better than most nursery / primary schools within our area. They also provide a lot of support for adults and parents".

"Stanley's service provider a great service to children from the ages of 2 – 3 years. If this service closes what other place is available that is near the town."

"I think Stanley's Nursery provides an excellent service for both 2 and 3 year olds. To close this Nursery would have a huge effect on a lot of children as they have settled in well"

"This place is like a second home to my kid and the staff are just adorable. Please! Please! Please! Don't shut this Nursery. Thanks

"Where's the funding going? Lovely School child felt right at ease as never left parents side. Made him comfortable, settle really well and made him learn a lot of things to help with his development."

A couple of comments were posted by the students undertaking their placements at the Nursery. They have referred to the support they have received from staff and how it has improved their confidence. One of the students also has a child attending the Nursery and may have to re-consider continuing with her course.

"I have been at Stanley's Nursery for 3 years now. When I first started I was very insecure and had a lot of problems and no confidence at all. This place [Stanley's Nursery] helped me with my problems and supported me and never judged me for them. My confidence has boosted the staff are very friendly and helpful. I don't feel comfortable looking for a new placement so I will end up dropping out of college." (Student/Parent)

"I have been here in Stanley's for placement over the past 2 years. When I first started I was insecure and had a lack of confidence, whereas this place has boosted my confidence. The staff are really nice and helpful. I am not looking forward to finding a new placement. (Student).

Other comments received were generally asking whether support will be offered to find alternative places and concerns around the limited availability of nursery places.

"How can you not afford to keep Stanley's Nursery open when Schools are unable to provide nursery places".

Stakeholder responses

Stanley's Nursery building is also currently utilised free of charge by 6 stakeholders to deliver services to children and young people such as health assessments, speech and language support.

On 2nd March 2020 letters were emailed to all 6 stakeholders: One you Walsall; Connecting Communities – Job Club; Dorothy Pattison Hospital; Child Development Centre; Speech and Language Service and Black Country Women's Aid explaining the purpose of the consultation and seeking their views and comments on the impact the options presented may have on their services and service users.

Responses have been received from 2 of the stakeholders mainly One you Walsall who utilise rooms to provide adult weight management clinics and Dorothy Pattison Hospital to provide perinatal mental health services.

Both felt disheartened at the possibility of the building and facilities closing stating they provided much needed services to support the local community that potentially may impact families in the on the long term.

One you Walsall raised a concern around the reduced availability and access to venues across Walsall and suggested renting out part of the building to organisations to help fund the shortfall.

“These services are much needed in the Walsall area, ranging from health to Citizen Advice to domestic violence, to mention a few. Where would these services be able to support the Walsall communities as other venues close or restrict use of the buildings.”

“I think ideally the nursery would continue to operate with the addition of parts of the building being rented by other organisations to help fund the shortfall.”

Considering the 4 options presented, Dorothy Pattison Hospital preferred Option 1 to keep Stanley’s Nursery open and identify a proposal to fund the shortfall of £70,000 followed by Option 3 whereby they would prepared to cover the costs of the room hire.

“It would be such a shame to see the centre closed, or to see parents having to pay increased fees.”

“Birchills I feel that it would be a great loss to close the service. I feel that option 3 would be the best way forward.”

Summary Consultation:

By the final closing date of consultation

- 26 out of 103 questionnaires had been completed and returned (sibling groups received one questionnaire per household)
- 38 parents/carers had been seen at the drop in sessions
- All but 4 families were contacted successfully via telephone to encourage participation in consultation
- 11 comments were received via the comment box left at the Nursery

When presented with four options for the future of Stanley’s Nursery, the majority of those parents/carers who responded thought that the nursery should be kept open and the shortfall in funding met some other way (option 1). Suggestions for how the £70,000 shortfall could be met included generating income from making better use of the building through private room hire or through fundraising events. No suggestions were likely to generate the £70,000 required.

Some parents/carers felt that it should also be kept open and the fees increased to the market rate (option 3), 31% (8) of those parents/carers responding suggested this, however there was little support for increasing the fees to cover the running costs (option 2) or closing the nursery (option 4).

Regarding Option 4, (see section 2 above) closing the nursery most parents/carers stated that should the nursery close they would find an alternative private nursery, 43% of parents/carers spoken to during the one to one drop in sessions advised that their child/ren would be leaving to start Nursery School or Primary School in September 2020. A few said they would no longer engage in early years’ provision at all and seek childcare from family or friends, the main reason stated were around finding suitable local nurseries with places available, particularly one close to home. For a few possible closure would necessitate the reduction of work / study hours or giving up work/ study altogether, whilst others advised they would seek childcare from family and friends.

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 Yes / No
Age	Negative: the all children impacted are under the age of 5. Action Needed Yes		
Disability	Negative: 9 have SEND needs, 7 receive speech & language therapy, 2 are being assessed for an EHCP. Action needed Yes Those children receiving Speech & Language Therapy will continue doing so within their new school (3 are leaving to start school) and will transition to the school based speech and language service. The others will continue to receive speech and language within either a community setting or will be supported to secure alternative provision, if necessary, with a transition plan implemented. Those children with a SEND are leaving to start school and the assessment will transition with them.		
Gender reassignment	Neutral Action Needed No		
Marriage and civil partnership	Not known		
Pregnancy and maternity	Not known		
Race	Negative: 71% (75 ut of 105 children) are BAME, Action required Yes		
Religion or belief	Not known		
Sex	Neutral; Both male & female children effected. Negative: Parents/carers responding to the consultation were all female therefore could potentially impact them more than males. Action required Yes		
Sexual orientation	Not known		

	Other (give detail)	<p>Of the 105 children currently attending the nursery 45 are due to have transitioned into school or a nursery by the end of August 2020.</p> <p>During consultation the surveys did not highlight any specific concerns relating to children with BAME.</p> <p>For those moving on in September 2020, all have an individual transition plan for their new settings and liaison with the new setting will continue as normal, including the plans of support and transition for children with SEND.</p> <p>For those children remaining at Stanley's Nursery the Family Information Service will provide a dedicated support and individual action plan for each child, reviewed weekly, supporting parents/cares to identify and secure alternative placements.</p>
	Further information	
8	Does your proposal link with other proposals to have a cumulative effect on particular equality groups? If yes, give details.	(Delete one) Yes
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

28 th January 2020	Submit to JNCC advise on consultation	Andrea Potts	28 th January 2020	JNCC advised
3 rd February 2020	Staff Meeting to advise of cabinet report	Andrea Potts	3 rd February 2020	Informal meeting held to advise staff
12 th February 2020	Cabinet – seeking permission to consult	Julie Jones/Maxine Taylor	12 th February 2020	Cabinet approval consultation
28 th February 2020	Letter to staff informing of consultation and providing them with a copy of letter and questionnaire	Julie Jones		
2 nd March 2020	Consultation commences : Letters to all parents/carers along with paper questionnaire	Julie Jones		
2 nd March 2020	Email and letters to stakeholders re consultation	Julie Jones		
23 rd March 2020	Letter to all parents/carers re Covid 19 closure and 'pause' of consultation	Julie Jones		
12 th May 2020	Letter to parents/carers to conclude consultation	Julie Jones		
27 th May 2020	Close of consultation	Julie Jones	27 th May 2020	
28 th May 2020	Review any alternative proposals following consultation for	Julie Jones/ Anna King/ Raji Bains		Analyses of feedback

	consideration within cabinet report			
15 th July 2020	Cabinet Decision			

Update to EqIA	
Date	Detail
04/06/2020	Updated following close and analyses of consultation

Contact us

Community, Equality and Cohesion
Resources and Transformation

Telephone 01922 655797

Textphone 01922 654000

Email equality@walsall.gov.uk

Inside Walsall: [http://int.walsall.gov.uk/Service information/Equality and diversity](http://int.walsall.gov.uk/Service_information/Equality_and_diversity)

INITIAL Equality Impact Assessment (EqIA) for Organisational Change

Proposal name	Birchills Childcare		
Directorate	Children's Services		
Service	Early Help		
Responsible Officer	Julie Jones		
EqIA Author	Julie Jones		
Date proposal started	12/2/2020	Proposal commencement date (due or actual)	02/03/20 updated 02/06/20 updated

		Yes or No	Notes
1	Staffing		
	Is the organisational change likely to affect staff? (e.g. at risk, redundancies)	Y	This will be subject to the decision of Cabinet in July 2020
	Is there business case for putting staff at risk?	n/a	An initial business case to consult with service users has been presented to JNCC on 28 Jan 2020, this will be updated in July 2020 depending on the outcome of the consultation which will determine if staff will be put at risk or not.
	Have selection criteria been prepared for identifying staff at risk?	Y	All staff based at Stanley's Nursery, Birchills will be affected along with the cleaning and caretakers associated with the Nursery.
	Has the number of staff likely to be affected been calculated?	Y	There are 18 Nursery staff working for Children's Services and 5 cleaning/caretaking staff working for Integrated Facility Management
2	Consultation and engagement		
	Is there a consultation and engagement plan for this organisational change?	Y	Consultation plan will be put in place for formal staff consultation as applicable, depending on the outcome of the Cabinet decision.

	Are all staff able to participate (e.g. disabled staff and those on, maternity leave...etc)?	Y	Staff on maternity / long term sick have been and will continue to be kept up to date and encouraged to participate in the consultation.
3	Remote Working and location change		
	Does the change involve staff in remote working or a change of location?	N	(If 'No' go to Question 4)
	Have you consulted about making reasonable adjustments to remove barriers for disabled staff?		
	Have you given access to facilities at work, for all staff, who are to work remotely or change location?		
4	Redundancy and or Redeployment		
	Does the change involve potential redundancy or redeployment?	Y	Dependent on the outcome of Cabinet Decision 15 th July 2020
	Are redundancy or redeployment procedures fair and use fair criteria?	Y	As per the councils redundancy process
	Is the selection pool lawful?	Y	
	To avoid discrimination does the selection matrix include a number of criteria or is it by a competitive appointment process?	Y	
	Are any enhanced redundancy payments calculated in the same way as statutory redundancy payments	n/a	
	Have you avoided substantial disadvantage for disabled staff?	n/aY	
	Has suitable alternative employment been offered to staff on maternity leave, if displaced?	Y	All applicable staff will have access to the Council's redeployment programme.
Can you justify all payments for age and redundancy?	Y		
5	Providing your service		
	Are there any changes to the way your services will be provided to customers?	Y	Dependent on the outcome of Cabinet 2020, the local authority may cease to provide any nursery

