

Cabinet

Wednesday 20 July 2022 at 6.00 p.m.

Meeting venue: Council House, Lichfield Street, Walsall.

Livestream <https://aisapps.sonicfoundry.com/AuditelScheduler/CreateSchedules/Past/41>

Portfolios

Councillor M.A. Bird,
Leader of the Council



Councillor G. Perry,
Deputy Leader and
Resilient Communities



Councillor A. Andrew
Deputy Leader and
Regeneration



Councillor K. Ferguson
Internal Services



Councillor K. Pedley
Adult social care



Councillor G. Flint
Health and Wellbeing



Councillor T. Wilson
Children's



Councillor M. Statham
Education and Skills



Councillor K. Murphy
Clean and green



Councillor G. Ali
Customer



Quorum 3 members

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.

Part I – Public session

1. Apologies

2. Minutes – 22 June 2022

3. Declarations of interest

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

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

5. **Petitions.**

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

6. **Questions**

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

7. Forward plan

Leader of the Council: Councillor Bird

Key decision

8. Corporate Financial Performance 2022/23, approach to Budget Setting for 2023/24, and changes to the council's Tax Strategy

Deputy Leader and Regeneration: Councillor Andrew

Key decision

9. Strategic Asset Plan 2022-27 - Accommodation Policy

Portfolio Holder for Adult Social Care: Councillor Pedley

Key decisions

10. Provision of Adult Social Care Service for Supported Living – Spot Contracts

11. Independent Statutory Advocacy Contract Award For: Care Act Advocacy, Independent Mental Health Advocacy, Independent Mental Capacity Advocacy, and Independent Complaints Advocacy

Part II – Private Session

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

Portfolio Holder for Adult Social Care: Councillor Pedley

12. Independent Statutory Advocacy Contract Award For: Care Act Advocacy, Independent Mental Health Advocacy, Independent Mental Capacity Advocacy, and Independent Complaints Advocacy

Cabinet

Wednesday 22 June 2022

Minutes of the meeting held in the Town Hall, at Leicester Street, Walsall at 6pm.

Members Present – in person

Councillor Bird	Leader of the Council
Councillor Andrew	Deputy Leader and Regeneration
Councillor Perry	Deputy Leader, Resilient Communities
Councillor Ali	Customer
Councillor Ferguson	Internal Services
Councillor Flint	Health and Wellbeing
Councillor Pedley	Adult Social Care
Councillor M. Statham	Education and Skills
Councillor Wilson	Children's

In attendance – in person

Mrs K. Allward	Executive Director, Adults, Public Health and Hub
Mr S. Portman	Head of Law
Mr C. Goodall	Principal Democratic Services Officer
Mr E. Cook	Assistant Democratic Services Officer

In attendance – remote

Mrs D. Hindson	Executive Director, Resources and Transformation
Ms E. Hopkins	Director, Customer Engagement
Mr S. Neilson	Executive Director, Economy, Environment and Communities

Part 1 – Public Session

3919 Welcome

Councillor Bird opened the meeting by welcoming everyone and explaining that the Cabinet was meeting that evening in person and would be using the hybrid meeting system to enable it to be streamed and to enable officers to contribute remotely if required. He said that voting would be by way of a show of hands which would be witnessed and recorded by the Democratic Services officer in attendance; and that the agenda and reports for this meeting were available on the Council's website. Introductions took place and a quorum was established.

3920 Apologies

Apologies for non-attendance were received from Councillor Murphy.

3921 Declarations of interest

There were no declarations of interest

3922 Local Government (Access to Information) Act, 1985

Resolved

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

3923 Petitions

No petitions were submitted.

3924 Questions

No questions were submitted

3925 Forward plan

The Forward Plan, as at June 2022, was submitted:

(see annexed)

Resolved (by assent)

That the Forward Plan be noted.

3926 Pre-Audit Outturn 2021/22 and Covid-19 update

Councillor Bird presented a report which sought to inform Cabinet of the pre-audit revenue and capital outturn position and the financial and treasury indicators for 2021/22, including the impact of Covid-19 funding and costs/income losses. He highlighted that there had been a revenue underspend of £1.49m.

(see annexed)

Resolved (unanimously)

- 1) That Cabinet note the pre-audit revenue outturn underspend of £1.49m and note the S151 Officers action under delegations to transfer this to earmarked reserves in 2022/23 to assist in managing the potential impact of pay and price inflation on council services in 2022/23.
- 2) That Cabinet note the service positions (table 1 and Appendix 1) and the carry forward of undelivered 2021/22 savings (Appendix 5) to 2022/23 and that 2022/23 savings delivery will be kept under review and progress reported to Cabinet in July.
- 3) That Cabinet note the transfers from and to earmarked reserves as set out in table 2 and Appendix
- 4) That Cabinet note that the opening general reserves balance will be £17.69m as at 1 April 2022.

- 5) That Cabinet note the additional funding allocated to Walsall as set out in sections 4.7 to 4.13 and Appendix 3 of this report, which has been sufficient to cover the additional costs of supporting the council's Covid-19 response in 2021/22; the final outturn position by activity as shown in table 4 and Appendix 4, and the financial impact on the delivery of 2021/22 approved savings as set out at Appendix 5.
- 6) That Cabinet approve the amendments to the 2021/22 capital programme since the last update to Cabinet in February 2022, as set out in table 8 in section 4.17.
- 7) That Cabinet note the pre-audit capital outturn underspend of £4.16m, net of carry forwards of £153.31m (table 9 and Appendices 6 and 7).
- 8) That Cabinet note and approve the capital re-profiling/carry forwards from 2021/22 to 2022/23 as set out in Appendices 6 and 7.
- 9) That Cabinet note the financial health indicators for 2021/22 as summarised in Appendix 8.
- 10) That Cabinet note the 2021/22 prudential indicators in Appendix 9 of this report and Walsall's compliance with these indicators.

3927 **Corporate Plan 2021/22 – Markers of Success Quarter 4 and Annual Summary**

Councillor Bird presented a report on Quarter 4 of the 2021/22 Corporate Plan Markers of Success, which identified achievements, interdependencies and support required to realise the agreed Corporate Plan outcomes for the period of January to March 2022, and also provided a summary of the overall 2021/22 annual performance.

(see annexed)

Resolved (by assent)

- 1) That Cabinet note the overall performance in Q4 relating to the period January – March 2022.
- 2) That Cabinet note the key achievements and identified interdependencies as highlighted in the appendices.
- 3) That Cabinet note the overall improved performance in 2021/22 (Q1 – Q4).

3928 **Corporate Performance Management Framework**

Councillor Bird introduced a report which sought to provide Cabinet with a refreshed Performance Management Framework, following consideration and recommendations incorporated from Audit Committee, which aimed to provide assurance that the council's performance management arrangements are fit for purpose and support delivery of the Council Plan.

(see annexed)

Resolved (unanimously)

- 1) That Cabinet note the recommendation of the Audit Committee.
- 2) That Cabinet approve the use of the Performance Management Framework for all services.

3929 **Black Country Plan: Additional Sites Consultation**

Councillor Andrew presented a report which sought authorisation to consult on additional housing sites, outlined in Appendix B to the report, for inclusion in the regulation 18 Draft Plan version of the Black Country Plan. The main methods to be used in the consultation were outlined in Appendix C to the report.

(see annexed)

Councillor Andrew clarified that the report only related to the additional sites. The process for consultation will be followed as set out in the statutory process. The public were urged to participate and engage with the consultation process.

Resolved (unanimously)

- 1) That Cabinet approve additional regulation 18 consultation to include in the BCP the additional sites as set out in the draft consultation document at Appendix B.
- 2) That Cabinet approve the approach to the consultation, as set out in Appendix C.
- 3) That Cabinet delegate authority to the Executive Director of Economy, Environment and Communities in consultation with the Cabinet portfolio holder for Regeneration to make any necessary amendments to the Draft Plan and other consultation documents prior to the commencement of the additional regulation 18 consultation process.

3930 **Walsall Revised Local Development Scheme**

Councillor Andrew presented a report which set out the proposed revisions to the Walsall Local Development Scheme (LDS) following changes that required it to be updated.

(see annexed)

Resolved (unanimously)

- 1) That Cabinet approve the revised Local Development Scheme (at Appendix A to this report) and resolve to bring it into effect as of 22 June 2022.

- 2) That Cabinet delegate authority to the Executive Director of Economy, Environment and Communities to make any necessary factual amendments, apart from in relation to the timetable, to the content of the Local Development Scheme.

3931 **Adult Social Care Charging Policy, Minimising Debt and Maximising Income**

Councillor Pedley presented a report which sought to provide Cabinet with a progress update on the Adult Social Care Charging Policy and associated activity.

(see annexed)

Resolved (unanimously)

- 1) That Cabinet note the activity undertaken thus far, in relation to debt; streamlining process and maximising income.
- 2) That Cabinet approve the interim process revisions to continue to be implemented, in order to continue the improved trajectory across debt management and income maximisation; improve customer satisfaction and process efficiency.
- 3) That Cabinet approve that the Adult Social Care Charging Policy changes are consolidated into one Adult Social Care Charging Policy, which fully reflects the Health and Social Care financial reforms, considers the March 2021 consultation outputs and brings alignment of residential and community care charging Local Authority Circular.

3932 **Housing Renewal Assistance Policy**

Councillor Ali presented a report which sought to ensure that the council can assist residents with a range of property related grants (including Disabled Facility Grants) to improve the condition, accessibility and energy efficiency of dwellings in the borough.

(see annexed)

Resolved (unanimously)

- 1) That Cabinet adopts and publishes the Housing Renewal Assistance Policy 2022-25, as set out in Appendix A to the report.
- 2) That Cabinet delegates authority to the Executive Director for Children's and Customer to make minor amendments to the policy in consultation with the Portfolio Holder for Customer.

3933 **Housing Retro-fit 2022/23 scheme**

Councillor Ali presented a report which seeks to ensure that the authority can use time-limited Local Authority Delivery Scheme (LADS) and Home Upgrade Grant (HUGs) funding to improve the energy efficiency of dwellings in the borough and help tackle fuel poverty, excess winter deaths and domestic carbon emissions,

through awarding contracts with E.on Energy Solutions Limited and Yes Energy Solutions (CiC).

(see annexed)

Resolved (unanimously)

- 1) That Cabinet awards contracts for energy efficiency works to homes in Walsall under the Local Authority Delivery Scheme (LADS 3) and Home upgrade Grant (HUGs 1) as call offs from the Fusion 21 Framework to:
 - a) E.on Energy Services Limited with an anticipated value of up to £5.20m;
 - b) YES Energy Solutions (CiC) with an anticipated value of up to £3.00m.
- 2) That Cabinet delegates authority to the Executive Director of Children's and Customer to enter into the relevant agreements with E.on Energy Services Limited and YES Energy Solutions on behalf of the council and to subsequently authorise signing of any associated contracts, deeds or other related documents.

3934 **Exclusion of public**

Resolved

That during consideration of the remaining items on the agenda, the Cabinet considers that the items for consideration are 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 items in private.

