

CHILDREN AND YOUNG PEOPLE SCRUTINY AND PERFORMANCE PANEL

DATE: 8 JANUARY 2013

Draft Revenue Budget and Capital Programme 2013/14 for Children's Services Portfolio

Ward(s) All

Portfolio:

Councillor R Andrew – Children's Services

Summary of report

This report contains the draft capital programme for the Children's services portfolio.

Recommendation

The panel are recommended to consider the draft capital programme proposals in this report and make recommendations to Cabinet as appropriate.

Background papers

Various financial working papers.

Reason for scrutiny

To enable consultation and scrutiny of the draft capital programme 2013/14.

Resource and legal considerations

Revenue

Cabinet on 24 October 2012 presented their draft revenue budget 2013/14 for consultation which was presented to this panel on 26 November 2012. The recommendations from the panel were presented to Cabinet on 12 December 2012. There are currently no further changes to what was previously reported, however the budget is an evolving process with recognition that proposals may change during consultation (which ends in January) and prior to formal recommendation to full Council on 21 February 2013. The draft local government finance settlement for 2013/14 was announced on 19 December 2012, which is currently being analysed, with details to be reported in the budget plan to Cabinet on 23 January 2013.

In 2012/13 Walsall council were allocated £15.367m of Early Intervention Grant (EIG). Central government announced an overall c27% reduction for 2013/14 in the grant in the autumn. A 27% reduction would have meant Walsall would receive £11.263m in 2013/14. However, Walsall was informed in December that the allocation would be £10.879m. This is a decrease above the national average and a £384k larger reduction than was anticipated.

Capital

Capital programme resources are limited. The financing for capital expenditure on new investments is heavily reliant on grants and other funding received from the Government. The Government is clearly, in the medium term, planning to significantly reduce government financed capital spending.

Capital allocations and grants from Government and other sources have not yet been provided, therefore best estimates have been used, based on published information to date. Any further reduction in funding will require amendments to the draft programme.

Despite the difficulties, significant investment is planned and funded over the three year 2013/14 to 2015/16 and the draft capital programme is balanced. The council is able to fund all existing commitments and has, through prioritisation of bids and resources and sound treasury management, been able to support new investment into key services, and areas of capital investment need.

The capital programme is presented in three parts:

- Mainstream programme - funded by the council's own resources, through capital borrowing and receipts.
- Externally funded programme - funded from capital grants and third party contributions.
- Leasing Programme – funded from revenue

Table 1 sets out the draft capital programme 2013/14 to 2017/18 for the Children's portfolio with further detail of the schemes below.

Table 1: Draft Capital Programme 2013/14 to 2017/18					
Children's Services Portfolio					
Project	2013/14	2014/15	2015/16	2016/17	2017/18
	£	£	£	£	£
<i>Non Mainstream (externally funded schemes)</i>					
Education Basic Need	2,097,621	1,887,859	1,699,073	1,529,166	1,376,249
Education devolved formula capital	662,580	596,322	536,690	483,021	434,719
Education capital maintenance	3,530,556	3,177,500	2,859,750	2,573,775	2,316,398

Education basic need

Funded from the Department of Education to be spent on maintenance of schools.

Education devolved formula capital

Funding from the Department of Education which is calculated on a school by school basis and is passported on to them to spend as they require.

Education capital maintenance

Funding from the Department of Education which is also spent on maintenance of schools.

Citizen impact

The budget is aligned with service activity in service plans, and the principles of the working smarter programme. The report sets out the plans for future service delivery for the services within the remit of this panel.

Environmental impact

The impact on the environment is considered alongside all budget / capital programme proposals.

Performance management

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, and there are comprehensive performance arrangements in place to monitor and manage this.

Equality Implications

Service managers have regard to equalities in setting budgets / capital programme and delivering services. Equality impact assessments will be undertaken as required prior to final recommendations being made to Council on the budget.

Consultation

Recommendations from the panel will be reported to Cabinet at its meeting on 23 January 2013 for their consideration.

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