			childcare provision.
	Could service changes alter the impact on your customers because of their 'protected characteristic'?	Yes	<p>(If 'No' go to Question 6)</p> <p>(If 'Yes' carry out an EqlA for Policies, Procedures and Services and go to Question 6)</p> <ul style="list-style-type: none"> Completed
6	Summarise your evidence, engagement and consultation.		
	<p>Consultation will align with HR policy full details will be provided once the outcome of consultation is known and Cabinet has made a decision on the future provision.</p>		
7	How may the proposal affect each protected characteristic or group? The affect may be positive, negative or neutral, give reasons and if action is needed.		
	Characteristic	Affect	Reason
			Action needed (Y or N)
	Age	Not Known	The breakdown of staff is predominately female. therefore this proposal affects all employees including those with protected characteristics in the same way
	Disability	Neutral	No staff are known to have a disability
	Gender reassignment	Neutral	This proposal affects all employees including those with protected characteristics in the same way
	Marriage and civil partnership	Neutral	This proposal affects all employees including those with protected characteristics in the same way
	Pregnancy and maternity	Negative	Two members of staff are currently on maternity leave however will be included in the consultation should it be required, pending outcome of cabinet decision
	Race	Neutral	This proposal affects all employees including those with protected characteristics in the same way
	Religion or belief	Neutral	This proposal affects all employees including those with protected

		characteristics in the same way	
Sex	Negative	The majority of staff are female	Y
Sexual orientation	Neutral	This proposal affects all employees including those with protected characteristics in the same way	
Other (give detail)			
Further information	<p>Equalities Breakdown Nursery Staff</p> <p>Gender: 100% Female</p> <p>Ethnicity: 56.25% White/British 37.5% BAME 6.25% Not stated</p> <p>Age: 56.25% aged between 26 & 35 years of age 6.25% aged between 36 & 45 years of age 25.00% aged between 46 & 55 years of age 12.5 % aged between 56 & 65 years of age</p> <p>Employment Status: 56.25% work full time 43.75 % work part time</p> <p>Equalities breakdown Facility Management Staff</p> <p>Gender: 80% female 20% male</p>		
8	Does your proposal link with other proposals to have a cumulative effect on particular equality groups? If yes, give details below.		(Delete one) No
9	Overall which justifiable action does the evidence, engagement and consultation suggest you take? (Bold which one applies)		
	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	

Now complete the action and monitoring plan on the next page

Action and monitoring plan				
Action Date	Action	Responsibility	Outcome Date	Outcome
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28 th May 2020	Review any alternative proposals following consultation for consideration within cabinet report	Julie Jones/ Anna King/ Raji Bains		Analyses of feedback
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Updates to EqIA	
Date	Detail
02/06/2020	Updated following end of consultation with parents/cares/stakeholders – Cabinet report drafted for 12 th July 2020

Cabinet – 12 August 2020

Treasury Management Annual Report 2019/20

Portfolio: Councillor Bird, Leader of the Council

Related portfolios: N/A

Service: Finance

Wards: All

Key decision: No

Forward plan: Yes

1. Aim

- 1.1 The council is required through regulations issued under the Local Government Act 2003 to produce a year end position statement reviewing treasury management activities and prudential and treasury indicator performance. The Treasury Management year end position statement at Appendix A provides Cabinet with these details, and meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 The council is required to note the TM Annual Report is presented to provide assurance that TM performance is in line with budgeted expectations and within the above regulations and Codes that the authority is required to comply with.

2. Summary

- 2.1 This report sets out the council's 2019/20 year end position for treasury management activities (Appendix A).
- 2.2 Despite difficult market conditions with low interest rates the council achieved an average interest rate across all investments of 1.50% compared to budget of 1.21%, realising an additional £0.704m of investment income. All of the target interest receivable rates set at Council on 28/02/19 were exceeded.
- 2.3 An overachievement of investment income was delivered of £0.704m as a result of the average rate achieved across all investments being higher than budgeted for in the 2019/20 budget setting exercise. This has taken considerable effort and negotiation from the treasury team to secure favourable rates when considering investment options, and through the review and identification of new opportunities for investment.

- 2.4 Capital expenditure was £69.780m of which £12.350m will be funded from approved borrowing (Table 2, Appendix A).
- 2.5 The actual debt position for the Council as at 31 March 2020 is £307.612m, which is within both the operational and authorised limits for external debt agreed at council on 28/02/19.

3. Recommendations

- 3.1 To note and forward to Council, for consideration and noting (in line with the requirements of the Treasury Management Code of Practice (2017)), the annual position statement for treasury management activities 2019/20 including prudential and local indicators (Appendix A).

4. Report detail - know

Context

- 4.1 The Treasury Management annual report at Appendix A provides Cabinet with these details, and meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

The following key points of interest have been extracted from the report:

- The annual report meets the requirement of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
- Capital expenditure was £69.780m of which £12.350m will be funded from approved borrowing (Table 2, Appendix A).
- The banking environment has continued to be one of the low interest returns. The Bank of England base rate decreased from 0.75% to 0.25% on 11th March 2020 and then reduced further to 0.10% on 19th March, due to the onset of the global coronavirus crisis.
- Despite the situation of low interest returns throughout the financial year, the authority has continued to identify appropriate new areas of investment opportunity that has led to a significant impact on average investment performance, which increased from 1.32% in 2018/19 to 1.50% in 2019/20.
- To note within the local indicators (Table 9) that the net borrowing cost as a percentage of net council tax requirement 6.06% (3a) and the net borrowing cost as percentage of tax revenue 3.78% (3b) are both within their target upper limits of 20% and 12.50%.
- Debt as a percentage of the Capital Financing Requirement (Table 7). Due to the requirements of accounting standard IFRS9, the council has accrued £54.000m in this financial year in relation to pension borrowing which will be taken out in the next

financial year. This has increased the Debt as % of CFR temporarily to 103%. If this accrual was removed the Debt as % of CFR would be 88%, which is a more representative figure.

Council Corporate Plan priorities

- 4.2 Sound financial management of the council's cash balances supports the delivery of council priorities within council's available resources.

Risk management

- 4.3 Treasury management activity takes place within a robust risk management environment, which enables the council to effectively maximise investment income and minimise interest payments without undue or inappropriate exposure to financial risk. It is recognised that the management of risk is as important as maximisation of performance and it is essential that the council has the right balance of risk and reward when making investment decisions. This is supported by treasury management policies which seek to manage the risk of adverse fluctuations in interest rates and safeguard the financial interests of the council.
- 4.4 Brexit continues to provide uncertainty for interest rates and within the financial markets and is expected to continue until at least the end of 2020. The Council has responded to this risk by reviewing counterparties for investments to minimise the risk to any one counter party or class of counter party.

Financial implications

- 4.5 Treasury management activity forms part of the council's financial framework and supports delivery of the medium term financial strategy. The review of treasury management performance and activity is reviewed through both the treasury management annual report and the mid-year performance review report.

Legal implications

- 4.6 The council is required to have regard to the Prudential Code under the duties outlined by the Local Government Act 2003. One requirement of the Prudential Code is that the council should comply with the CIPFA Code of Practice for Treasury Management. The council adopted the original treasury management code in 1992 and further revisions to the Code in 2002, 2010 and 2017.

Procurement Implications/Social Value

- 4.7 None directly relating to this report.

Property implications

- 4.8 None directly relating to this report.

Health and wellbeing implications

4.9 None directly relating to this report.

Staffing implications

4.10 None directly relating to this report.

Reducing Inequalities

4.11 None directly relating to this report.

Consultation

4.12 The report has been approved by the finance treasury management panel, an internal governance arrangement comprising the S151 Officer, Head of Finance (Deputy S151 Officer) and Corporate Finance Manager.

5. Decide

5.1 In line with the Treasury Management Code of Practice (2017) there are a number of reports that are required to be produced and reported publicly each year. The Treasury Management Annual Report forms one of these requirements and as such is being reported to Cabinet for noting and forwarding onto Council for consideration.

6. Respond

6.1 This report is not seeking approval of a decision, in line with the Treasury Management Code of Practice (2017) it is required to be reported for noting and forwarding to Council for consideration.

7. Review

7.1 In line with Treasury Management Code of Practice (2017) this is a backward looking document looking at performance over the previous.

Background papers

Various financial working papers.

Mid-Year review of treasury management policy statement 2019/20 – Cabinet 18/12/19.

Corporate budget plan and treasury management and investment strategy 2019/20 – Council 28/02/19.

Author

Daniel McParland
Senior Accountancy Officer
01922 652391
daniel.mcparland@walsall.gov.uk

Richard Walley
Finance Manager – Technical Accounting and Treasury Management
01922 650708
richard.walley@walsall.gov.uk



Deborah Hindson
Executive Director

4 August 2020



Councillor Bird
Leader of the Council

4 August 2020

Appendix A

Annual Treasury Management Report 2019/20

Walsall Council
June 2020

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Annual Treasury Management Report 2019/20

Purpose

This council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and prudential and treasury indicator performance. This document therefore reports this position for the 2019/20 financial year. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2019/20 the following reports were produced:

- an annual treasury strategy in advance of the year (Council 28/02/2019)
- a mid-year (minimum) treasury update report (Cabinet 18/02/2019)
- an annual review of treasury management policies (Council 27/02/2020)
- an annual report following the year describing the activity compared to the strategy (this report to Audit Committee)

In addition, this council's treasury management panel has received regular treasury management update reports.

The regulatory environment places an onus on members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the council's policies previously approved by members.

This council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit Committee before they were reported to the full Council. In order to support members' scrutiny role member training on treasury management issues has been available to all members via the e-Learning platform throughout 2019/20.

Summary

During 2019/20, the council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Table 1 Actual prudential and treasury indicators	2018/19 Actual £m	2019/20 Original £m	2019/20 Revised £m	2019/20 Actual £m
Capital expenditure	57.075	73.483	132.669	69.780
Capital Financing Requirement:				
Including PFI and finance leases	357.673			357.159
Excluding PFI and finance leases	350.091			350.430
External Borrowing	302.753			361.612
Investments	179.860			214.485
Net borrowing	122.893			147.127

Other prudential and treasury indicators are to be found in the main body of this report. The Executive Director of Resources & Transformation (CFO) confirms that borrowing was only undertaken for capital purposes or to support required in year cash-flow requirements.

The challenging environment of low investment returns and uncertainty of counterparty risk has continued in 2019/20.

1. Introduction and background

To set the context of the treasury management environment it is first necessary to provide a review of the economy and interest rates.

In 2019/20 the challenging investment environment of previous years' continued, namely low investment returns, although levels of counterparty risk has continued to subside. The interest rate forecast at the start of the year was that the low interest rate environment would continue throughout 2019/20. An economic summary is given at the beginning of the borrowing and investment sections.

2. The Council's Capital Expenditure and Financing 2019/20

The council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc., which has no resultant impact on the council's borrowing need); or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed. The amount to be funded from borrowing for 2019/20 will be £12.350m. It shows an increase in capital expenditure funded from grants mainly due to Growth Fund Projects, for which Walsall is the accountable body for all the Black Country Districts.