Part II – Private Session

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

Whilst the meeting considered the below item in private the below minute is a full and open account.

3935 **Minutes of Previous Meeting**

The minutes of the meeting of 20 April 2022 were submitted (see annexed).

Resolved

That the minutes of the meeting held on 20 April 2022, a copy having been sent to each member of the Cabinet, be approved and signed as a correct record.

There being no more business, the meeting terminated at 6:24 p.m.

Chair:

Date:



Walsall Council

FORWARD PLAN OF KEY DECISIONS

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

4 July 2022

FORWARD PLAN

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

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

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

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

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

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

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**FORWARD PLAN OF KEY DECISIONS
AUGUST 2022 TO NOVEMBER 2022 (04.07.22)**

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
101/22 (4.4.22)	<p>Corporate Financial Performance 2022/23, approach to Budget Setting for 2023/24, and changes to the council's Tax Strategy:</p> <p>To report the financial position based on 2 months to May 2022, including the impact of Covid-19, and to set out our approach and timeline for the 2023/24 budget process and amendments to the Tax Strategy.</p>	Cabinet Key Decision	Vicky Buckley Vicky.Buckley@walsall.gov.uk	Corporate Management Team and internal services	Cllr Bird	20 July 2022
112/22 (20.6.22)	<p>Accommodation Strategy and Proud Everywhere Update:</p> <p>Final appendix of the Strategic Asset Plan to be presented and agreed with an update of the works and costs to be approved in the capital programme required across the Civic Centre, Council House and wider Corporate Estate to ensure maximisation of use of assets and fit for purpose premises for staff, members and customers</p>	Cabinet Key Decision	Strategic Asset Plan and appendices Nick Ford Nick.Ford@walsall.gov.uk	Internal Services	Cllr Andrew	20 July 2022

<p>98/22 (7.3.22)</p>	<p>Statutory Advocacy Services:</p> <p>To receive an update on the recommissioning of these services and delegate authority to accept and award a contract.</p> <p><i>Private session report. Contains information relating to the financial or business affairs of any particular person.</i></p>	<p>Cabinet</p> <p>Key Decision</p>	<p>Tracy Simcox Tracy.Simcox@walsall.gov.uk</p>	<p>Internal Services</p>	<p>Cllr Pedley</p>	<p>20 July 2022</p>
<p>113/22 (20.6.22)</p>	<p>Adult Social Care – Extension of contractual arrangements:</p> <p>To approve:</p> <p>1) the extension of the interim contracts for Residential and Nursing Care Services for Older People, Complex Care and Mental Health Services from 1.4.23 to 31.3.24</p> <p>2) the extension of the current contractual arrangements for Community Based Services from 1.4.23 to 31.3.24.</p> <p>3) the extension of the current Supported Living Framework and agreement to spot purchase supported Living placements commencing from 26.1.23 to 25.1.24</p>	<p>Cabinet</p> <p>Key Decision</p>	<p>Cabinet Report 09/09/2020</p> <p>Jean Watson Jean.Watson@walsall.gov.uk</p>	<p>Internal</p>	<p>Cllr Pedley</p>	<p>20 July 2022</p>

108/22 (6.6.22)	Town Deal: To report for consideration business cases for the Town Deal.	Cabinet Key Decision	Philippa Venables Philippa.Venables@walsall.gov.uk	Internal Services, Town Deal Board members	Cllr Andrew	7 September 2022
106/22 (6.6.22)	Treasury Management Annual Report: To note and forward to Council, for consideration and noting (and in line with the requirements of the Treasury Management Code of Practice (2017)), the annual report for treasury management activities 2021/22 including prudential and local indicators.	Council Non-Key Decision	Treasury Management Code of Practice. Richard Walley Richard.Walley@walsall.gov.uk	Internal Services	Cllr Bird	7 September 2022
114/22 (4.7.22)	West Midlands Enhanced Partnership Scheme for Buses (Variation): To approve a revised scheme to improve bus travel in the West Midlands.	Cabinet Key Decision	Matt Crowton Matt.Crowton@walsall.gov.uk	Legal, Procurement, Finance, Economy & Environment	Cllr Andrew	7 September 2022
103/22 (9.5.22)	Cannock Chase Special Area of Conservation: To consider options for mitigation strategies in response to the requirement that all developments that would have Likely Significant Effects on the SAC need to provide mitigation for their impacts.	Cabinet Key Decision	Stuart Crossen Stuart.Crossen@walsall.gov.uk John Raine John.Raine@walsall.gov.uk	Internal Services	Cllr Andrew	7 September 2022

115/22 (4.7.22)	Refugee Resettlement support services contract award: To approve the contract awards for: 1) Ukrainian Refugee Resettlement support; 2) Afghan Refugee Resettlement support; 3) UK Resettlement Scheme (UKRS).	Cabinet Key Decision	Neil Hollyhead Neil.Hollyhead@walsall.gov.uk	Internal services, service users, external stakeholders	Cllr Ali	7 September 2022
110/22 (6.6.22)	Draft Revenue Budget and Draft Capital Programme 2023/24 to 2026/27: To provide an updated medium term financial outlook, draft revenue budget and capital programme for 2023/24 to 2026/27, including savings proposals, and to set out the process and timescales for setting a legally balanced budget for 2023/24.	Cabinet Non-key decision	Vicky Buckley Vicky.Buckley@walsall.gov.uk	Public, Internal Services	Cllr Bird	19 October 2022
111/22 (6.6.22)	Corporate Financial Performance 2022/23: To report the financial position based on 5 months to August 2022, including the impact of Covid-19.	Cabinet Non-key decision	Vicky Buckley Vicky.Buckley@walsall.gov.uk	Public, Internal Services	Cllr Bird	19 October 2022
107/22 (6.6.22)	Procurement of Corporate Landlord Strategic Partner: To seek approval to the appointment of a strategic partner to support the programme of capital schemes related to the council's property portfolio.	Cabinet Key Decision	Nick Ford Nick.Ford@walsall.gov.uk	Internal Services	Cllr Andrew	19 October 2022

<p>116/22 (4.7.22)</p>	<p>Young person homelessness accommodation and support contract awards:</p> <p>To approve the contract awards for:</p> <ol style="list-style-type: none"> 1) Dispersed temporary accommodation and intensive housing management; 2) Supported lodgings, and Night Stop and Day Stop facility; 	<p>Cabinet</p> <p>Key Decision</p>	<p>Rashida Hussain</p> <p>Rashida.Hussain@walsall.gov.uk</p>	<p>Internal services, service users, external stakeholders</p>	<p>Cllr Ali</p>	<p>19 October 2022</p>
<p>109/22 (6.6.22)</p>	<p>Schools Mainstream Local Funding Formula 2023/24:</p> <p>That Cabinet approves a full consultation with all schools for the Mainstream Local Funding Formula, to be used for the allocation of mainstream funding to schools in Walsall</p>	<p>Cabinet</p> <p>Key Decision</p>	<p>Schools Forum</p> <p>ESFA – Schools revenue funding operation guide</p> <p>Richard Walley</p> <p>Richard.Walley@walsall.gov.uk</p>	<p>Schools Forum</p> <p>Cabinet</p>	<p>Cllr M. Statham</p>	<p>19 October 2022</p>

Cabinet – 20 July 2022

Corporate Financial Performance 2022/23 and approach to Budget Setting for 2023/24

Portfolio:	Councillor M Bird – Leader of the Council (Lead Portfolio)
Related Portfolios:	All
Service:	Finance – council wide
Wards:	All
Key decision:	No
Forward plan:	Yes

1. Aim

- 1.1 To report on the forecast corporate financial position for 2022/23, based on the position to June 2022, and actions which may be required to address this position to ensure the council remains on a sound financial footing.
- 1.2 To set out our approach and timeline for the 2023/24 budget process.

2. Summary

- 2.1 This report provides a summary position on the potential financial impact of known/emerging pressures and delays in implementing approved budget savings, particularly within Adult Social Care and Children's Services, on the revenue position for 2022/23, which would lead to a potential overspend of £2.28m. Whilst work is in hand to identify further actions to bring the position in line with budget, action is required to ensure a balanced outturn is delivered by 31 March 2023. Any on-going pressures or undelivered savings not addressed in year will need to be considered as part of the 2023/24 budget process, putting considerable pressure on that process.
- 2.2 In relation to the capital programme, the report includes a number of proposed amendments for approval as set out in section 4.17 of the report. The forecast for the capital programme is currently predicted to be on budget after the expected carry forward of £80.58m into 2023/24.
- 2.3 This report also sets out:
 - Performance against an agreed set of financial health indicators, which are forecast to be achieved;
 - Performance against statutory and local prudential indicators, which are forecast to be achieved;
 - The process and timeline for the 2023/24 budget process;
 - Work underway to update the medium term financial outlook (MTFO);

- An update to advise that the Tax Strategy has been reviewed and there are no recommended changes.

3. Recommendations

That Cabinet:

- 3.1 Note the potential forecast revenue overspend of £2.28m, progress against delivery of savings, mitigating actions being taken to address these and actions still required.
- 3.2 Approve the use of £2.45m of Covid-19 funding from unringfenced grant as referenced in section 4.16: £847k to support children in care placement costs, and £1.40m to support the ongoing impact on demand and delay in delivering approved savings within Adult Social Care.
- 3.3 Note that the cost of living increase is beginning to impact and an assessment is currently being completed to forecast the potential costs on 2022/23.
- 3.4 Approve amendments to the capital programme as set out in section 4.17.
- 3.5 Note that the forecast for the capital programme is currently predicted to be on budget after the expected carry forward of £80.58m into 2023/24, as set out in sections 4.18 and 4.19.
- 3.6 Note that there are additionally high risks of £13.19m to the revenue forecast identified within services as set out in **Appendix 1**. These risks are actively being monitored and action is being taken to reduce / eliminate them where possible.
- 3.7 Note financial health indicator performance as set out in section 4.21 and **Appendix 4**.
- 3.8 Note the prudential indicators as set out in section 4.27 and **Appendix 5**.
- 3.9 Note the work underway to update to the medium term financial outlook and approve the approach for setting the 2023/24 budget, as set out in section 4.30 to 4.40, aligned to the Council Plan, Budget Framework and Proud Promises.
- 3.10 Note that there are no changes to the council's Tax Strategy (section 4.41).

4. Know – Context

- 4.1 The council is legally required to operate within a balanced budget, to operate within financial controls and to deliver approved budget savings. The impact of the pandemic continues to be felt in a number of areas, particularly in the social care sector.

Revenue Forecast 2022/23 - Service Pressures

- 4.2 Walsall Council has a track record of managing financial pressures and action has been taken to mitigate current and future cost pressures. The council is now experiencing emerging pressures in relation to the cost of living impact, on contracts/third party spend in particular, and where known and quantifiable, the financial impact of this is included within the forecast position. These are being further assessed in terms of impact and actions that may be required to manage these,

including services taking action to address them, use of appropriate earmarked reserves, etc. A full assessment will be reported to Cabinet on completion. Following review of the pre-audit 2021/22 revenue outturn position by Cabinet on 22 June 2022, it was approved for the £1.49m underspend from 2021/22 to be transferred to earmarked reserves to help further manage the potential impact of pay and price inflation on services in 2022/23, therefore there is some cushion over and above general reserves to support cost of living costs, albeit limited. Action will therefore be reported alongside impact to ensure a balanced budget at outturn.