Table 2	2018/19 Actual £m	2019/20 Original £m	2019/20 Actual £m
Total capital expenditure	57.075	73.483	69.780
Resourced by:			
• Capital receipts	1.977	1.790	2.781
• Capital grants	33.507	57.090	53.057
• Capital Reserves and Revenue	2.249	5.990	1.592
• Approved Borrowing	19.342	8.613	12.350
	57.075	73.483	69.780

3. The Council's Overall Borrowing Need

The council's underlying need to borrow for capital expenditure is termed the capital financing requirement (CFR). This figure is a gauge of the council's debt position. The CFR results from the capital activity of the council and which resources have been used to pay for the capital spend. It represents the 2019/20 capital expenditure funded by borrowing (see table 2), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLB] or the money markets), or utilising temporary cash resources within the council.

Reducing the CFR – the council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The council is required to make an annual revenue charge, called the minimum revenue provision (MRP) to reduce the CFR. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can be reduced by:

- the application of additional capital financing resources (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a voluntary revenue provision (VRP).

In 2014/15 the MRP policy was reviewed, updated and approved by Council. Following a further review in 2015/16 Council on 26th February 2016 amended the implementation date of these changes from 1st April 2014 to 1st April 2008. The effect of this is a smoothing of the MRP charge. Rather than having a high MRP charge in initial years that reduces over time, the council will now pay a charge that is more consistent throughout a shorter time period. This will result in a lower MRP charge up to 2035/36 and then a higher MRP charge from 2036/37 to 2064/65. Overall the initial lower MRP charge is offset by the later higher MRP charge, although this increase will be lower in real terms because money loses value over time. The policy change supported the strategy of maintaining the level of current capital financing costs as a proportion of council tax revenue. A further outcome of the review of the MRP policy was a restatement of the Capital Financing Requirement (CFR) as at 31st March 2015. This was due to the review also highlighting the opportunity to apply consistently accounting practices from 2008 to 2015.

The council's CFR for the year 2019/20 is shown below in Table 3, and represents a key prudential indicator (PrI4). It includes Private Finance Initiative (PFI) and leasing schemes from the balance sheet which increase the council's borrowing need – although no borrowing is normally required against these schemes as a borrowing

facility is included in the contract (if applicable). It shows that in 2019/20 the council's CFR has reduced by £0.514m from £357.673m to £357.159m.

Table 3 CFR (£m)	31 March 2019 Actual £m	31 March 2020 Actual £m
Opening balance	351.592	357.673
Add capital expenditure funded from approved borrowing (as above)	19.342	12.350
Add adjustment to CFR	-2.000	0.000
Less MRP	-11.261	-12.864
Closing balance	357.673	357.159

The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit.

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term the council's external borrowing, net of investments, must only be for a capital purpose, or to fund expected in year cash-flow requirements. This essentially means that the council is not borrowing to support revenue expenditure. Net borrowing should not therefore, except in the short term, have exceeded the CFR. Table 4 below highlights the council's net borrowing position (£147.127m) against the CFR excluding PFIs and Finance leases (£350.430m) because the debt liability for these are not in the net borrowing position of the council. The council has complied with this prudential indicator.

Table 4 Gross borrowing and the CFR (£m)	31 March 2019 Actual £m	31 March 2020 Actual £m
Gross Borrowing	308.034	366.329
Net borrowing position	122.893	147.127
CFR – excluding PFIs and Finance Leases	350.091	350.430
Long term Assets	595.727	584.001
Net Borrowing % of Long term Assets	20.63%	25.19%

Another measure of prudence is the proportion of net to fixed assets. Table 4 shows that the net borrowing position of the council as at 31/03/20 is £147.127m which represents 25% of the value of the council's long term assets which are valued on the council's balance sheet at that date (by comparison, the average position for our statistical neighbours was 28% at 31/03/19 – this data is not currently available for 31st March 2020).

Other key Prudential Indicators are shown in Table 5 below:

Table 5 Prudential and Borrowing Limits	31 March 2019 Actual £m	31 March 2020 Actual £m
1. Authorised limit	442.096	458.391
2. Maximum gross borrowing in year	349.318	307.568
3. Operational boundary	401.905	416.719
4. Average gross borrowing	316.573	337.182
5. Financing costs as proportion of net revenue stream	4.46%	4.31%

1. **The authorised limit** - the authorised limit is the “affordable borrowing limit” set by the council as required by section 3 of the Local Government Act 2003. The council does not have the power to borrow above this level without the prior approval of full Council. Table 5 demonstrates that during 2019/20 the council’s maximum gross borrowing was within its authorised limit.
2. **Maximum Gross borrowing** – is the peak level of borrowing in year.
3. **The operational boundary** – the operational boundary is the expected borrowing position of the council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached. In 2019/20 the council’s average borrowing position was less than the operational boundary.
4. **Average Gross Borrowing** – is an estimate of the borrowing level in the year see Table 7 for analysis of Borrowing.
5. **Actual financing costs as a proportion of net revenue stream** - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream. Net revenue stream is defined as Net Council Tax Requirement + Standard Spending Assessment (previously Formula Grant).

4. Prudential Indicators

The following tables show performance against statutorily required prudential and local indicators.

Table 6 – Prudential Indicators		Actual 2018-19	Target 2019-20	Position 31-Mar-20	Variance to target	
		£m	£m	£m	£m	%
Prl 1	Capital Expenditure	57.073	132.669	69.780	(62.889)	(47%)
Prl 2	Ratio of financing costs to net revenue stream	4.46%	4.32%	4.31%	0.01%	0%
Prl 3	Estimates of the incremental impact of new capital investment decisions on Council Tax	£24.14	£15.36	£15.36	0.00	0%
Prl 4	Capital Financing Requirement	357.672	381.564	381.564	0.00	0%
Prl 5	Authorised Limit for external debt	442.096	458.391	458.391	0.00	0%
Prl 6	Operational Limit for external debt	401.905	416.719	416.719	0.00	0%
Ref	Prudential Indicator	Actual 2018-19 £m	Target 2019-20 £m	Position 31-Mar-20 £m		
Prl 7	Gross Borrowing exceeds capital financing requirement	No	No	No		
Prl 8	Authority has adopted CIPFA Code of Practice for Treasury Management	Yes	Yes	Yes		
Prl 9	Total principle sums invested for longer than 365 days must not exceed	15.0	25.0	14.0		
Ref	Prudential Indicator	Upper Limit	Lower Limit	Actual 2018/19	Position 31-Mar-20	
Prl 10	Fixed Interest Rate Exposure	95%	40%	95%	94%	
Prl 11	Variable Interest Rate Exposure	45%	0%	6%	6%	
Prl 12	Maturity Structure of Borrowing:					
	Under 12 months	25%	0%	13%	13%	
	12 months and within 24 months	25%	0%	5%	5%	
	24 months and within 5 years	40%	0%	26%	26%	
	5 years and within 10 years	50%	5%	8%	8%	
	10 years and above	85%	30%	48%	48%	

PRL 5 (authorised limit for external debt) and PRL 6 (operational limit for external debt) were approved by Council on the 28 February 2019 and the CIPFA Code of Practice only allows these limits to be changed by Council and therefore the actual limit and the target remain the same. The actual debt position for the Council as at 31 March 2020 is £307.612m.

Key variances are because of the following reasons:-

Prl 1 Total capital expenditure - variation of £62.889m

The £132.669m target for 2019/20 is based on the figure for the 2019/20 capital programme reported in the budget report presented to full Council on the 28th February 2019. The actual spend for 2019/20 is lower than the target due to amendments to the original capital programme agreed during the year, mainly in relation to the Growth Deal and Basic Need projects, of which spend will now be incurred in 2020/21.

Prl 12 Maturity Structure of Borrowing

For the purpose of the maturity profile indicator the next call date on a LOBO loan is assumed; as it is the right of the lender to require repayment. However due to the low interest rate environment it is unlikely that in the medium term that any of the LOBO's will be called.

5. Treasury Position at 31st March 2020

The council's debt and investment position is organised by the treasury management team in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the council's treasury management practices. At the beginning and the end of 2019/20 the council's treasury position was as shown below in **Table 7**:

Table 7 Loans and Investments	Opening Balance £m	Average Rate At 31/03/19 %	Movement in Year £m	Closing Balance £m	Average Rate At 31/03/20 %
PWLB loans	175.530	3.48%	20.041	195.571	3.38%
Market Loans	95.000	4.38%	0.000	95.000	4.49%
Bonds	0.002	1.97%	-0.002	0.000	0.00%
Total Borrowing over 12 months excluding WMCC debt	270.532	3.80%	20.039	290.571	3.74%
Temporary Loans	20.961	0.87%	40.000	60.961	0.87%
Total borrowing excluding WMCC debt	291.493	3.59%	60.039	351.532	3.25%
WMCC Debt	16.541	5.62%	-1.743	14.798	6.50%
Gross Borrowing	308.034	3.69%	58.295	366.329	3.38%
Waste Disposal & Cannock Chase Debtor	-5.281	5.62%	0.563	-4.718	6.50%
Borrowing	302.753	3.66%	58.859	361.612	3.34%
CFR less PFI finance & leases	350.091		0.339	350.430	
Under Borrowing	47.338		59.198	-11.182	
Debt as % of CFR	86%			103%	
Call Accounts	24.360	0.55%	22.125	46.485	0.63%
Short Term Investments	120.500	1.09%	3.500	124.000	1.24%
Long Term Investments	35.000	1.37%	9.000	44.000	1.65%
Total Investments	179.860	1.32%	34.625	214.485	1.50%
Net Borrowing Position	122.893		24.234	147.127	

The under borrowing position the council has represents additional external borrowing the council could choose to take if required, however this has currently been financed by internal borrowing – utilising the Council's accumulated cash reserves rather than taking out new external borrowing. This position will continue to be monitored and additional external borrowing may be undertaken if required for cash flow purposes.

6. The Borrowing Strategy for 2019/20 and Economic Context

During 2019-20, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were low and minimising counterparty risk on placing investments also needed to be considered.

Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2019/20 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

7. Borrowing Outturn for 2019/20

PWLB rates are based on, and are determined by, gilt (UK Government bonds) yields through H.M. Treasury determining a specified margin to add to gilt yields. There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was heightened expectations that the US could have been heading for a recession in 2020, and a general background of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued; these conditions were conducive to very low bond yields.

While inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. We have therefore seen, over the last year, many bond yields up to 10 years in the Eurozone turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

Gilt yields were on a generally falling trend during the last year up until the coronavirus crisis hit western economies. Since then, gilt yields have fallen sharply to unprecedented lows as investors have panicked in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks also started quantitative easing purchases of government bonds which will act to maintain downward pressure on government bond yields at a time when there is going to be a huge and quick expansion of government expenditure financed by issuing government bonds; (this would normally cause bond yields to rise). At the close of the day on 31 March, all gilt yields from 1 to 5 years were between 0.12 – 0.20% while even 25-year yields were at only 0.83%.

However, HM Treasury has imposed **two changes in the margins over gilt yields for PWLB rates** in 2019-20 without any prior warning; the first on 9 October 2019, added an additional 1% margin over gilts to all PWLB rates. That increase was then partially

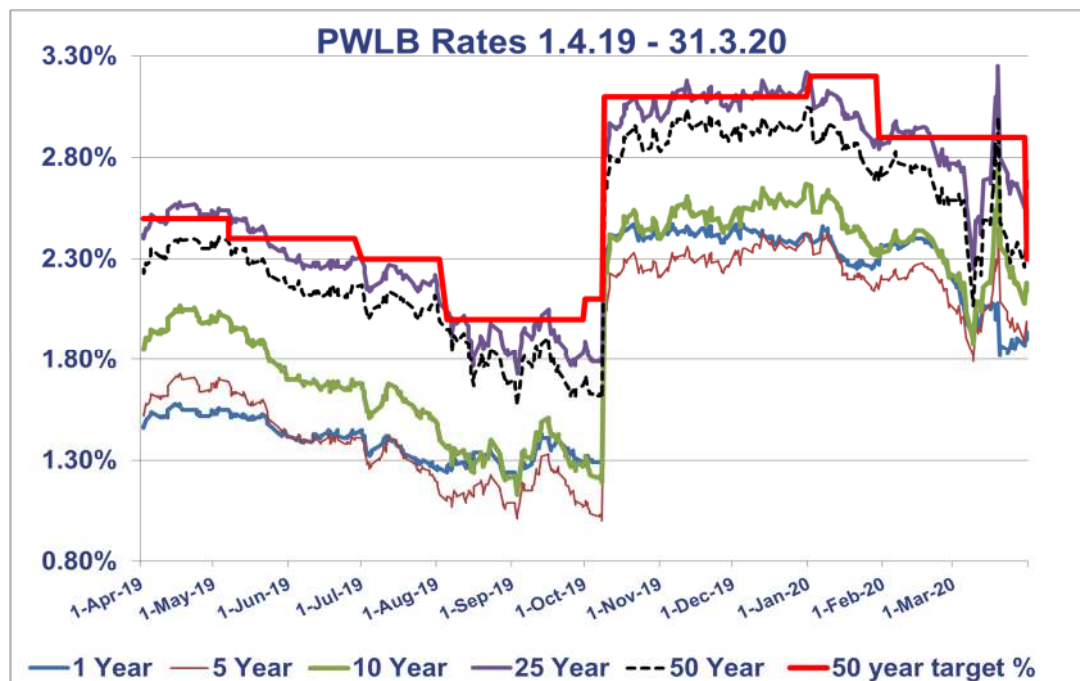
reversed for some forms of borrowing on 11 March 2020, at the same time as the Government announced in the Budget a programme of increased spending on infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins; this ends on 4 June. It is clear that the Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate an income stream.

Following the changes on 11 March 2020 in margins over gilt yields, the current situation is as follows: -

- **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
- **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
- **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
-

There is likely to be little upward movement in PWLB rates over the next two years as it will take national economies a prolonged period to recover all the momentum they will lose in the sharp recession that will be caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020-21.

The graphs and tables for PWLB rates show, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year.



The council's long term borrowing (over 12 months in length) has increased in the year from £271m to £291m, to support the capital programme and unwind the authorities under borrowed position.

8. Investments in 2019/20 and Economic Context

Investment returns remained low during 2019/20. The expectation for interest rates within the treasury management strategy for 2019/20 was that Bank Rate would stay at 0.75% during 2019/20 as it was not expected that the MPC would be able to deliver on an increase in Bank Rate until the Brexit issue was finally settled. However, there was an expectation that Bank Rate would rise after that issue was settled, but would only rise to 1.0% during 2020.

Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the Commons but fell back again in January before recovering again after the 31 January departure of the UK from the EU. When the coronavirus outbreak hit the UK in February/March, rates initially plunged but then rose sharply back up again due to a shortage of liquidity in financial markets. As longer term rates were significantly higher than shorter term rates during the year, value was therefore sought by placing longer term investments where cash balances were sufficient to allow this.

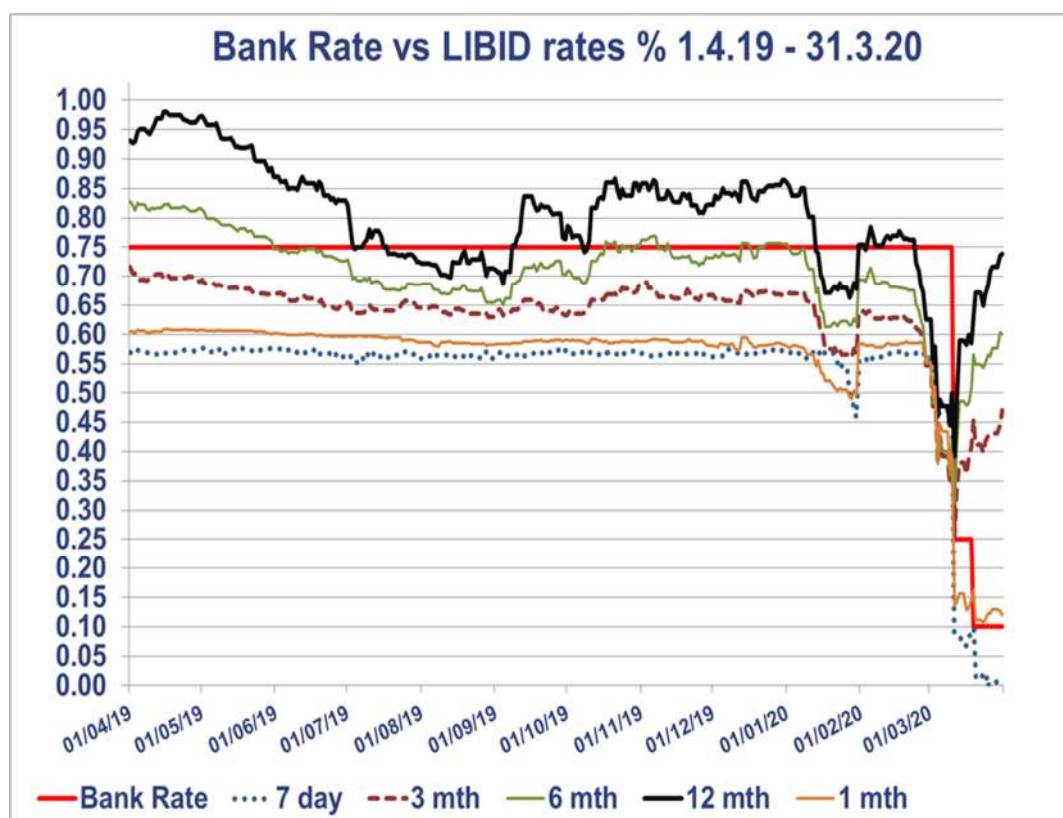


Table 9 within the report details the authority's investments by call, short and long term. The 7 day rate above (average of 0.57% across the year) is a fair comparator for at-call and the 12 month LIBID (average of 0.80% across the year) for short term investments.

Resources – the council's longer term cash balances comprise, primarily, revenue and capital resources, although these will be influenced by cash flow considerations.

Investment Policy – the council’s investment policy is governed by central Government guidance, which was implemented in the Annual Investment Strategy approved by Council on 28th February 2019. This policy set out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by KPMG survey of Building Societies and an analysis of Common Equity Tier (CET1) levels. The investment activity during the year conformed to the approved Strategy, and the council had no liquidity difficulties.

At the end of 2019/20 Walsall’s investment balance was £34.625m higher than that at the start of the year. **Table 8** below shows an age profile of the investments.

Table 8: Changes in Investments during 2019/20	Opening Balance £m	Closing Balance £m	Movement in Year £m
At Call accounts	24.360	46.485	22.125
Between 31 days and 365 days	120.500	124.000	3.500
Over 365 days	35.000	44.000	9.000
Total	179.860	214.485	34.625

Investments held by the council - the council maintained an average balance of £197m of internally managed funds. The internally managed funds earned an average rate of return of 1.50%.

Recognising the continuation of the stresses on the world banking system, enhanced priority has continued to be given to security and liquidity. To reduce counterparty risk to the maximum possible extent the investment portfolio was spread across a range of appropriately credit rated / analysed institutions. **Table 9** shows the outturn on investment income in 2019/20.

Table 9 Investments Interest – Gross Income	2019/20 Approved Cash Limit £m	Outturn at 31 March 2020 £m	Over /(under) achieved cash limit £m	% Target Rate	% Average Rate achieved
Call Account investments	0.090	0.208	0.118	0.60%	0.63%
Short Term Investments	1.284	1.760	0.476	1.10%	1.24%
Long Term Investments	1.037	1.147	0.110	1.40%	1.65%
Total	2.411	3.115	0.704	1.21%	1.50%

9. Performance Measurement

One of the key requirements in the CIPFA Code of Practice on Treasury Management is the formal introduction of performance measurements relating to investments, debt and capital financing activities. **Table 10** below shows that Walsall has consistently achieved a higher average return on it’s investments and has reduced it’s average rate it pays for its borrowing. The figures for 2011/12 to 2014/15 are derived from the the CIPFA treasury management benchmarking club. For 2015/16 onwards, as a number of authorities no longer participate in this benchmarking exercise, the figures set out

are based on a review of reports issued by the authorities statistical neighbours. Comparative figures for 2019/20 are not yet available.

Table 10 Comparison of Walsall with other councils Average Interest Rates	Walsall Rate Received %	Average Rate Received %	Walsall Rate Paid %	Average Rate Paid %
2011/12	1.80	1.20	4.53	4.53
2012/13	2.14	1.11	4.47	4.52
2013/14	1.29	0.85	4.51	4.26
2014/15	1.09	0.77	4.61	4.14
2015/16	1.08	0.76	4.54	4.18
2016/17	0.86	0.76	3.99	4.34
2017/18	1.32	0.73	3.42	4.06
2018/19	1.37	1.10	3.83	4.15
2019/20	1.50		3.34	

Council approved the following local performance indicators, the majority of which were complied with during the year, **Table 11** provides the indicators for March 2019.