- 4.3 The current council wide forecast shows a potential overspend of c£2.28m against budget, as summarised by directorate in **Table 1**. On-going pressures or undelivered savings which are not addressed in year on an ongoing basis will need to be considered as part of the 2023/24 budget process. Work continues to address these.

Table 1: Revenue Forecast 2022/23 by directorate						
Directorate	Net Budget	Year end forecast prior to transfer to / (from) earmarked reserves	Year end variance to budget prior to transfer / (From) earmarked reserves	Use of earmarked reserves	Transfer to earmarked reserves	Year end forecast
	£m	£m	£m	£m	£m	£m
Adult Social Care and Public Health	60.17	71.98	11.81	(9.02)	0.52	3.31
Children's Services						
- Children's and Education	60.93	65.86	4.93	(2.62)	0.52	2.83
- Customer Engagement	3.52	3.90	0.39	(1.29)	0.34	(0.56)
Economy, Environment & Communities	36.67	41.99	5.32	(6.49)	0.32	(0.85)
Resources & Transformation	29.25	28.87	(0.38)	(1.38)	1.50	(0.26)
Services Position	190.53	212.59	22.06	(20.79)	3.20	4.47
Capital Financing	25.06	19.93	(5.13)	(0.77)	3.71	(2.19)
Central budgets	(77.16)	(69.53)	7.64	(12.12)	4.48	0.00
Total council tax requirement	138.43	162.99	24.57	(33.68)	11.39	2.28

- 4.4 The year-end forecast includes the use of earmarked reserves of £33.68m and transfers to earmarked reserves of £11.39m, as detailed at **Appendix 2**.

Transfer from/use of earmarked reserves are created for specified purposes. These are all planned to be used, although the period over which they are to be used and the profiling of that use may vary. This results in projected closing earmarked reserves of £194.88m as shown in **Table 2** below:

Table 2 : Earmarked Reserves					
	Opening Balance 01/04/22	Transfers from Reserves	Transfers to Reserves	Movement	Closing Balance 31/03/23
	£m	£m	£m	£m	£m
Treasury Reserves	27.13	(0.59)	3.71	3.13	30.25
Grant / Contributions received in advance	26.65	(7.09)	1.60	(5.49)	21.16
Improvement projects	39.52	(2.47)	1.63	(0.84)	38.69

	Opening Balance 01/04/22	Transfers from Reserves	Transfers to Reserves	Movement	Closing Balance 31/03/23
	£m	£m	£m	£m	£m
Cost Pressures	11.38	(0.38)	0.00	(0.38)	10.99
Council Liabilities	53.87	(2.55)	4.45	1.89	55.76
Covid-19 grants	20.42	(15.77)	0.00	(15.77)	4.65
Public Finance Initiatives	22.04	(4.12)	0.00	(4.12)	17.92
Risk	8.73	0.00	0.00	0.00	8.73
Other	7.43	(0.70)	0.00	(0.70)	6.72
Total	217.17	(33.68)	11.39	(22.29)	194.88

Reserves are categorised for the purposes of reporting as follows:

- **Treasury reserves.** These reserves are to minimise the impact of interest rate changes and finance early redemption of loans to reduce the council's future interest exposure;
- **Grants / contributions received in advance.** This is where the council has received money in advance of the next accounting period or covers more than one accounting period. These amounts will be spent in line with the grant conditions;
- **Improvement projects.** These reserves are to finance service modernisation; specific projects such as pilot street cleansing initiatives, Cloud services, Oracle development, economic growth programme; and costs in relation to the council's transformation programme;
- **Cost pressures.** To include review of working practices including blended working, fluctuations in service demand such as in adult social care, crisis support and children in care;
- **Council liabilities.** These reserves cover expenditure where the council has a legal obligation to pay costs, such as equal pay claims and redundancies. In addition to these there are reserves for business rate appeals, pensions and insurance claims;
- **Covid-19 grants.** The carry forward of specific government grants to cover Covid pressures, including expanded retail relief for businesses;
- **Public Finance Initiatives.** Liabilities for our PFI's with Street Lighting and St Thomas More;
- **Risk.** To cover unforeseen risks in 2022/23 at the time the budget was set;
- **Other.** These reserves are to support a wide range of future costs such as partnership working with other external bodies.

The following sections provide more detail on directorate pressures and actions being taken to address these.

4.5 Adults Social Care (£3.31m overspend after use of and transfers to reserves) prior to actions to address this

The forecast position is a variance of £8.55m above budget, however after planned transfers to and from reserves and approval of a gold Covid-19 form (subject to Cabinet's approval tonight), this reduces to an overspend of £3.31m.

Significant growth of £15.6m was included in the 2022/23 budget to cover demographic and demand growth, pay and price (contractual) inflation, market sustainability and fair cost of care, payment on plan, etc. A high level review of cost pressures has been

undertaken and costs are in line with the approved investment, apart from the following:

- £510k contractual inflation - the Housing 21 unitary charge is higher than originally included in the medium term financial outlook/plan (MTFO/P) as it is based on February RPI prior to 2022/23 and after budget setting – this, however, can be managed in year via the existing Housing 21 earmarked reserve, resulting in a net nil variance;
- £724k additional costs of the interim management and staffing arrangements across the directorate; this partially offset by the use of Covid-19 funding;
- £970k bad debt provision increase, dependent on the outcome of a review of current client debt.

These variances are offset by some reductions in costs elsewhere and additional income as follows:

- (£800k) additional income from joint funding arrangements including CHC (continuing health care) and Section 117 based on the outturn position for 2021/22;
- (£1.27m) decrease in client package costs and associated income contributions (based on data until the end of May);
- (£345k) decrease in Mental Health Section 117 expenditure and block contracts within residential and nursing placements

In February, Cabinet approved £12.8m of saving in relation to Adult Social Care (£8.2m for 2022/23 and £4.6m from 2021/22). Of these, £8.96m is currently assessed as red (**Appendix 3**) as follows:

- £4.50m - delays in the development of detailed savings plans related to the review of existing older people's care packages;
- £2.32m - delays in the development of detailed savings plans to reduce new demand through the 'front door' including the provision of alternative support;
- £745k - delays in the development of detailed savings plans relating to the All-Age Disability model and transitions.
- £1.39m - shortfall in funding from the Learning Disability Joint Funding arrangements. On-going discussions with the CCG regarding the joint funding arrangement from 2020/21 remains in progress. Mitigating options for this shortfall are currently being considered.

£4.04m of Contain Outbreak Management Covid-19 and Improved Better Care Fund grant reserves have been identified to support the position. In addition, a Covid funding form requesting £1.40m of general Covid-19 funding has been considered by CMT and Cabinet are asked to approve this request, resulting in a revised overspend of £3.31m.

The Adult Social Care Continuous Improvement Programme Board is leading on the work in order to finalise the detailed business cases including timelines to achieve the savings

Risks

There are also high risks of £4.42m which could impact the forecast position should they materialise and these are detailed in **Appendix 1**.

4.6 Public Health (on budget)

The current net forecast position before the net use of reserves would be an over spend of £1.71m. This predominantly relates to costs associated with short term projects (including the Mental Health and Well-being programme) partially offset by vacant posts and uncommitted funding as a result of an increase of the Public Health Grant allocation for 2022/23. After net use of reserves Public Health is on budget. £800k of savings are red, with mitigating action identified and approved by Council in February.

4.7 Children's (£2.83m overspend after use of and transfers to reserves)

The forecast position is a variance of £5.15m above budget, however after planned transfers to and from reserves and approval of a gold Covid-19 form (subject to Cabinet's approval tonight), this reduces to an overspend of £2.83m.

The main reasons for the currently reported position relates to children in care demand costs, based on the current mix of children in care and the projected future demand for the remainder of the financial year, and increases in placement costs. A Covid-19 funding form requesting £847k of general Covid-19 funding has been considered by CMT and Cabinet are asked to approve this request, reducing the pressure to £2.61m.

There are also pressures within the service of £350k relating to unachieved savings of the recruitment and retention of social workers due to delays in fully recruiting new Assessed and Supported Year in Employment (ASYE) to replace agency staff (funded by reserves), and £233k on the use of agency within the Special Education Needs team, relating to clearing a backlog of Education and Health Care Plan cases and meeting the ongoing demand.

Risks

There are also risks of £8.62m which could impact the forecast position should they materialise and these are detailed in **Appendix 1**.

4.8 Customer Engagement (£561k underspend after use of and transfers to reserves)

The initial forecast position is £389k above budget, however after planned transfers to and from reserves of £950k (as set out in **Appendix 2**), this falls to an underspend of (£561k).

4.9 Economy, Environment and Communities (£853k underspend after use of and transfers to reserves)

Prior to transfers to and from reserves, the forecast position is a variance against budget of £5.77m, which after the net use of reserves of (£6.62m) results in an underspend of £853k. c£4.1m of this variance arises from the cost of living/energy price increase impact in relation to the Street Lighting PFI (£3.6m) and Tarmac contract (£247k). Further work is in hand to assess the energy cost impact on the remainder of the PFI term and this will be reported to Cabinet in the updated MTFO in October. Of the £6.6m use of reserves, £2.5m was planned, with a further £4.1m transferred in from the Street Lighting PFI earmarked reserve.

The other main variances are:

- Clean & Green (£587k) – underspends on reduced waste disposals costs, reduced household waste recycle centres management fees, and increased trade waste income. These are partly offset by staffing overspends due to a delay in the restructure, under recovery of markets income, vehicle fuel costs and maintenance;
- Leisure & Bereavement Services (£156k) – over-recovery of bereavement and registrations income, underspend on leisure staffing, offset by increase in post mortem and grounds maintenance costs;
- Cultural Services (62k) - Staffing underspends due to vacant posts;
- Library Services (£79k) - Staffing underspends due to vacant posts;
- Regulatory Services £217k – an overspend on legal fees for unauthorised encampments, under recovery of enforcement income and staffing overspend due to delay in restructure;
- Communities & Partnerships (£379k) – staffing underspends due to a delay in the restructure, partly offset by an overspend on CCTV costs.

There are also risks of £150k which could impact the forecast position should they materialise and these are detailed in **Appendix 1**.

4.10 Resources and Transformation (£262k underspend after use of and transfers to reserves)

The forecast position is an underspend of £143k, which after the net transfer of planned reserves of £119k is an underspend of £262k. The main areas of variance to budget relate to salaries across the finance and corporate landlord functions.

There is a cost of living impact around energy contracts – with the non-half hourly electricity contract due to expire on 30/09/22, the half hourly electricity contract on 30/09/24, and the gas contract expiring on 30/09/22. Work is currently being undertaken in year to assess the likely impact. There is also a potential risk within Catering that the cost of food will rise by c13%, which is currently being assessed. The impact of this will be reported in the next monitor.