Table 11 - Local Indicators		Actual 2018/19	Target 2019/20	Position 31-Mar-20	Variance to target	
		£m	£m	£m	value	%
L1	Full compliance with Prudential Code.	YES	YES	YES	N/A	N/A
L2	Average length of debt. (Years)	18.37	Lower Limit 15 Years, Upper Limit 25 Years	19.05	N/A	N/A
L3a	Net borrowing costs as % of net council tax requirement.	6.54%	20.00%	6.06%	(13.94%)	(69.69%)
3b	Net borrowing costs as % of Tax Revenue.	4.06%	12.50%	3.78%	(8.72%)	(69.78%)
L4	Net actual debt vs. operational debt.	75.20%	85.00%	73.82%	(11.18%)	(13.16%)
L5	Average interest rate of external debt outstanding excluding OLA.	3.69%	3.69%	3.74%	0.05%	1.44%
	Average interest rate of external debt outstanding including OLA.	3.83%	3.93%	3.86%	(0.06%)	(1.63%)
L7	Gearing effect of 1% increase in interest rate.	3.89%	5.00%	3.92%	(1.08%)	(21.60%)
L8	Average interest rate received on STI vs. 7 day LIBID rate.	0.77%	0.75%	1.24%	0.49%	65.62%

L9	Average interest rate received:					
L9a	At Call investments.	0.55%	0.60%	0.63%	0.03%	5.00%
L9b	Short Term Investments.	1.09%	1.10%	1.24%	0.14%	12.73%
L9c	Long Term Investments.	1.85%	1.05%	1.37%	0.32%	30.48%
L9d	Property Fund Investments	4.17%	4.14%	4.16%	0.02%	0.48%
L10	Average interest rate on all ST investments (ST and At Call).	0.98%	1.04%	1.11%	0.07%	6.73%
L11a	Average rate on all investments (excluding property fund)	1.05%	1.08%	1.20%	0.12%	11.11%
L11b	Average Rate on all investments (including property fund)	1.37%	1.45%	1.50%	0.05%	3.45%
L12	% daily bank balances within target range.	100%	99%	100%	1.00%	1.01%

Key variances are because of the following reasons:-

L3a - Net borrowing costs as % of net council tax requirement (variance of -69.69%). 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, 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.

L3b - Net borrowing costs as % of Tax Revenue (variance of -69.78%). 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, 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.

L8, L9, L10 & L11 – Interest Rates received – all 8 of the indicators within L8, L9, L10 and L11 are currently being exceeded. This is in the main due to the ongoing negotiations being undertaken by the service to secure favourable rates when considering investment options, and through the review and identification of new and appropriate opportunities for investment.

10. The Economy and Interest Rates

UK. Brexit. The main issue in 2019 was the repeated battles in the House of Commons to agree on one way forward for the UK over the issue of Brexit. This resulted in the resignation of Theresa May as the leader of the Conservative minority Government and the election of Boris Johnson as the new leader, on a platform of taking the UK out of the EU on 31 October 2019. The House of Commons duly frustrated that renewed effort and so a general election in December settled the matter once and for all by a decisive victory for the Conservative Party: that then enabled the UK to leave the EU on 31 January 2020.

However, this still leaves much uncertainty as to whether there will be a reasonable trade deal achieved by the target deadline of the end of 2020. It is also unclear as to whether the coronavirus outbreak may yet impact on this deadline; however, the second and third rounds of negotiations have already had to be cancelled due to the virus.

Economic growth in 2019 has been very volatile with quarter 1 unexpectedly strong at 0.5%, quarter 2 down at -0.2%, quarter 3 bouncing back up to +0.5% and quarter 4 flat at 0.0%, +1.1% y/y. 2020 started with optimistic business surveys pointing to an upswing in growth after the ending of political uncertainty as a result of the decisive result of the general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth. Since then, the whole world has changed as a result of the **coronavirus outbreak**. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

After the Monetary Policy Committee raised **Bank Rate** from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to sit on its hands and to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in **quantitative easing (QE)**, essentially the purchases of gilts (mainly) by the Bank of England of £200bn. The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country is locked down. It also put in place a raft of other measures to help businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income. However, at the time of writing, this leaves open a question as to whether some firms will be solvent, even if they take out such loans, and some may also choose to close as there is, and will be, insufficient demand for their services. At the time of writing, this is a rapidly evolving situation so there may be further measures to come from the Bank and the Government in April and beyond. The measures to support jobs and businesses already taken by the Government will result in a huge increase in the annual budget deficit in 2020/21 from 2%, to nearly 11%. The ratio of debt to GDP is also likely to increase from 80% to around 105%. In the Budget in March, the Government also announced a large increase in spending on infrastructure; this will also help the economy to recover once the lock down is ended. Provided the coronavirus outbreak is brought under control relatively swiftly, and the lock down is eased, then it is hoped that there would be a sharp recovery, but one that would take a prolonged time to fully recover previous lost momentum.

Inflation has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which is already causing a glut in the supply of oil which has fallen sharply in price. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue

that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.

Employment had been growing healthily through the last year but it is obviously heading for a big hit in March – April 2020. The good news over the last year is that wage inflation has been significantly higher than CPI inflation which means that consumer real spending power had been increasing and so will have provided support to GDP growth. However, while people cannot leave their homes to do non-food shopping, retail sales will also take a big hit.

USA. Growth in quarter 1 of 2019 was strong at 3.1% but growth fell back to 2.0% in quarter 2 and 2.1% in quarters 3 and 4. The slowdown in economic growth resulted in the Fed cutting rates from 2.25-2.50% by 0.25% in each of July, September and October. Once coronavirus started to impact the US in a big way, the Fed took decisive action by cutting rates twice by 0.50%, and then 1.00%, in March, all the way down to 0.00 – 0.25%. Near the end of March, Congress agreed a \$2trn stimulus package (worth about 10% of GDP) and new lending facilities announced by the Fed which could channel up to \$6trn in temporary financing to consumers and firms over the coming months. Nearly half of the first figure is made up of permanent fiscal transfers to households and firms, including cash payments of \$1,200 to individuals.

The loans for small businesses, which convert into grants if firms use them to maintain their payroll, will cost \$367bn and 100% of the cost of lost wages for four months will also be covered. In addition there will be \$500bn of funding from the Treasury's Exchange Stabilization Fund which will provide loans for hard-hit industries, including \$50bn for airlines.

However, all this will not stop the US falling into a sharp recession in quarter 2 of 2020; some estimates are that growth could fall by as much as 40%. The first two weeks in March of initial jobless claims have already hit a total of 10 million and look headed for a total of 15 million by the end of March.

EUROZONE. The annual rate of GDP growth has been steadily falling, from 1.8% in 2018 to only 0.9% y/y in quarter 4 in 2019. The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by purchases of debt. However, the downturn in EZ growth, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), prompted the ECB to take new measures to stimulate growth. At its March 2019 meeting it announced a third round of TLTROs; this provided banks with cheap two year maturity borrowing every three months from September 2019 until March 2021. However, since then, the downturn in EZ and world growth has gathered momentum so at its meeting in September 2019, it cut its deposit rate further into negative territory, from -0.4% to -0.5% and announced a resumption of quantitative easing purchases of debt to start in November at €20bn per month, a relatively small amount, plus more TLTRO measures. Once coronavirus started having a major impact in Europe, the ECB took action in March 2020 to expand its QE operations and other measures to help promote expansion of credit and economic growth. What is currently missing is a coordinated EU response of fiscal action by all national governments to protect jobs, support businesses directly and promote economic growth by expanding government expenditure on e.g. infrastructure; action is therefore likely to be patchy.

CHINA. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium-term risks have also been increasing. The major feature of 2019 was the trade war with the US. However, this has been eclipsed by being the first country to be hit by the coronavirus outbreak; this resulted in a lock down of the country and a major contraction of economic activity in February-March 2020. While it appears that China has put a lid on the virus by the end of March, these are still early days to be confident and it is clear that the economy is going to take some time to recover its previous rate of growth. Ongoing economic issues remain, in needing to make major progress to eliminate excess industrial capacity and to switch investment from property construction and infrastructure to consumer goods production. It also needs to address the level of non-performing loans in the banking and credit systems.

JAPAN has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It appears to have missed much of the domestic impact from coronavirus in 2019-20 but the virus is at an early stage there.

WORLD GROWTH. The trade war between the US and China on tariffs was a major concern to financial markets and was depressing worldwide growth during 2019, as any downturn in China would spill over into impacting countries supplying raw materials to China. Concerns were particularly focused on the synchronised general weakening of growth in the major economies of the world. These concerns resulted in government bond yields in the developed world falling significantly during 2019. In 2020, coronavirus is the big issue which is going to sweep around the world and have a major impact in causing a world recession in growth in 2020.

Cabinet – 12 August 2020

Corporate plan 2021-22

Portfolio: Councillor Bird, Leader of the Council

Related portfolios: All

Service: Policy and Strategy Unit

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 To seek agreement from Cabinet for a refreshed corporate plan covering the period for 2021-22 and development approach to inform a new Corporate plan for 2022-25.

2. Summary

- 2.1 The Local Government Act 2000 gave the Council collective responsibility for approving its policy framework and budget. A corporate plan that articulates the strategic direction for the Council and how it measures its success. The Council's Corporate Plan ends in 2021.
- 2.2 The new Corporate Plan was due to be informed by an updated Joint Strategic Needs Assessment, Joint Health and Wellbeing Strategy (the Walsall Plan), Community Safety Needs Assessment and Local Economic Needs Assessment. Substantial development of these assessments has been delayed due to the council's response to Covid-19. In addition the Covid-19 pandemic has made significant impacts in global, national and local communities. Some of these can be predicted, however there will be many consequences that are currently unknown and will have an impact on the needs of the borough of Walsall and the subsequent response from the council.
- 2.3 The proposal is to have a corporate plan running for 2021-22 building on the current corporate plan, agreed areas of focus, outcomes and markers of success. This allows for the council to undertake further research, analysis and to listen to our communities to inform the corporate plan 2022-25.

3. Recommendations

- 3.1 That Cabinet approves the proposal to produce a refreshed 2021-22 Corporate plan and the timetable for delivery with refreshed plan presented to February 2021 Cabinet
- 3.2 That Cabinet approves the development approach to inform a new Corporate plan for 2022-25.

4. Report detail - know

Context

- 4.1 Every local authority has a requirement to have a corporate plan that articulates the strategic direction for the Council and how it measures its success.
- 4.2 The Council's current Corporate Plan ends in 2021 with a new 4 year plan to be developed over 2020. The new 4 year plan was to be informed by updated strategic assessments including Joint Strategic Needs (and assets) Assessment, community safety and economic assessments.
- 4.3 Due to the global Covid-19 pandemic and the council needing to revert resources to its response, engagement in development and completion of these assessments have been delayed. Additionally, the Covid-19 pandemic has had, and will continue to have an impact on our communities. Some of this impact are understood, however there are potentially many more impacts to come, which are not fully understood and would require the council to act differently to mitigate them.
- 4.4. The proposal for the 2021-22 plan will be to build on the previous plan with the same vision of *Inequalities are reduced and all potential is maximised*. The plan will set out 5 areas of focus (EPICC), 10 outcomes and 20 markers of success to assess progress in delivery of the plan.
- 4.5 Our values (Professionalism, Leadership, Accountability, Transparency, Ethical) will continue to shape how we as a council will work with our local communities, influence our choices and our behaviours.