4.11 Capital Financing (£2.19m underspend after use of and transfer to reserves)

Borrowing budgeted to be taken out to cover the prior year capital programmes and expected to take place during 2022/23, will no longer take place as, following a review of cash balances, it is considered more prudent to internally borrow, which will reduce interest costs as well as reducing counterparty risk. This has resulted in a saving against budget of £2.19m.

Approved savings in 2022/23

4.12 The 2022/23 budget approved by Council on 24 February 2022 includes £18.86m of benefits realisation (savings) against Proud activity plus a further £5.36m of 2021/22 benefits approved to be carried forward for delivery in 2022/23, giving a total benefit figure of £24.22m to be achieved. Directors are required to ensure that service delivery plans are developed to fully deliver these in year.

4.13 All benefits require a delivery plan with key milestones including any corrective action to be produced, where there are any reported variations to the saving being delivered. There are currently high risk benefits of £10.68m, as shown in **Appendix 3** along with

the reason and proposed mitigating actions where applicable. These actions total £1.91m, and there is an expectation that actions are put in place to ensure fully delivery in the following year. Mitigating actions reduce the potential corporate overspend to £2.28m as referred to in **Table 1**.

- 4.14 Opening unallocated general reserves for 2022/23 are £17.69m. The above actions will need to be prioritised to ensure only a minimum, if any call on general reserves, is required. The medium term financial framework (MTFF) requires that a prudent levels of reserves is maintained. This was set at no less than £16.11m for 2022/23. The MTFF also sets a minimum level of reserves beyond which any use must be reported to Council. This is currently set at £6.6m. The potential overspend of £2.28m within this report would reduce available reserves to £15.41m, requiring replenishment in year. As such, wherever possible, alternative actions should be taken to ensure that reserves are maintained at the recommended level.

Covid-19 Impact on the Revenue Forecast 2022/23

- 4.15 There have continued to be additional costs associated with our response to Covid-19, including staffing, support to residents and council tax payers and businesses and support to the elderly and vulnerable particularly in relation to Adult Social Care and Children’s Services. In addition, the council has faced reductions in sources of income.
- 4.16 This report provides detail on those grants impacting in 2022/23. £7.11m was approved to be carried over from 2021/22. These are summarised at **Table 3**. Of this, £4.14m relates to grants ringfenced to specific activity, which is expected to be maximised in accordance with respective grant conditions. The balance of £2.97m relates to unallocated unringfenced Covid-19 grant funding from 2021/22. Currently £2.52m of this has been committed, as detailed in **Table 4**, leaving £450k to fund any further emerging pressures in year, subject to approval.

Source of funding	Balance b/f 2021/22 £m	Actual spend @ May 2022 £m	Annual forecast 2022/23 £m
Covid-19 support package (unringfenced)	2.97	0.15	2.52
New Burdens Funding - Business rates admin	0.45	0.04	0.45
Wellbeing for Education funding	0.02	0	0.02
Contain Outbreak Management Fund	2.95	0.41	2.95
Omicron Support Fund	0.36	0	0.36
Clinically Extreme Vulnerable support grant	0.15	0	0.15
Community Champions	0.21	0.02	0.21
Total Funding	7.11	0.62	6.66

Details	£m
Balance b/f from 2021/22	2.97
Central - one-off investment – as approved as part of 2022/23 budget	(0.27)
Children’s – children in care placement costs related to Covid-19*	(0.85)
Adult Social Care - Access Team	(0.14)
Adult Social Care - Learning Disability Team	(0.26)
Adult Social Care – Service Transformation savings delivery / Demand	(1.00)
Balance remaining	0.45

There are ongoing pressures within Adult Social Care and Children's Services which are directly related to Covid-19, as identified in **Table 4** above. Cabinet are requested to approve the allocation of unringfenced funding to cover the following pressures in 2022/23 -

- Children's Services - £847k relating to placement costs of children in care arising from the complexity of the need of children in care and also not being able to step down placements into lower cost foster care placements due to the on-going national shortage;
- Adult Social Care – £140k Access Team staffing costs. There is an operational need to continue with 4 agency Social Work posts for six months in 2022/23 due to ongoing capacity issues. The primary concern is in relation to safeguarding responses given the rise in referrals over recent months;
- Adult Social Care - £262k Learning Disability Team additional staffing costs. This is to meet the costs of six full-time agency social workers, one full-time Advance Practitioner, and one Social Care Facilitator for six months in 2022/23 as a direct result of increased appointments of general and safeguarding referrals and review of the backlog, the challenge of reduced capacity of the marketplace, and the Court of Protection process and oversight of people who continue to remain vulnerable as a result of the level of needs presented.
- Adult Social Care - £1m requested to part fund the likely shortfall in delivery of transformation savings in 2022/23, following the carry forward of undelivered savings of £4.6m from 2021/22. As a result of the pandemic the directorate has been subject to significant extra demands and pressures on its services. This has resulted in both additional demand for services and also impact on the capacity to deliver the transformation required to achieve the approved savings in 21/22 – 22/23 in the original; planned timescales. The achievement of these savings has also been partly impacted by the ability of service areas outside of Adult social Care to support the delivery of Customer Access management and Resilient Communities due to their competing priorities.

Capital Programme 2022/23

4.17 The capital programme for 2022/23, as approved by Council on 24 February 2022 was £194.88m. **Table 5** summarises amendments made to date, resulting in a revised programme of £227.22m.

Table 5: Amendments to Capital Programme 2022/23	
Project	£m
Capital programme 2022/23 per Council 24 February 2022	194.88
Removal of estimated Carried Forwards	(128.55)
Council Funded Resources	
Carry forwards from 2021/22 – as approved by Cabinet on 22 June 2022	73.67
Bloxwich Landing Development – budget brought forward 2022/23 to 2021/22	(0.17)
Externally Funded Resources	
Carry forwards from 2021/22 – as approved by Cabinet on 22 June 2022	79.65
Warm Homes Phase 2 - Increase in grant values	0.47
Home Upgrade Grant (HUG) - New grant	1.25
High Needs Provision Allocation - allocation announced in April	4.71
New Art Gallery - Bid unsuccessful	(0.05)
Electric Vehicle Charging Points - New grant	0.23
Growth Deal – adjustment to reflect transfer from budget for growing places	(5.44)

Project	£m
Land & Property Investment Fund (LPIF) - Increase in grant	0.45
Local Authority Delivery Scheme (LADS 3) - Increased grant	0.14
Home Upgrade Grant (HUG) - Increased grant	0.03
Basic Need - reduction in grant	(1.32)
Capital Maintenance- Increase in grant	1.97
Highways maintenance – increased grant	0.04
Canal and River Trust – increased allocation	0.22
Phoenix 10 Homes England	3.61
Yorks Bridge	0.70
Town and District Centres and Walsall Market	(0.56)
Willenhall Masterplan	0.56
Local authority Delivery Scheme 2 (LADS2) – funding increase	0.95
Social Housing Decarbonisation moved from 22/23 to 21/22	(0.02)
Darlaston Baths moved from 22/23 to 21/22	(0.21)
Revised capital programme 2022/23	227.22

4.18 **Table 6** summarises the 2022/23 predicted year end position, which is forecast to be on budget after the expected re-phasing of £80.58m into 2023/24.

Table 6: Forecast capital analysis 2022/23					
Directorate	Budget £m	Predicted year end forecast £m	Variance before Carry forward £m	Carry Forward £m	Variance Over / (Under) £m
Council funded	90.90	55.33	(35.57)	35.57	0.00
Externally funded	136.32	91.31	(45.01)	45.01	0.00
Total	227.22	146.64	(80.58)	80.58	0.00

4.19 The capital programme currently shows predicted re-phasing of £80.58m from 2022/23 to 2023/24 as shown in **table 7**. Re-phasing occurs for a number of reasons such as late confirmation of grant approvals, timing of projects that may fall over more than one financial year, contract delays out of our control due to waiting for funding confirmation or Government approval.

Table 7: Re-phasing of funded schemes 2022/23 to 2023/24	
Project	£m
Council Funded	
Regenerating Walsall	0.06
Darlaston Strategic Development Area (DSDA)	0.19
Enterprise Zones	0.75
Future High Streets Fund	0.08
MyCMIS Asset management tracking system	0.22
Bloxwich Town Deal	0.01
Walsall Town Deal	3.10
Social housing Decarbonisation	1.73
ICT – Safe and secure environment	0.01
Enabling technology	1.03
Smartphones	1.00
Civic Centre heating	0.28

Project	£m
Council House general heating	1.08
Operational repairs and maintenance of council buildings	3.72
Council House roof repairs	0.02
Willenhall Lane travellers site pumping station	0.95
Equity investment	1.93
Regional materials recycling facility	0.18
Middlemore Lane household waste recycling centre	0.70
Allotment boundary improvement works	0.01
Play areas and outdoor gym improvements	10.14
Local Transport Plan – Yorks Bridge	0.12
New homes bonus	8.24
External Funded	
Purchase of dispersed temporary accommodation	1.26
Basic Need	13.31
Capital Maintenance	2.13
High Needs Provision Capital allocation (HNPCA)	3.62
M6 Junction 10 highway improvements	1.88
West midlands strategic Transport Plan (STP) 'Movement for Growth'	0.54
Future High Streets Fund	0.48
Walsall Town Deal	5.38
Off Gas scheme	0.07
Social Housing decarbonisation	0.61
Land and Property Investment Fund	14.61
Growing Places Fund	1.11
Total	80.58

Pipeline Investment

- 4.20 A provision of £40m was approved by Council in February 2021, with a further £30m approved by Council in February 2022, a total of £70m set aside over the 5 year period 2021/22 to 2025/26 for council pipeline investment opportunities, including emerging regeneration schemes, where funding or match funding is required, and major capital projects. The current proposed use (and unallocated amounts) are set out in **table 8** below.

Table 8: Pipeline Investment 2021/22 to 2026/27 – planned allocations							
Scheme	Approval	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Budget Allocation		28.00	0.00	22.00	10.00	10.00	0.00
Balance c/f		0.00	26.05	15.46	25.68	31.48	41.13
Regional Materials Recycling Facility	Cabinet 17 March 2021	0.00	(0.65)	(0.93)	0.00	0.00	0.00
Future High Street Fund - match	Cabinet 21 April 2021	0.00	0.00	0.00	(4.05)	(0.35)	(0.71)
Reedwood Land (risk)	Cabinet 16 June 2021	0.00	0.00	0.00	0.00	0.00	0.00
Street Lighting	Cabinet 16 June 2021	(0.22)	(6.97)	(4.28)	0.00	0.00	0.00
Children's Residential	Cabinet 16 June 2021	(0.97)	(0.10)	0.00	0.00	0.00	0.00
Transit site – part funding	Business case endorsed by SIB 14 Sept 2021	(0.33)	0.00	0.00	0.00	0.00	0.00

Scheme	Approval	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
		£m	£m	£m	£m	£m	£m
Streetly Cemetery improvements	Business case endorsed by SIB 12 Oct 2021	(0.43)	0.00	0.00	0.00	0.00	0.00
Willenhall Masterplan	Business case endorsed by SIB 14 Dec 2021	0.00	(2.68)	(6.42)	0.00	0.00	0.00
Darlaston Boilers/baths	Business case endorsed by SIB 8 March 2022	0.00	(0.04)	0.00	0.00	0.00	0.00
Children in care / Foster Care refurbishment programme	Business case endorsed by SIB 19 Jan 2022	0.00	(0.15)	(0.15)	(0.15)	0.00	0.00
Total Allocated		(1.95)	15.46	3.68	21.48	31.13	40.42
Unallocated Balance c/f		26.05	15.46	25.68	31.48	41.13	40.42

The budget report to Council in February 2022 referred to an annual allocation of £500k per annum to be set aside for capital contingency, subject to approval.

Financial Health Indicators

- 4.21 **Appendix 4** contains financial health indicator performance as at 31 May 2022 (30 June 2022 for revenue and capital forecast as referred to in this report). The primary purpose of these is to advise Cabinet of the current financial health of the authority in order to provide assurance to them in their role. The indicators cover a number of areas as follows:

Treasury Management

- 4.22 The indicators show the actual borrowing and investment rates for 2021/22 and the forecast for 2022/23 against set targets. Proactive and robust management of the council's debt and investment portfolios is forecast to result in positive variances against most of the financial health indicator targets for 2022/23.

Average interest rates on borrowing show a slightly adverse variance which is due to paying off borrowing maturities in April (lower rate) and borrowing rates currently higher than budgeted this financial year.

Balance Sheet

- 4.23 This details ratios for the last 4 financial years 2017/18, 2018/19, 2019/20, 2020/21 and pre-audit figures for 2021/22 which show the liquidity of the authority.

Revenue performance

- 4.24 This section shows collection rates for council tax and business rates, the average number of days to collect sundry debt and the number of days to process creditor payments for 2022/23 and the performance against profile for 2022/23. Sundry debt collection is on target with performance in relation to the processing of creditor payments better by 1.5 days. Council tax and NNDR collection rates are both above target.

Management of Resources

- 4.25 This section details the outturn position for 2021/22 (pre audit) and 2022/23 year-end forecast for revenue and capital, which is based on the financial position as at 30 June 2022. The revenue forecast for 2022/23 shown is a potential overspend of £2.28m after use of and transfer to reserves, before any further action is taken.
- 4.26 The capital forecast as at the end of June is an expected rephrasing of £80.58m which is expected to be carried forward into 2023/24. Capital receipts are currently forecast to be on budget pending a review of available asset disposals which is fully dependent on timing and market conditions.

Prudential Indicators

- 4.27 **Appendix 5** contains the prudential indicators as at 31 May 2022. The primary purpose of these is to provide assurance to Cabinet that the authority is borrowing and investing in a sound and prudent manner. Indicators are approved by Council on an annual basis.

National Indicators

- 4.28 These indicators are nationally set and provide an indication of the council's exposure to interest rate risks, the proportion of the council's budget used to finance capital expenditure and the borrowing limits for the current year.

All of these indicators were met in 2021/22 and are forecast to be met in 2022/23.

Local Indicators

- 4.29 These indicators have been set in consultation with the Treasury Management Panel which is chaired by the s151 Officer, to provide further assurances to the authority that borrowing and investment is being undertaken in a sound and prudent manner.

Average interest rates on borrowing show a slightly adverse variance. Main reasoning for this is paying off borrowing maturities in April which were placed at a lower interest rate; resulting in the average borrowing rate increasing. Also, it has been budgeted to take out borrowing this financial year at low interest rates, which is also why the target rate of 3.62% is lower than the actual interest rate of external debt 3.81% (including WMCC Debt).

Specific variances to highlight are:

- L2 - Average length of debt – The target acceptable limit is within 15-25 years. The authority's current position is 18.09 years, which is within the target range.
- L3a - Net borrowing costs as % of net council tax requirement (variance of -68.50%). 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 -67.35%). The target figure of 12.50% represents an upper limit of affordable net borrowing costs as a percentage of tax revenue 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.

- L9a – Bank of England have increased their interest rate to both 0.75% in March 2022 and 1.00% in May 2022; we have seen the corresponding affect that this has had in relation to Investment Yields. All investments are outperforming the 2022/23 target rate.

The Medium Term Financial Outlook (MTFO)

4.30 Council on 24 February 2022 approved the 2022/23 budget, which included the draft plan for the period 2022/23 to 2025/26. Savings of £26.90m were published, including £18.86m for 2022/23. Whilst a balanced budget was presented for 2022/23, there remain savings of £26.67m to be identified to ensure a balanced budget is presented over the period to 2025/26. This assumes all identified savings are delivered, including £5.55m in 2023/24 for cross council efficiencies relating to Customer Access Management where full delivery plans are in early stages of review.

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Savings required per Council February 2022	18.86	12.24	11.53	10.94	53.57
Savings identified *	18.86	6.89	1.15	0.00	26.90
Savings to be identified		5.35	10.38	10.94	26.67

* Excludes carry forwards from 2021/22.

4.31 Further work is in hand to refresh the MTFO, including adding a rolling year to include 2026/27. The updated MTFO will be reported back to Cabinet in October 2022 along with options to address any gaps, including:

- A review of investment currently assumed each year, in particular demand growth in Adult and Children's Social Care;
- Review of pay and pension assumptions - pay based on 2%, although the pay request is significantly above this;
- Review of Cost of Living Impact and rising cost of inflation and energy;
- Review of contractual inflation assumptions;
- Impact of Covid-19 on cost and income assumptions;
- Fees and charges review;
- Business rates and council tax collection rates, council tax reduction scheme claimants, and provision for bad and doubtful debts;
- Review of core funding assumptions in light of the delayed Spending Review, review of Relative Needs and Resources (formerly the Fair Funding Review) and Business Rates reforms;
- Changes to the risk profile of the council;

Budget Approach

4.32 Resources are allocated and budgets set within a framework of protocols and guidelines, in particular the council's Corporate Plan and Medium Term Financial Framework (MTFF). Decisions will need to be made about how to achieve a balanced budget, in the context of the needs of the Borough and also to ensure that we continue to care for the most vulnerable in our communities. Whilst it is recognised that Full

Council will only set the council tax bands for 2023/24 in February 2023, the budget will continue to take a four year view (current year plus three), allowing for a more strategic focus to service re-design and savings aligning the finances more directly to the objectives, outcomes and markers of success of the council and maintaining/improving performance against these where prioritised.

- 4.33 The council is committed to adopting a holistic and collaborative approach, and there is strong consensus that this approach will produce better results than taking a traditional perspective on the financial challenges facing the council. Using the knowledge and understanding of our communities and evidence about the impact of service delivery, proposals will be developed that will be designed to make best use of all of our resources and to make the optimum impact that we can for the residents and businesses of Walsall through the achievement of the council's objectives and outcomes.
- 4.34 The Budget approach is intended to:
- Provide a framework to ensure successful delivery of the council's corporate vision and priorities and ensure value for money in the delivery of outcomes;
 - Maintain a financially sustainable position over the 4-year planning period and set a legally balanced 2023/24 budget;
 - Allocate limited and reducing resources to those activities that contribute most to improved customer and staff outcomes;
 - Continue the focus on the need to deliver ongoing efficiency savings.
- 4.35 In considering resource allocation, funding for the development of services will need to be met from the redirection of existing resources and the identification of new or revised income sources. The process needs to consider:
- The council's priorities and outcomes (strategy lead) – why are we incurring spend and what are we achieving from this, could we do this differently / more efficiently and could we reprioritise to achieve overall better outcomes for the council by working smarter within the funding envelope, linking to the direction of travel of how the council is performing against the key priorities and outcomes;
 - The methods of service delivery that will deliver value for money (commissioning led e.g. in-house, partnerships, outsourcing);
 - The organisational structure and capacity that is needed to support the above;
 - The level of council tax increases (subject to Government direction and referendum levels) and what this means for the council's overall budget;
 - Income that can be generated (through the charging policy, increased charges, new charges, new grants, etc.);
 - The levels of reserves and contingencies required for financial prudence and to proactively manage the council's risks (set out by the S151 Officer);
 - The use of unringfenced grant – it is assumed that all unringfenced grant will be pooled to support the corporate good, unless Cabinet approve otherwise during the budget process;
 - Stakeholder consultation and lobbying;
 - Post Covid-19 impact and developing Reset plans going forwards on our services and residents and on our financial assumptions and the continued need to be able to respond quickly and flexibly to changes in circumstances.

4.36 Our approach to resource allocation will:

- I. Be first and foremost focussed on aim, objectives and outcomes – delivery of the Council Plan 2022-25 and Proud Promises. This will drive how services are delivered linking to the direction of travel of the council against its ambitions and evidencing how resource allocation will impact the council's performance against the outcomes and how overall optimum delivery can be achieved;
- II. Follow a minimum four-year (current year plus three) approach;
- III. Fit the financial envelope available and allow for a strategic focus to cross organisational as well as service redesigns as part of Walsall Proud, for how the council will change the way it delivers its services in the future as part of an integrated approach to planning. This will involve redirection of existing resources through the implementation and rollout of organisational and service transformations; identification of third party spend reductions and efficiencies; and the identification of new or revised income sources;
- IV. Provide a clear value for money focus, with a clear understanding of our costs, what and where we spend our money on and **WHY**, and how we optimise this to ensure we are making best use of our money, and wider resources, to fulfil our Council Plan aim and outcomes;
- V. Include early and effective engagement, consultation and impact assessment, with our staff, partners, and stakeholders, where required;
- VI. Seek to use knowledge and understanding of our communities and evidence about the impact of service delivery and revisions to that delivery;
- VII. Make best use of all of our resources (including partner resources) and to make the optimum impact that we can for the residents and businesses of Walsall;
- VIII. Be aware of and take account of external drivers and be flexible enough to adapt to changes in these;
- IX. Identify key change required as part of the Walsall Proud Ways of Working, and ensure this is adequately resourced and supported by the council's workforce strategy and appropriate performance systems.

4.37 Our Reset Action Plan was agreed by Cabinet on 16 June 2021 aligned to the Walsall Proud Promises and Council Plan outcomes that builds on the new ways working expedited by the Covid-19 pandemic and guides the work of the council over the coming months. It builds on the blended working principles approved by Personnel Committee in April 2021, and presents a Reset Action Plan for the council that capitalises on the progress made using technology and digital working, it enables the continuation of opportunities introduced over the last year, and aligns to the tangible delivery of the 3 Proud Promises, which aim to:

- **Improve outcomes and customer experience**
 - To minimise the need for physical interactions with citizens through the use of digital / virtual technologies leading to more inclusive and flexible service access (i.e. 24 hour self-service);
 - To consider the closure of services that don't contribute well to delivering outcomes or reducing inequality;
 - To build in and embed resilience to future waves of Covid-19 or shocks;
 - Use of technology and digitalisation to streamline processes and reduce costs.
- **Improve employee satisfaction and engagement**
 - To maintain the health and wellbeing of employees;

- To enable employees to work in the most flexible ways e.g. use new technologies, acknowledge presenteeism as an old way of working, review policies and procedures where needed;
- Support equalities and diversity and the employee survey action plan.