Council Corporate Plan priorities

- 4.6 The 2021-22 will reaffirm the five areas of focus for the council (EPICC);
 - 1. Economic Growth for all people, communities and businesses
 - 2. People have increased independence, improved health and can positively contribute to their communities
 - 3. Internal focus. All council services are efficient and effective
 - 4. Children have the best possible start and are safe from harm, happy, healthy and learning well
 - 5. Communities are prospering and resilient with all housing needs met in safe and healthy places.

Risk management

- 4.7 There are no specific risks identified in the agreement of the plan for 2021-22.
- 4.8 Any future large-scale response to Covid-19 may further delay the engagement and development of the strategic needs and asset assessments, community listening events, and research that would inform the plan for 2022-25.

Financial implications

- 4.9 The plan provides the strategic direction of financial investments the council makes and will inform such decisions in the future.
- 4.10 There are no specific financial implications of this report. It is expected that the Plan will be delivered within the Councils Budget 2021-22 as approved at Cabinet. Any budgetary issues arising from delivery of the plan in year will be raised through the appropriate channels as the needs arise.

Legal implications

- 4.11 There are no direct legal implications or risks from this report.

Procurement Implications/Social Value

- 4.12 There are no direct procurement implications from this report.

Property implications

- 4.13 There are no direct property implications from this report.

Health and wellbeing implications

- 4.14 The successful implementation of the corporate plan will have positive impact on the health and wellbeing of our residents. Not only in the reduction of inequalities, additionally equipping our residents with the foundations to lead good, independent lives.

Staffing implications

- 4.15 There are no direct staffing implications from this report.

Reducing Inequalities

- 4.16 The aim of the corporate plan is to reduce inequalities and maximise potential. In the delivery of the plan and the assessment of the markers of success, will monitor progress on this aim. This will have implications for how the council operate and makes it decisions including the assessment of impact and distribution of that impact.
- 4.17 In the development and delivery of this process due regard to the EQIA and other duties placed upon the council will be undertaken and considered.

Consultation

- 4.18 The updated plan will build on the previous corporate plan with refinement of the narrative and markers of success. Community focus groups, as well as analysis of the wider inequalities across the borough will be used to help shape the refresh of the plan.
- 4.19 Throughout 2020-21 work will be undertaken to understand the impacts of Covid-19 on our local communities to inform the 2022-25 corporate. This will include how the pandemic has affected different parts of the borough and communities in the short, medium and longer-term that we fully do not understand yet.
- 4.20 Already planned are an updated Joint Strategic Needs (and assets) Assessment (JSNA), Joint Health and Wellbeing Strategy, community safety and economic assessments. Additionally other insights are planned, including an ethnographic study on what it is like to be a child in Walsall, participation in the *Beyond Us and Them Research* Project which will explore how societal cohesion is affected by the Covid-19 crisis and feedback gleaned through the work of the Local Outbreak Engagement Board. Other engagement and listening events are to be planned throughout the year.
- 4.21 A recent staff survey and “Reset” objective of the Covid-19 corporate response will be used to help inform action required to support the develop of the internal focus (efficient and effective services) and staff satisfaction are of the plan. The Corporate Equality Group have been asked to review their role to build on their impact which will help inform the 2022-25 plan.

5. Decide

- 5.1 Having a new corporate plan that would run from 2021-25 as originally planned could potentially miss the assessment of the impact of Covid-19 on our local community and therefore how the council could respond to meet the needs of local residents.
- 5.2 By having a refreshed plan covering 2021-22, building on the current 2018-21 plan, will allow time for the assessment, evaluation and consideration of the impact of Covid-19. The Covid-19 pandemic has made significant impacts in global, national and local communities, with some of these already known. However there will be many consequences that are currently unknown, national reviews and subsequent government policy decisions which will have an impact on the needs of the borough of Walsall and the subsequent response from the council. Having 2021-22 to complete the strategic assessments already planned and undertake further listening and engagement activity with local residents to inform the 2022-25 plan to maximise the councils ability to meet its aim.
- 5.3 It is recommended that cabinet approves to have a 2021-22 corporate plan and timetable for delivery and the development of a new corporate plan (2022-25) over the coming year. This would allow for an improved understanding of the impact of Covid-19 on our local community and the actions the council will need to take to mitigate these impacts.

6. Respond

- 6.1 The strategic assessments already have a governance through the Health and Wellbeing Board, Community Safety Partnership and Town Deal Board and will be report to those boards over the coming year.
- 6.2 The Walsall Insight Group will oversee the operational development of these strategic assessments and involve all directorates across the council, as well as other partners in the borough.
- 6.3 A corporate plan working group consisting of officers from each department of the Council will be formed to oversee the coordination of the development of the plan(s), with the 2021-22 plan to come to cabinet in February 2021.
- 6.4 The development of the 2022-25 plan will be the responsibility of the Policy and impact in quarter 2-3 and final agreement in quarter 4 of 2021-22. This is in line with already agreed strategic assessments i.e. JSNA.
- 6.5 These timelines are indicative and will work in parallel with the development of the medium term financial plan and subsequent service transformation.

7. Review

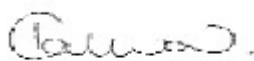
- 7.1 Regular update reports will be given on progress to the Corporate Management Team and Cabinet members to ensure oversight and assurance of delivery.

Background papers

Current corporate plan can be found <https://go.walsall.gov.uk/corporate-plan>

Author

Stephen Gunther
Director of Public Health
✉ Stephen.gunther@walsall.gov.uk



Kerrie Allward
Interim Executive Director ASC

4 August 2020

Councillor Bird
Leader of the Council

4 August 2020

Cabinet – 12 August 2020

New Leaf Pupil Referral Unit – School Place Planning

Portfolio: Councillor Towe – Education & Skills

Service: Children's Services

Wards: Aldridge North & Walsall Wood

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 To create a temporary education setting for the New Leaf Centre – Pupil Referral Unit (PRU), in line with the request of Ofsted to provide an adequate and appropriate educational setting.

2. Summary

- 2.1 Seeking approval for work to commence the creation of a temporary location for the pupils from the New Leaf Centre PRU in line with the funding detailed in paragraph 4.11.
- 2.2 The Local Authority and Ofsted agreed that the current building was not appropriate for educating some of the most vulnerable pupils. The Local Authority therefore made the decision to provide short-term solution for the educational setting whilst the permanent build was underway.
- 2.3 The report details reasons for the estimated costs for the temporary solution.

3. Recommendations

- 3.1 That Cabinet approves the temporary relocation of the PRU based on the costs detailed in paragraph 7 until the approved new build is in place for the children.

4. Report detail - know

Context

- 4.1 The New Leaf Centre PRU currently accommodates some of Walsall's most vulnerable pupils in premises that are inappropriate for requirements.

New Leaf PRU was inspected initially in April 2018 and was found to be of an inadequate standard. The Ofsted report specifies "the accommodation for the

children is inadequate and that the buildings are barely fit for purpose. The primary site is in a very poor condition.”

Cabinet approved a proposal to create a new build for the long-term solution for the New Leaf; however, this scheme is not estimated to be completed before September 2022. The total cost of the project has been built into the Basic Need Cash flow forecast and was approved at £7.158m.

- 4.2 As the current New Leaf PRU site can no longer be used effectively to support the educational needs of the pupils; particularly with the Ofsted report, detailing urgent steps must be taken to ensure all pupils are taught in a safe environment – it is crucial that a short-term measure is put into place.
- 4.3 Extensive investigations from Children’s Services and Integrated Facilities Management found an appropriate and suitable temporary site. The Stroud Avenue Family Centre and Spindle Tree Rise Children’s Home - the setting can provide the best educational potential outcomes with a cost effective solution for building works.
- 4.4 It is proposed that 60 children will be able to be accommodated following the refurbishment works at Stroud Avenue Family Centre and Spindle Tree Rise Children’s Home, along with the 34 members of staff.
- 4.5 The scope works is internal reconfiguration of the buildings to provide toilets and suitably sized classrooms. Externally additional parking and secure fencing is required.
- 4.6 Cabinet approval is now being sought in regards to the temporary relocation of New Leaf PRU the project costs are estimated at £850,000 and funding has been identified from within the Capital Programme.
- 4.7 A planning application has been submitted which covers the change of use of the building and any works that are necessary for the building. Planning permission is due 7 September 2020, this a separate process and any comments on the planning application should be made via the planning portal for review by the planning committee. Once planning has been agreed, it is expected the works will take approximately 6-8 weeks.

Council Corporate Plan priorities

- 4.8 The proposals to create pupil places to meet identified need and improved educational outcomes contained within this report primarily support the Council’s corporate plan priority, that children have the best start in life and are safe from harm, happy, healthy and learning well.

Risk management

- 4.9 The provision of alternative accommodation will enable the Council to meet its statutory duty to ensure that the standard of accommodation is sufficient to meet the educational need of the pupils. Should the project not proceed to conclusion then the Council will be unable to meet its statutory obligations.

Financial implications

- 4.10 Cabinet approved a total budget of £7.158m for the planned creation of a new permanent facility, which was approved in October 2019.
- 4.11 The total estimated cost for the temporary site is £850,000, and funding is available as per the table below:

Funding	Total required £m	Temporary	Permanent
DSG funding for PRU	0.454	0.000	0.454
Section 106 Funding	0.133	0.011	0.122
Basic Need allocation	6.582	0.000	6.582
DSG funding for SENDI	0.806	0.806	0.000
Sale of Caretaker's House – for MUGA	0.033	0.033	0.000
	8.008	0.850	7.158

- 4.12 The only comparable indicator for the additional £0.850m temporary facility is the Cost of School Buildings 2019 national benchmarking study which indicates that the per pupil place for a SEN school is £42,590 for refurbishments. The additional costs for the temporary facility of £0.850m achieves a per pupil place of £14,167 based on 60 pupils, which is below the benchmark for value for money.
- 4.13 The £0.850m is the best estimate of cost available at the design stage therefore a 20% contingency is included within the total costs. If the costs do not exceed the current estimates then the contingency funding would remain uncommitted at the end of the project and will be carried forward to future years for future projects.

Legal implications

- 4.14 Should the expansion not be completed and the places not made available, the Council will not be in a position to fulfil its statutory duty.

Procurement Implications/Social Value

- 4.15 There are no procurement implications, the contractors comply with the councils social value requirements and the educational needs of the pupils will be met.

Property implications

- 4.16 The property will change use under planning law to an educational establishment. This places additional requirements on Walsall Council if it seeks to dispose of the property within a period of 8-10 years. Under Schedule 1 to the Academies Act 2010, consent is required from the Secretary of State for Education for the disposal of any premises, or part thereof which has been used as a school within 8 years

or the proposed disposal. Under section 77 of the Schools Standards and Framework Act 1998, consent of the Secretary of State for Education is required for the disposal of any school sports fields (including hard and soft play areas) where the field has been used as part of a school within the previous 10 years. Both of these processes are complex, and, there is a requirement to re-invest the proceeds from the disposal of the playing fields disposal in a specified school sports facility. In both cases, there is no presumption in favour of the grant of consent for disposal. The temporary use of Stroud Avenue and Spindle tree Rise will therefore have a significant implication on the potential future disposal of the building.