➤ **Improve service efficiency and performance**

- To enable new ways of working to minimise our estate footprint (within reasonable parameters e.g. not adopt hot-desking policy whilst covid-19 remains a risk);
- To focus on achieving financial sustainability for the organisation through cost reduction and income generation;
- To promote an outcome focussed culture.

4.38 Our approach to budget setting was established for 2022/23 with overall financial savings expected to be delivered via Proud activity. For 2023/24 Proud work streams will continue to provide the 'enablers' to allow Directorates to deliver through Service Transformation Plans (STP's).

4.39 Directors and their Heads of Service have been tasked with completion of new STP's linking their current and future service delivery with Council priority outcomes as per the Council Plan. This will allow for identification of potential transformation activity and associated savings for future financial years. Following completion and a review process, STP's will identify options for Cabinet to consider as part of the budget setting process for 2023/24. The STP process is aligned to the budget timeline.

4.40 The process and key dates to come include:

- Finalise review on the MTFO and report to Cabinet / CMT;
- STP development completed by end June 2022
- Delivery options developed over the Summer and Autumn;
- Review of the draft capital programme;
- Draft Budget proposals to Cabinet by 19 October 2022;
- Scrutiny of the draft budget proposals, by Overview and Scrutiny Committees in October / November 2022, and feedback to Cabinet on 14 December 2022;
- Budget briefings for political groups, independent members, trades unions, key stakeholders through the year;
- Consultation with the public on proposals for future service delivery, and formal employee and trade union consultation;
- Receipt of the draft 2023/24 settlement estimated to be in December 2022, and the final in late January / early February 2023;
- Recommendation of the revenue budget and council tax bands, capital programme and Treasury Management Strategy by Cabinet on 8 February 2023 for consideration by Council on 23 February 2023.

Tax Strategy and governance arrangements

4.41 It is best practice to regularly review and update the Tax Strategy and governance arrangements to account for both internal changes and legislative changes. The amended Tax Strategy and governance arrangements was approved by [Cabinet 21 July 2021](#) and there are no further changes required.

Council Corporate Plan Priorities

- 4.42 The council's financial strategy and annual budget process is designed to ensure that resources follow council priorities and deliver outcomes as set out in the Council Plan 2022-25.

Risk Management

- 4.43 The 2022/23 budget and level of operating reserves were set following a robust financial risk assessment. The level of reserves can only be set based on a set of realistically foreseeable or predicted parameters. Due regard is made to the strategic and operational risks facing the council. Some of these relate to the current economic condition, others to potential regulatory or national issues, which may have a local impact. Best professional judgement and estimates were applied in terms of the continuing impact of the global pandemic and there is therefore a risk that reserves are insufficient if costs continue to increase without the corresponding allocation of funding to meet this from Government. Covid-19 and the Cost of living Crisis create an ongoing risk, in that resources may need to be directed to support the impact on our residents and service users. The impact of this is being assessed.
- 4.44 As well as financial risk, the council maintains a register that highlights key themes of organisational risk which is reported to Audit Committee as part of their annual work programme. The Strategic Risk Register (SRR) is regularly reviewed and amended where appropriate. The SRR is reported to CMT and oversight in relation to this rests with Audit Committee, which will receive a number of reports during 2022/23.
- 4.45 Managers are required to deliver service and improvement targets on time, to standard and within budget. The resource allocation process is governed by the overarching MTFF. Risk management is an integral part of this activity and is embedded in budget preparation, monitoring and forecasting to enable potential variances and risks to be identified early and addressed.

Financial Implications

- 4.46 The financial implications are as set out in the main body of this report. The council has a statutory responsibility to set a balanced budget and to ensure it has an adequate level of reserves. The council takes a medium term policy led approach to all decisions on resource allocation. The potential overspend of £2.28m as set out in this report requires strong and robust management to ensure the council outturns within budget by year end. Actions are being taken to address these, and progress will be reported throughout 2022/23 to Cabinet.

Legal implications

- 4.47 The council is required to set and operate within a balanced budget. Section 114 of the Local Government Finance Act 1988 requires the chief finance officer (CFO), in consultation with the council's monitoring officer, to make a report under this section if it appears to him or her that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure. In practice, this is most likely to be required in a situation in which reserves have become depleted and it is forecast that the council will not have the resources to meet its expenditure in a particular financial year. This mechanism, however, is impractical and should be

avoided, as issuing a S114 notice requires all non-statutory spend to cease immediately, a situation which would just exacerbate the current situation.

- 4.48 CIPFA's guidance to CFO's has been modified to allow councils under budgetary pressure due to Covid-19 the time and space to explore alternatives to freezing spending via a S114 notice. The two specific modifications are:
- At the earliest possible stage a CFO should make informal confidential contact with DLUHC to advise of financial concerns and a possible forthcoming S114 requirement.
 - The CFO should communicate the potential unbalanced budget position due to Covid-19 to DLUHC at the same time as providing a potential S114 scenario report to the council executive (cabinet) and the external auditor.
- 4.49 The council will have due regard to its statutory responsibilities in proposing any changes to service provision and its statutory responsibilities in relation to setting a balanced budget.

Procurement Implications / Social Value

- 4.50 All procurement activity is being reviewed, with a focus on identifying opportunities that will enable us to financially support our current and future services, especially those developed by Walsall Proud. It will do this by reviewing and reducing third party spend and improving the 'Procure to Pay' process and systems. The Third Party Spend Board has been created to support and challenge services through the gateways of the commissioning and procurement process, with the ultimate aim of achieving best value for money.

Property Implications

- 4.51 The impact of Covid-19 has meant that many council premises were required to close or remain open with restricted access to essential workers during the early stages of 2021/22. Following the easing of restrictions, the council has reviewed its ways of working approach, emphasised on 'it's the work that we do, not where we do it'.

Cabinet on 20 April 2022 approved the council's Strategic Asset Plan 2022-27. The Strategic Asset Plan is the key document which sets out the council's vision and approach for the management of its property portfolio under the Corporate Landlord model.

The Corporate Landlord model approach takes a more strategic approach to property and asset management across the council, bringing together property, facilities management and commissioning responsibilities into a key enabling service under the council's new functional model. This will ultimately enable the development and implementation of an estate that supports Proud and the wider corporate objectives of the council.

Health and Wellbeing Implications

- 4.52 This report is prepared with consideration of any impacts that any decisions would have on health and wellbeing. Any implications arising from the budget will be reported to members during budget setting along with any actions which are required to be addressed prior to implementation of budget proposals.

Staffing Implications

4.53 There are no direct implications arising from this report.

Reducing Inequalities

4.54 The 2010 Equality Act lays a requirement to have due regard to the equality impact when exercising its function. As a public body, the council is required to comply with the Public Sector Equality Duty (PSED), as set out in the Equality Act, 2010. The PSED requires the council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. Failure to meet these requirements may result in the council being exposed to costly, time-consuming and reputation-damaging legal challenges. Budget proposals are equality impact assessed and consulted on as appropriate, with feedback and actions arising from these reported to members during budget setting.

Climate Change

4.55 This report is prepared with consideration of the council's Climate Change Action Plan, and budget proposals will need to consider the six key areas of the Plan: strategy, energy, waste, transport, nature, resilience and adaptation (as appropriate).

Consultation

4.56 The report is prepared in consultation with the s151 Officer, relevant managers and directors. Comprehensive consultation will be undertaken during the budget process and feedback used to inform final decisions.

5. Decide

5.1 Cabinet may wish to consider additional actions to address the matters set out in this report.

6. Respond

6.1 Following Cabinet's consideration and approval, the S151 Officer will ensure implementation of the recommendations.

7. Review

7.1 Regular monitoring reports will be presented to Cabinet on the forecast for 2022/23, including an update on risks and impact on the budget for 2023/24 and beyond.

7.2 Budget proposals will be presented to Cabinet, and implemented following approval of the budget by Full Council in February 2023.

Background papers: Various financial working papers.

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Signed:



Deborah Hindson
Interim Executive Director of Resources
and Transformation (S151 Officer)
20 July 2022

Signed:



Councillor M Bird
Leader of the Council
20 July 2022

Appendix 1: Summary of potential risk

POTENTIAL RISK – HIGH RISK ITEMS ONLY	POTENTIAL COST OF RISK £m
Adult Social Care	
Outstanding debt to Walsall CCG for S117 and CHC recharges over one year old. The directorate is working with the CCG to resolve any queries relating to this outstanding debt.	2.72
Adult social care benefit proposals currently identified as 'not fully guaranteed' (Amber)	1.70
Total Adult Social Care	4.42
Children's Services	
Children in Care placements, mainly within fostering, break down due to various reasons and the child will be moved usually to an external residential placement at a higher cost. Previously this has been managed with other placement moves to lower cost placements offsetting this cost increase. However, due to the large number of STPs accounting for step downs, significantly increasing external residential placement costs and placement sufficiency issues limiting the options to secure other foster placements, the impact of these movements is now being realised. The risk is based on trends seen in 2021/22 and the current average cost of an external residential placement.	1.67
In 2019/20, there was a net increase of 108 children & young people entering care in comparison to 48 in 2020/21. If this spike were to happen again in 2022/23 and assuming these placements would be external residential due to the continuation of placement sufficiency issues, the service could see additional costs of up to £4.50m, above MTFO budgets.	3.75
£700k of red savings from 2021/22 carried forward to 2022/23 plus £2.5m amber savings where it is not certain these benefits are achievable. The service is currently working with finance to update and refresh the original benefits and identify mitigating actions where needed.	3.20
Total Children's Services	8.62
Economy, Environment and Communities	
Clean & Green – co-mingled waste contract	0.15
Total Economy, Environment and Communities	0.15
TOTAL HIGH RISKS	13.19

Appendix 2 – Details of (use of) / transfer to reserves

Reserve	Use of Reserve £	Transfer to Reserve £	Details of use of reserve
Adult Social Care, Public Health and Hub			
Covid-19 – unringfenced funding	(1,402,171)	0	Primarily used to offset the delay in achieving approved savings, and the ongoing impact on demand within the Access and Learning Disabilities teams.
Covid-19 – Contain Outbreak Management Fund	(2,946,014)	0	Costs to support local test, trace and contain activities as well as wider measures to protect public health and local economies.
Covid-19 – Omicron	(357,956)		Costs associated with the plan to strengthen the Carers strategy across the borough following Covid-19
Housing 21	(508,977)		Used to fund the increase in unitary charge above that included in the budget due to higher RPI being applied than expected.
Improved Better Care Fund 2 (iBCF2)	(848,009)	0	Costs associated with social care activity/intermediate Care.
Public Health	(2,233,275)	523,194	Funding of various one-off projects i.e., Homelessness, Housing First and Mental Health. Transfer to reserve is mainly due to under spend on staffing and contracts.
IFRS*	(571,610)		Relates to grant funding for Public Health projects – Better Mental Health, Adult Weight Management and Universal Drug / Crime
Social Care Grant – Doctor’s assessments	(150,219)	0	To support back log of Best Interest Assessors / Deprivation of Liberty safeguard assessments.
Total Adult Social Care, Public Health and Hub	(9,018,231)	523,194	
Children’s Services			
Covid-19 – unringfenced funding	(1,347,000)	0	Primarily used to offset pressures relating to children and young people in care resulting from Covid-19.
Proud – invest to save	(1,073)	0	Funding development posts linked to transformation plan benefits.
IFRS*	(743,602)	446,832	Relates to grant funding for School Improvements, Safeguarding Families, Protecting Children, Regional Recovery, Rough sleepers, Personal Advisors.
Children in care complex cases	(239,228)	0	To fund pressures, including social workers and placement costs, of complex cases relating to young people in care.
Children in care - FDAC	(142,678)	0	To part fund 3 year FDAC contract. Delay in utilisation due to Covid-19.
Children’s external partner contributions	(104,147)	74,832	Use of Safeguarding Partnership contributions and transfer of underspend on Youth Justice Board to reserves. Both services are significantly funded by external partner contributions.

Reserve	Use of Reserve £	Transfer to Reserve £	Details of use of reserve
Truancy fine income	(21,994)	0	Used to fund an attendance officer post.
Covid-19 - Wellbeing for education	(22,107)	0	Grant funding that seeks to better equip education settings to support children and young people's wellbeing, resilience, and recovery in the context of Covid-19.
Total Children's Services	(2,621,829)	521,664	
Children's - Customer Engagement			
Covid-19 – Business rates administration	(437,440)	0	To cover the additional Covid-19 related admin work to be completed for audit of the grants.
Houses in multiple occupation (HMO) licences	0	341,393	To fund staff support costs relating to HMO licences in future years.
IFRS*	(476,949)	0	Grant funding for Housing First scheme, homelessness, citizens advice bureau, refugee costs and other smaller projects.
Discretionary Housing Payments funding (DHP)	(60,000)	0	To fund pressures in reduction in Discretionary Housing Payments funding (DHP)
Crisis support	(312,210)	0	To fund costs related to the Crisis Support Scheme
Total Children's - Customer Engagement	(1,286,599)	341,393	
Economy, Environment & Communities			
Covid-19 – Clinically extremely vulnerable	(148,407)	0	Covid-19 funding used to support clinically extremely vulnerable residents during the pandemic.
Covid-19 – Community Champions	(152,972)	0	Costs of supporting residents who are most at risk of Covid-19.
Building control fees – statutory account	(19,678)	0	Required to breakeven over a 3-year period which is reviewed annually. Any under/over recovery transferred to/from reserves.
Bus lane enforcement ring fenced income	(335,163)	0	Funding key projects in line with the legislation. <ul style="list-style-type: none"> • Install Bridge Street bus gate; • Road lines; • Introduction of Moving Traffic Enforcement legislation.
Street Lighting PFI	(4,121,225)	0	Grant funding to be utilised over the life of the project. This is being utilised to fund the increase in energy costs for 2022/23.
On Street Car Parking income (ringfenced)	(153,495)	0	Funding key projects in line with the legislation. <ul style="list-style-type: none"> • Expansion of safe haven scheme; • Road lines.
Economic growth programme (EGP)	(147,639)	206,899	To support costs within service to continue functions as per Cabinet report October 2020. Extended to 2023.

Reserve	Use of Reserve £	Transfer to Reserve £	Details of use of reserve
IFRS*	(492,539)	110,920	Primarily relates to grants / contributions carried forward where spend was delayed due to Covid-19 or spend spans more than 1 year.
Growth Deal - pipeline works	(89,699)	0	Support for research & development of future projects including Willenhall masterplan.
Phoenix 10	(135,000)	0	To fund professional fees
Town Centre Master Plan	(199,228)	0	Costs associated with the Town Centre Master Plan redevelopment
Feasibility / Options appraisals	(250,000)	0	To cover costs which cannot be coded to capital and abortive costs of schemes.
Black Country Core Strategy	(15,672)	0	Walsall's share of the costs associated with the review of the Black Country Core Strategy
Shannon's Mill (commuted sum)	(3,000)	0	To cover the ongoing maintenance with a set proportion released each year.
Enforcement one off investment	(98,999)	0	One off investment in 2021/22 not utilised due to delay in recruiting to restructure of substantive posts.
Levelling Up Fund	(125,000)	0	Government funding to level up north/south divide to be used in 2022/23
Total Economy, Environment & Communities	(6,487,716)	317,819	
Resources & Transformation			
IFRS*	(1,324)	0	Primarily relates to grants carried forward in relation to the Black Country LEP that span more than 1 financial year.
Appointeeships – one off investment	(16,739)	0	Funding of agency to continue with the implementation of charging.
Economic growth programme	(145,248)	110,354	To support costs within service to continue functions as per Cabinet report October 2020. Extended to 2023.
External partner contributions	(2,997)	0	Contributions to support Technical Assistance Programme.
Enterprise Zones	(863,045)	1,282,900	Generated from surplus business rates to fund the costs of future capital schemes.
Growing Places Fund	(8,342)	0	Funding received to support the Growing Places LEP programme management costs.
Growing Places Fund – Underwriting	(60,000)	0	Ringfenced to LEP to support programme management costs and other revenue costs.
Growth Deal Programme	(64,821)	0	To fund any necessary staff costs linked to closure of programme.
Improvement projects	(32,500)	0	To fund costs associated with One Source.
Proud	(49,055)	0	To fund costs associated with Enabling Support Services.

Reserve	Use of Reserve £	Transfer to Reserve £	Details of use of reserve
Youth Employment Initiative (YEI) Overheads	0	102,271	15% overhead costs claimed on YEI, this is used to support any ineligible costs going forward.
Proud Resource Plan	(132,734)	0	To fund investment and resources to deliver Proud workstream activity.
Total Resources and Transformation	(1,376,805)	1,495,525	
Capital Financing			
Borrowing re-scheduling	0	3,710,548	To fund borrowing re-scheduling costs dependent on market conditions and to manage risk / pressures for changes in interest rates and on-going impact of airport dividend shortfalls due to impact of changes in the business plan / Covid-19.
Minimum revenue provision (MRP)	(585,000)	0	To smooth minimum MRP costs as per approved MRP policy.
Pensions – upfront payment borrowing costs	(186,671)	0	To fund borrowing costs of funding pension payments upfront for 3 years to release savings.
Total Capital Financing	(771,671)	3,710,548	
Centrally Held			
Proud	(290,000)	0	Funding of one-off investment in relation to Proud programme.
Covid-19 – unringfenced funding	(274,000)	0	To fund one off Covid-19 related investment in 2022/23.
Irrecoverable losses income (collection fund)	(1,430,000)	0	Government grant used to fund collection fund losses arising from Covid-19.
Enterprise Zones – part of section 31 grant	0	18,338	Transfer of business rates income relating to the Enterprise Zone.
Pay / Pensions	0	3,158,588	Transferred to smooth pension increases in future years.
Project reserve (windfall income)	0	11,420	Windfall income transferred to fund future projects.
Covid-19 - Expanded retail discount	(7,754,211)	0	Reliefs to be used in 2022/23 to fund reductions in NNDR income
Business rates retention scheme	(2,366,950)	1,290,000	To fund volatility of business rates income due to the pandemic and any appeals. Also to smooth future changes to the scheme.
Total Centrally Held	(12,115,161)	4,478,346	
TOTAL RESERVES	(33,678,012)	11,388,489	

Appendix 3: Benefits 2022/23 currently identified as at risk of delayed delivery

Directorate / Area	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non delivery £	Value to be Mitigated In Year £	Reason	Mitigating Actions
Adult Social Care, Public Health & Hubs						
Adult Social Care	Older People & Front Door – 2021/22 cfwd	2,375,570	2,149,206	0	No evidence of reduction in demand to evidence saving	No mitigation currently identified
Adult Social Care	Older People & Front Door – 2022/23	4,483,281	4,483,281	0	No evidence of reduction in demand to evidence saving	No mitigation currently identified
Adult Social Care	Implementation of All Age Disability approach	745,276	745,276	0	Detailed delivery plans yet to be completed	No mitigation currently identified
Adult Social Care	Benefit maximisation project – 2021/22 cfwd	184,719	184,719	184,719	Awaiting outcome of review	Full year effect of 2021/22 work
Adult Social Care	Joint Funding Arrangement – 2021/22 cfwd	1,757,270	1,393,070	0	Awaiting variation of Section 75 agreement	Continued negotiations with clinical commissioning group (CCG)
Public Health	Service reconfiguration - public health contracts	500,000	500,000	500,000	Further work to be carried out to identify specific contracts	Use of reserve in 2022/23
Public Health	Review of existing public health transformation fund	300,000	300,000	300,000	Details still to be confirmed following review of transformation fund options	Use of reserve in 2022/23
Total		10,346,116	9,755,552	984,719		
Economy, Environment & Communities	Clean, Green & Leisure restructure and delivery model review	601,728	458,103	458,103	Changes in structures and models have not yet been determined	General underspends within Clean and Green (largely waste disposal costs)
Economy, Environment & Communities	Premium bulky waste collection service (as recommended in cabinet paper 15/12/2021).	15,000	15,000	15,000	Bulky waste income declined in 21/22 and no backlog exists – therefore a “premium” service is unlikely to be require	Other income generation options being explored, currently mitigated by general underspends within Clean and Green (largely waste disposal costs)
Economy, Environment & Communities	Offer residential gardening service	30,000	30,000	30,000	Business case has highlighted this benefit is unlikely to be achievable	

Directorate	Benefit	Original Full Benefit £	Value of benefit identified as at high risk of non delivery £	Value to be Mitigated In Year £	Reason	Mitigating Actions
Economy, Environment & Communities	Income generation from bookable gyms	30,000	30,000	30,000	Business case has highlighted this benefit is unlikely to be achievable	New scheme in place (Oak Park virtual instructor). Service manager to monitor income received month by month.
Economy, Environment & Communities	Review of Libraries management	60,679	42,059	42,059	Delay to implementation, now expected from December 2022	Underspends on current vacancies in Libraries service
Total Economy, Environment & Communities		737,407	575,162	575,162		
Children's Services	Review of current establishment and reduction in the use of agency staff	747,820	350,000	350,000	Delay in recruitment of needed to reduce spend on agency	Use of reserve one off in year to offset delay in achievement of benefit
Total Children's Services		747,820	350,000	350,000		
Total		11,831,343	10,680,714	1,909,881		

Appendix 4: Financial Health indicators – May 2022

Treasury Management	2021/22 Actual	2022/23 Target	2022/23 Actual
Average Interest Rate (Borrowing)			
- Excluding other local authorities	3.59%	3.52%	3.74%
- Including other local authorities	3.65%	3.62%	3.81%
Gearing Effect on Capital Financing Estimates	3.69%	5.00%	3.85%
Net Borrowing Costs / Council Tax Requirement and NNDR contribution	4.60%	12.50%	4.06%
Capital Financing Requirement (£m)	417.36	411.85	374.50
Authorised limit for external Debt (£m)	498.30	474.38	474.38
Investment Rate Average (excl Property fund)	0.38%	0.48%	0.75%