Health and wellbeing implications

- 4.17 The Council has a statutory duty to promote health and wellbeing and reduce Health inequalities between groups.
- 4.18 There has been no indication that the content of this report would have any adverse impact on the health and wellbeing of staff and pupils based at Walsall schools. Whilst failure to relocate the pupils would have negative implications as the site current accommodating the children is not appropriate
- 4.19 Walsall Council is a Marmot Council, meaning that it has adopted a set of Evidence-based strategic objectives to reduce health inequalities amongst Walsall residents. Every report must refer to the Marmot objectives and must confirm that the proposals have been tested against those objectives. The objectives are:
- Give every child the best start in life
 - Enable all children, young people and adults to maximise their capabilities and have control over their lives
 - Create fair employment and good work for all
 - Ensure a healthy standard of living for all
 - Create and develop healthy and sustainable communities
 - Strengthen the role and impact of ill-health prevention

Staffing implications

- 4.20 No Staffing Implications

Reducing Inequalities

- 4.21 It is of importance to the achievement of the Council's strategic objectives that the young people of Walsall are able to access the right provision to meet their needs in order to achieve appropriate qualifications. Progressing to employment and/or training and make a positive contribution within the borough in the future.

Consultation

- 4.22 There are no requirements for a formal consultation in line with this report.

5. Decide

Cabinet approves the funding for the temporary move of the Pupil Referral Unit.

6. Respond

Subject to Cabinet approval, works to commence at Stroud Avenue Family Centre and Spindle Tree Rise Children's Home subject to Grant of Planning Permission and costs at previously stated.

7. Review

A review of Walsall borough estate has been undertaken to determine where the most appropriate permanent location will be for the pupils for the New Leaf Centre PRU on a long-term basis and works are underway to begin this project.

Background papers:

New Leaf Centre Ofsted Report – April 2018

Special Measure Monitoring Inspection Letter – December 2019

Author



Alex Groom
School Organisation Manager
☎ 01922 652583
✉ alex.groom@walsall.gov.uk



Sally Rowe
Executive Director

12th August 2020



Councillor Towe
Portfolio holder

12th August 2020

Cabinet – 12 August 2020

Update on Supplier Relief Payments to Contracted and Non-contracted Adult Social Care Providers

Portfolio: Councillor Rose Martin, Adult social care

Related portfolios: All

Service: Adult Social Care

Wards: All

Key decision: Yes

Forward plan: No

1. Aim

This report seeks Cabinet's approval for the Council to continue to financially support or provide financial relief to Adult Social Care providers and ensure continuity of care for service users. To do this the Council will continue to make payments outside of usual contracted arrangements, as COVID-19 continues to have an impact on the cost of service provision. Thus, meaning further additional expenditure of up to £500,000.

2. Summary

- 2.1. In line with Government guidance and as part of the Adult Social Care's response to COVID-19, a number of measures have been adopted, to enable providers of commissioned care services to be paid in a way that supports their cash flow and sustainability.
- 2.2. In May 2020, Cabinet approved funding of £200,000 for additional supplier relief to contracted and non-contracted Adult Social Care providers following a task and finish analysis of provider Covid-19 related additional expenditure.
- 2.3. Since May, the Council has received over £400,000 worth of claims from over 40 providers and paid £330,000 funded from the approved £200,000 supplier relief, the Infection, Prevention and Control Grant funding and the recovery of unspent direct payments.
- 2.4. The £200,000 approved additional supplier relief budget has now been exhausted however the pandemic is continuing to have a significant impact on providers and Adult Social Care commissioners do not foresee an end to the additional cost in the near future.

- 2.5. In accordance with the Council's Constitution, this is a Key Decision for the following reasons:
- The decision will incur 'significant' expenditure of greater than £250,000.
 - The decision is likely to have a significant impact on two or more wards of the borough as the proposed alternative model is a change to the way in which service is delivered.

3. Recommendations

That Cabinet:

Approves funding of a further £500,000 for additional supplier relief to contracted and non-contracted Adult Social Care providers. This will be subject to agreed governance, as set out in this report.

4. Report detail

Know

- 4.1 Adult Social Care have approximately 200 providers who deliver domiciliary care, residential and nursing care, supported living, day centres and social clubs. Domiciliary, supported living, residential and nursing care providers have contractual agreements in place with the Council for the provision of care services.
- 4.2 On the 15th May, the Government announced a £600 million Infection Control Fund to tackle the spread of COVID-19 in care homes. With care homes being asked to restrict permanent and agency staff to working in only one care home wherever possible, the funding can be used to fund sick pay, pay whilst in self-isolation, staff backfill, overtime and some transport costs.
- 4.3 The allocation for Walsall was £2.8 million with 75% being passed directly to residential and nursing care providers in two equal instalments based on registered bed. The second payment is contingent on the first being used for infection control. Walsall Council took the decision to allocate the remaining 25% to domiciliary care provides on the same basis.
- 4.4. Despite the injection of funding from the Government and ongoing support from the Council, providers continued to report additional expenditure as a result of COVID-19. In May 2020 Cabinet approved funding of £200,000 for additional supplier relief to contracted and non-contracted Adult Social Care providers which has been allocated to providers through an open-book process overseen by the Supplier Payment Action Group (SPAG).
- 4.5 As the pandemic continues to impact the way in which providers can operate, the associated cost and inflated price of essential supplies including personal protective equipment (PPE) remains a significant financial pressure.
- 4.6 In addition and in line with our Care Act 2000 responsibilities, and as agreed in the Cabinet report on Provider Payments in May 2020, an open-book accounting exercise has been undertaken to review the financial impact of voids on individual Care Home providers and this has been cross-referenced against the previous

open-book accounting exercise conducted with these providers. This initial review has not highlighted any significant concerns about provider financial viability.

- 4.7. Although there have been a limited number of Provider Representations there have been no requests for emergency payments from providers.
- 4.8. Providers have received financial support in the form of the Infection Prevention Grant and Additional Expenses claims.
- 4.9. On the basis of the findings in the initial work, it is recommended that an initial payment is not made to providers and that providers continue to be supported through the additional expenses claims and that work progresses; using the tools adapted by the regional commissioning network to establish the full extent of provider risk in the medium to long term.
- 4.10. The recommendation to not award emergency payments to Residential and Nursing providers will release a projected commitment of £1.9 million.

Decide

- 4.11 Option 1 – Do nothing, cease additional expense payments. The Council is not obliged to fund the additional COVID-19 related expenditure faced by providers, however, failure to do so could see an already limited local market stretched to the point where operation becomes financially unviable for some providers and they may not be in operation post-pandemic.
- 4.12. Option 2 (**Preferred**) - To continue to make payments through an open-book process up to a fixed value. The current approach places the onus on providers who need financial assistance to submit a claim to the Council. The claim can then be scrutinised through the open book accounting process and appropriate payments to cover additional costs arising directly from the pandemic can be made.
- 4.13. Option 3 – Pay a flat uplift to ASC providers. Whilst this option would be simpler to transact and would offer greater clarity on projected costs, this approach does not target the funding on those providers in greatest need and most at risk of provider failure and is likely to cost significantly more. Nor is this option in line with the decision taken by Cabinet on 19 May 2020
- 4.14. This approach is considered to be the most cost effective and has the strongest rationale in terms of transparency and providing consistent support to the market during the pandemic and preventing provider failure.

Respond

- 4.15. Following the Cabinet approval in May 2020 providers were invited to submit claims for additional COVID-19 related expenditure along with supporting evidence.
- 4.16. The claims have been considered by a panel of representatives from Adult Social Care commissioning, procurement and finance who have subsequently made recommendations regarding payment based on their collective knowledge of the sector. Where additional information or clarification is required, Adult Social Care

commissioners have contacted the provider directly to ensure that the claim can be reconsidered at the next panel meeting. Panel meetings have taken place twice weekly to ensure the timely processing of payments.

- 4.17. The approach to date has been welcomed by providers and the structure remains in place to continue to review and process provider claims subject to the availability of funding.
- 4.18. Additional supplier relief to contracted and non-contracted Adult Social Care providers will continue to be monitored and allocated to providers through an open-book process overseen by the Supplier Payment Action Group (SPAG).
- 4.19. Since the May report to Cabinet, the Council has received over £400,000 worth of claims from more than 40 providers and paid £330,000 funded from the approved £200,000 supplier relief, the Infection, Prevention and Control Grant funding and the recovery of unspent direct payments.

5. Council Corporate Plan priorities

- 5.1. This proposal links to the Council's corporate priority 'Communities are prospering and resilient. The most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment through working within the local community. It enhances quality of life for people with care and support needs and those with long term conditions; out of hospital, community based provision provides a safe and more appropriate environment for individuals recovering from ill health and/or injury or requiring long term care.
- 5.2. More specifically this proposal seeks to align to the Care Act Duty of Market Oversight.

6. Risk management

- 6.1. The monitoring of the expenditure will be overseen by the Adult Social Care directorate in conjunction with finance and procurement colleagues. This agenda is also discussed as part of the COVID-19 chain of control groups (BRONZE; SILVER and GOLD), which has representatives of all internal and external Stakeholders responsible for delivering safe outcomes as a result of COVID-19.
- 6.2. There is potential challenge in relation to the equity of impact/benefit of the preferred option on providers. This is understood and will be managed and mitigated as necessary.
- 6.3. The Walsall Adult Social Care Market is a fragile market in ordinary times; our Adult Social Care Commissioners continue to flag that sustainability of ASC provision is a significant risk.

7. Financial implications

- 7.1. The financial implication of this proposal is up to £500,000 taking the total financial impact to £700,000. The impact of the proposal on Providers financial sustainability, in creating capacity and ensuring good value for money will continue to be reviewed by Adult Social Care commissioners. Dialogue across the region

will also continue in relation to spend levels across a commissioned market where many providers deliver services across the region as well as in Walsall.

- 7.2. A budget of £1.9m had been identified through the Covid-19 allocation to support the residential and nursing sector following the outcome of the open-book accounting exercise. The exercise concluded that no emergency payment should be awarded and therefore this budget could be used for the continuation of additional expense payments.

8. Procurement Implications/Social Value

- 8.1. Cabinet Office procurement note (PPN 02/20) issued on the 20th March and updated on the 17th April states Local Authorities should: seek to support supplier cash flow through a pragmatic approach; no provider should seek to profiteer from COVID-19; there should be a particular focus on supporting providers who are considered at risk during this time in relation to cash flow; providers need to operate transparent book keeping in relation to their financial accounts during this period; any payment by results approaches should be considered in relation to temporary deferment and payments approaches considered which are based on payment over the past 3 months and that interim payment arrangements should be in place until June 2020.
- 8.2. On the 9th June, the Cabinet Office published Procurement Policy Note 04/20: Recovery and Transition from COVID-19, which builds on Procurement Policy Note 02/20 and recommends the expiry of relief measures for suppliers not essential to the delivery of critical services. The guidance outlines the following actions for all contracting authorities:
1. A contract portfolio review with respect to continuing or commencing measures in like with Procurement Policy Note 02/20.
 2. Working in partnership with suppliers to develop transition plans to
 - Exit from any relief as soon as reasonably possible.
 - Agree contract variations if operational requirements have changed significantly.
 - Ensure contracts are still relevant and sustainable and deliver value for money over the medium to long term.
 3. Continuing to pay suppliers as quickly as possible to maintain cash flow and protect jobs.

9. Legal Implications

Legal advice and support has been and will continue to be sought if any further variation of contracts are required.

10. Health and wellbeing implications

It is in the health and well-being interests of those supported by ASC services that the ASC market is supported to be financially sustainable and to flex its capacity so that it can continue to meet the assessed care needs of those who require them.

11. Staffing implications

There are no staffing implications arising out of this report.

12.0. Reducing Inequalities

An Equality Impact Assessment (EqIA) has been completed and is appended to this report.

13 Consultation

- 13.1. All Social Care providers across Walsall and the Council's Health and Care partners are engaged in regular tele-conferences, by email, through a dedicated 'provider hotline' and through an ASC provider information and advice internet page.
- 13.2. Leaflets have been produced for providers to issue to service users when having discussions about their care delivery which sets out the 'new way of working' and addresses frequently asked questions. The leaflet also advises who to contact should they be unhappy with their new arrangements.

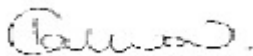
Background papers

Cabinet Paper – Paying for Community Based Commissioned Care Services During the COVID-19 Period - 12 May 2020

Author

Kerrie Allward

✉kerrie.allward@walsall.gov.uk



Kerrie Allward
Executive Director Adult Social Care

Date: 03 August 2020



Councillor Rose Martin
Portfolio holder – Adult Social Care

Date: 03 August 2020

Equality Impact Assessment (EqIA) for Policies, Procedures and Services

Proposal name	Paying for Community Based Commissioned Care During COVID-19		
Directorate	Adult Social Care Directorate		
Service	Commissioning		
Responsible Officer	Kerrie Allward		
Proposal planning start	Emergency plan commenced 23 March 2020 due to COVID-19	Proposal start date (due or actual date)	Retrospectively 1 st July 2020

1	What is the purpose of the proposal?	Yes / No	New / revision
	Interim change to the way community based commissioned care providers are paid during COVID-19 – to pay providers against the value of service users support plan		
	Policy	N	N
	Procedure	Y	Y
	Guidance	Y	Y
	Is this a service to customers/staff/public?	Y	Y
	If yes, is it contracted or commissioned?	Commissioned	
	Other - give details	Interim proposal replacing current contractual payment arrangements	
2	What is the business case for this proposal? Please provide the main purpose of the service, intended outcomes and reasons for change?		
	<p>In line with Government guidance and as part of the Adult Social Care's response to COVID-19, a number of measures have been adopted, to enable providers of commissioned care services to be paid in a way that supports their cash flow and sustainability.</p> <p>On 12 May 2020, cabinet approved £319k to cover the period of 23 March 2020 to 28 June 2020) outside of usual contracts arrangements during the period of COVID-19. This report asks for a further £500k to continue with considering additional expense applications during the COVID-19 pandemic.</p> <p>The priority is to ensure as per Government guidance – community based commissioned care providers are supported in terms of cash flow and sustainability during this period. Thus ensuring our vulnerable service users continue to receive care to sustain their independence.</p>		
3	Who is the proposal likely to affect?		



People in Walsall	Yes	Detail
All	Y	All citizens of the borough who have received a statutory community care assessment, where it has been determined they have assess needs requiring services in the community within which they live. All staff who process payments to care providers will be required to change the way and the frequency of payments. Meaning payments will be paid at much greater pace. Systems development staff will be required to temporarily reconfigure social care systems to enable payment processes to temporarily change
Specific group/s	Y	
Council employees	Y	
Other (identify)		

4 Please provide service data relating to this proposal on your customer's protected characteristics.

- The vulnerable Adult Social Care service user group who receive community based services either directly commissioned through Walsall Council or via a Direct Payment by age banding are as follows:

15	Day Care	18 - 65
407	Direct Payment	18 - 65
84	Direct Payment	66 - 75
228	Direct Payment	76 +
164	Dom Care – CM (CM electronic monitoring tool care recorded)	18 - 65
130	Dom Care – CM	66 - 75
542	Dom Care – CM	76 +
43	Dom Care - Non CM	18 - 65
40	Dom Care - Non CM	66 - 75
131	Dom Care - Non CM	76 +
269	Supported Living	18 - 65
24	Supported Living	66 - 75
7	Supported Living	76 +

- The vulnerable Adult Social Care service user group who receive community based services either directly commissioned through Walsall Council or via a Direct Payment by gender are as follows:

9	Day Care	Female
6	Day Care	Male
394	Direct Payment - Client	Female
325	Direct Payment - Client	Male
540	Dom Care – CM (Care recording tool)	Female
296	Dom Care - CM	Male
132	Dom Care - Non CM	Female
82	Dom Care - Non CM	Male
104	Supported Living	Female
196	Supported Living	Male

- The vulnerable Adult Social Care service user group who receive community based services either directly commissioned through Walsall Council or via a Direct

Payment by ethnicity are as follows:

6	Day Care	Asian/Asian British
1	Day Care	Black/Black British
8	Day Care	White
133	Direct Payment	Asian/Asian British
30	Direct Payment	Black/Black British
		Mixed/Multiple ethnic groups
6	Direct Payment	Other Ethnic Groups
5	Direct Payment	White
545	Direct Payment	Asian/Asian British
79	Dom Care – CM (CM electronic care recording tool)	Black/Black British
21	Dom Care – CM	Mixed/Multiple ethnic groups
8	Dom Care – CM	NULL
6	Dom Care – CM	Other Ethnic Groups
5	Dom Care – CM	White
717	Dom Care – CM	Asian/Asian British
12	Dom Care - Non CM	Black/Black British
3	Dom Care - Non CM	No ethnicity recorded
1	Dom Care - Non CM	Other Ethnic Groups
2	Dom Care - Non CM	White
196	Dom Care - Non CM	Asian/Asian British
33	Supported Living	Black/Black British
5	Supported Living	Mixed/Multiple ethnic groups
7	Supported Living	Other Ethnic Groups
2	Supported Living	White
253	Supported Living	

5 Please provide details of all engagement and consultation undertaken for this proposal. (Please use a separate box for each engagement/consultation).

Detailed engagement has taken place with all community based providers of commissioned care and with direct payment support agencies on the proposal to support their cash flow and sustainability during this COVID-19 period and to empower them to work with service users differently during this period to ensure care is delivered proportionality across our whole community based service user cohort.

There is ongoing engagement with our regional authorities to determine the approaches being undertaken by other local authorities in the payment of providers.

Engagement has taken place with Association of Directors of Adult Social Care to seek a steer and understand guidance being issued nationally.

Internal staff engagement has taken place for those staff who's work practices will be changed during this period, recognising this is now a dispersed staff cohort working remotely, which brings additional challenges.

Engagement and approval sought on approach being proposed and adopted via Gold Command.

Consultation Activity			
Type of engagement/consultation	Affected staff engagement - face to face; conference calls weekly conference calls to commissioned care providers including day care and social club providers Engagement and escalation of proposed approach through bronze to gold command	Date	All commenced 20 March, 2020 and continues
Who attended/participated?	Adult Social Care staff; Corporate Finance Payment Team; Community Based Care externally commissioned care providers (circa 200)		
Protected characteristics of participants	The officer participants are representative of the make-up of the council organisation The community based providers also represent the make-up of the local community and include both small scale independent provider and larger regional and more national providers		
Feedback			
<ul style="list-style-type: none"> Provider feedback was overwhelmingly positive in response to the proposed interim change Staff feedback was one of concern that usual validation processes would be deferred; limited timeline to mobilise all changes including significant system reconfiguration; concern the pace staff would need to work in order to deliver the refreshed payment timetable 			
6	Concise overview of all evidence, engagement and consultation		
Continued routine engagement takes place each week; with briefings as appropriate and communication material issued to the market as required. The expectation was that providers would communicate directly with service users.			
Assessment and Care Management staff continue to engage with service users directly through safe and well checks – no concerns have been reported.			
Full Cabinet report and associated documentation that is linked directly to this EQIA.			
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 Yes / No
Age	The intention of this interim change during COVID-19 was aimed at ensuring that community based service users receive a level of care, even though was unlikely to be at the usual level as per their individual care and support plan. In addition to this during this period to ensure our citizens in		
Disability			
Gender reassignment			
Marriage and civil partnership			

	Pregnancy and maternity Race Religion or belief Sex Sexual orientation Other (give detail) Further information	<p>receipt of community based care remained safe and well – a care call assurance exercise was initiated by our assessment and care management staff teams – so service user and/or family check in could take place.</p> <p>It was anticipated that a number of service users and their families may decide to cease care during this COVID-19 period, making it more important that safe and well calls are conducted.</p> <p>It was also intended that services users who contribute towards the cost of their care, would continue to make payments in line with the community based charging policy – meaning payment was against care received.</p>
8	Does your proposal link with other proposals to have a cumulative effect on particular equality groups? If yes, give details.	(Delete one) Yes / No <p>This proposal is aligned to community based market supplier relief and as such aligns to wider organisational work package focusing on executing government directive on supplier payment relief. It is clear that individual providers of commissioned care should not profiteer from the current COVID-19 situation; however emergency funding has been passed down from central government to local authorities recognising an anticipated increase in spend by care providers to the value of 10%.</p> <p>Adult Social Care does recognise that our community based commissioned care market is varies in make-up from independent local provision, to regional and national providers of care and this in turn will have an impact on ability to be flexible in delivering care and financially stable. Adult Social Care recognises that payment by support plan will not benefit all provider equally, in part because different levels of scrutiny are internally applied to different sectors of the market. Adult Social Care accept this position of a disproportionate effect across an unequal market and we seek to continue with this approach, endorsed by all providers of care.</p>
9	Which justifiable action does the evidence, engagement and consultation feedback suggest you take?	
	A	A change required due to urgent needs
	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
7 th August 2020	Consider and accept the EQIA alongside the Cabinet report and associated documentation the	To refresh as required		

Update to EqIA	
Date	Detail
Use this section for updates following the commencement of your proposal.	

Contact us

Community, Equality and Cohesion
Resources and Transformation

Telephone 01922 655797

Textphone 01922 654000

Email equality@walsall.gov.uk

Inside Walsall: [http://int.walsall.gov.uk/Service information/Equality and diversity](http://int.walsall.gov.uk/Service_information/Equality_and_diversity)