Balance Sheet Ratios	2017/18	2018/19	2019/20	2020/21	2021/22 (draft)
Current Assets : Current Liabilities	1.03	1.68	2.39	2.01	1.91
Useable Reserves : General Revenue Expenditure	0.65	0.72	0.73	1.02	1.07
Long Term Borrowing : Tax Revenue (Using both council tax and NNDR for tax revenue)	1.20	1.36	1.43	1.83	1.39
Long Term Assets : Long Term Borrowing	2.34	2.05	1.86	1.83	2.14
Total School Reserves : Dedicated School Grant	0.05	0.06	0.05	0.08	0.08

Revenues Performance % collected for financial year	2020/21 Actual Collected in total @ 31.05.22	2021/22 Actual Collected in total @ 31.05.22	2022/23	
			Profiled 2022/23	Actual 2022/23
Council tax %	96.0%	93.2%	17.2%	17.3%
Total Council Tax collected	135,222,921	142,957,115	27,400,000	27,616,994
National Non Domestic Rate %	95.4%	96.1%	18.7%	23.1%
Total NNDR collected	45,553,528	63,104,341	13,835,000	17,127,251

Debtors and Creditors Performance	2021/22 Actual	2022/23	
		Target	Actual
Sundry Debtors Collection – Average number of days to collect debt	24 days	24	24
Average number of days to process creditor payments*	8 days	8 days	6.5 days

Management of Resources	2022/23		
Service Analysis	Target	Actual	Variance
Adult Social Care, Public Health and Hub	60,172,936	63,484,791	3,311,855
Children's Services			
- Children's and Education	60,925,921	63,760,793	2,834,872
- Customer Engagement	3,515,365	2,954,101	(561,264)
Economy and Environment	36,668,740	35,815,829	(852,911)
Resources and Transformation	29,250,640	28,987,662	(262,978)
Council Wide	39,429,922	37,239,923	(2,189,999)
NNDR/Top Up	(91,538,275)	(91,538,275)	0
Total Net Revenue Expenditure	138,425,249	140,704,825	2,279,576
General Reserves	Minimum £6.6m Maximum £16.5m	N/A	N/A
Council Funded Capital Expenditure	90,894,895	55,328,719	(35,566,176)
External Funded Capital Expenditure	136,321,188	91,306,511	(45,014,677)0
Total Capital Expenditure	227,216,083	146,635,230	(80,580,853)
Capital Receipts	2,500,000	2,500,000	0

Management of Resources	2021/22		
Service Analysis	Target	Actual	Variance
Adult Social Care, Public Health and Hub	58,901,217	63,395,662	4,494,445
Children's Services	0	0	0
- Children's and Education	84,628,552	84,624,168	(4,384)
- Customer Engagement	6,536,609	4,964,171	(1,572,438)
Economy and Environment	53,387,831	52,440,726	(947,105)
Resources and Transformation	31,749,808	30,703,885	(1,045,923)
Capital Financing	(5,250,831)	(6,450,832)	(1,200,001)
Central budgets	(97,407,405)	(98,626,583)	(1,219,178)
Total Net Revenue Expenditure	132,545,781	131,051,197	(1,494,584)
General Reserves	N/A	19,188,169	N/A
Council Funded Capital Expenditure	98,316,953	20,502,335	(77,814,618)
External Funded Capital Expenditure	137,537,257	57,883,260	(79,653,997)
Total Capital Expenditure	235,854,210	78,385,595	(157,468,615)
Capital Receipts	4,231,584	3,978,763	(252,821)

What this tells us

Treasury Management	
Average Interest Rate (Borrowing)	The average interest rate we are paying on the money we have borrowed compared to our target.
Gearing Effect on Capital Financing Estimates	Shows how a 1% increase in interest rates would affect the total interest cost to the council.
Net Borrowing Costs / Tax Requirement	Borrowing not financed by a grant from government, as a proportion of our Net Revenue Expenditure
Capital Financing Requirement (£m)	How much money we currently borrow to finance our capital programme.
Authorised limit for external Debt (£m)	The maximum amount of debt we should have at any one time
Investment Rate Average	The average interest rate we are receiving on the money we have invested.

Balance Sheet Ratios	
Current Assets : Current Liabilities	Our ability to meet our liabilities
Useable Reserves : General Revenue Expenditure	If our reserves are adequate to meet potential future variations.
Long Term Borrowing : Tax Revenue Using only council tax for tax revenue Using both council tax and NNDR for tax revenue	The effect of long term borrowing on our budget.
Long Term Borrowing : Long Term Assets	This allows us to understand the relationship between the money we borrow and the assets we have as they both change over time.
Total School Reserves : Dedicated School Grant	If schools reserves are at an appropriate level.

Revenues Performance	
% Collected for Financial Year	
Council Tax (%)	As a percentage the amount of council tax we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that its related to, but this won't be included in this figure
National Non Domestic Rate (%)	As a percentage the amount of Business rates we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that it related to.
Total Council Tax Collected (£m)	This tells us the amount of council tax we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that it relates to, but this won't be included in this figure.
Total NNDR Collected (£m)	This tells us the amount of Business Rates we collected during the financial year that runs from 1 April – 31 March. We collect council tax after the year that it relates to, but this won't be included in this figure.
Sundry Debtors Collection Average number of days to collect debt	How long on average it takes us to collect money owed to us.
Average number of days to process creditors payments	How long on average it takes to pay our bills.

Management of Resources	
Service Analysis	
Children's Services Economy and Environment Adult Social Care Resources and Transformation Council Wide	Shows our forecast for how much we will spend on these services compared to what we planned and compared to how much we spent in the previous year.
General Reserves	Our forecast year end position on reserves against our opening balance.
Contingency	How much we have set aside and for unplanned expenditure, and how much we have left to spend.
Capital Expenditure	Forecast of our spend on capital programmes against our target
Capital Receipts	Forecast of how much money we expect to receive from selling some of our assets, against our target.

Appendix 5: Prudential indicators – May 2022

National Indicators – as per CIPFA Prudential Code

Ref	Prudential Indicator Description	2021/22 Actual £m	2022/23 Target £m	2022/23 Actual £m	Variance to Target	
Prl 1	Capital Expenditure	78.385	87.895	87.895	0.000	0%
Prl 2	Ratio of financing costs to net revenue stream	7.24%	9.76%	6.15%	(3.61%)	(37%)
Prl 3	Estimates of the incremental impact of new capital investment decisions on Council Tax	£52.43	£43.02	£43.02	0	0
Prl 4	Capital Financing Requirement	417.360	411.850	374.499	(37.351)	(9%)
Prl 5	Authorised Limit for external debt	498.300	474.380	474.380	0	0%
Prl 6	Operational Limit for external debt	453.000	431.250	431.250	0	0%

Ref	Prudential Indicator Description	2021/22	2022/23
Prl 7	Gross Borrowing exceeds capital financing requirement	No	No
Prl 8	Authority has adopted CIPFA Code of Practice for Treasury Management	Yes	Yes

Ref	Prudential Indicator Description	2021/22 Actual £m	2022/23 Target £m	2022/23 Actual £m
Prl 9	Total principle sums invested for longer than 365 days must not exceed	5.0	25.0	5.0

Ref	Prudential Indicator Description	Upper Limit	Lower Limit	Actual 2021/22	Actual 2022/23
Prl 10	Fixed Interest Rate Exposure	95.00%	40.00%	89.47%	95.08%
Prl 11	Variable Interest Rate Exposure	45.00%	0.00%	10.53%	4.92%
Prl 12	Maturity Structure of Borrowing:				
	Under 12 months	25.00%	0.00%	22.94%	15.97%
	12 months and within 24 months	25.00%	0.00%	10.53%	4.92%
	24 months and within 5 years	40.00%	0.00%	14.32%	24.44%
	5 years and within 10 years	50.00%	5.00%	2.07%	0.00%
	10 years and above	85.00%	30.00%	50.14%	54.67%

Local Indicators – As recommended by Treasury Management Panel

Ref	Prudential Indicator Description	2021/22 Actual	2022/23 Target	2022/23 Actual	Numerical Variance to Target	% Variance to Target	Met
L1	Full compliance with Prudential Code.	Yes	Yes	Yes	N/A	N/A	Yes
L2	Average length of debt (years)	16.44	15 – 25 Years	18.09	N/A	N/A	Yes
L3a	Net borrowing costs as % of net council tax requirement.	7.15%	20%	6.30%	-13.70%	-68.50%	Yes
L3b	Net borrowing costs as % of Tax Revenue.	4.60%	12.50%	4.08%	-8.42%	-0.673533	Yes
L4	Actual debt vs. operational debt.	72.62%	85%	69.90%	-15.10%	-17.77%	Yes
L5	Average interest rate of external debt outstanding excluding former WMCC debt	3.59%	3.52%	3.74%	0.22%	6.35%	No
L6	Average interest rate of external debt outstanding including former WMCC debt	3.65%	3.62%	3.81%	0.19%	5.14%	No
L7	Gearing effect of 1% increase in interest rate (expressed as the potential increase to the rate shown in L6 i.e. shows what the rate included in L6 would change to).	3.69%	5.00%	3.85%	1% Increase in L6 would show as 3.85%		Yes
L8	Average interest rate received on STI vs. At Call rate.	280.00%	807%	150%	-657.00%	-81.41%	No
L9							
L9a	AT call investments.	0.10%	0.10%	0.36%	0.26%	260%	Yes
L9b	Short Term Investments.	0.38%	0.50%	0.90%	0.40%	80.00%	Yes
L9c	Long Term Investments.	1.11%	0.80%	0.90%	0.10%	12.50%	Yes
L9d	Property Fund Investments	3.45%	3.34%	3.45%	0.11%	3.16%	Yes
L10	Average interest rate on all ST investments (ST and AT call)	0.29%	0.45%	0.74%	0.29%	64.44%	Yes
L11	Average rate on all investments (excluding property fund)	0.38%	0.48%	0.75%	0.27%	57.58%	Yes
L11a	Average rate on all investments (including property fund)	0.74%	0.91%	1.08%	0.17%	18.53%	Yes
L12	% daily bank balances within target range.	100%	99%	99%	0.00%	0.00%	Yes

Cabinet – 20 July 2022

Walsall Council Strategic Asset Plan 2022-27 – Accommodation Policy

Portfolio: Councillor Andrew – Deputy Leader and Regeneration

Related portfolios: N/A

Service: Corporate Landlord

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

The Strategic Asset Plan is the key document which sets out the Council's vision and approach for the management of its property portfolio under the new Corporate Landlord model. The Accommodation Policy is the final appendix to the Strategic Asset Plan.

2. Summary

- 2.1 The Council's property function has undergone a transformation to create a comprehensive, joined up service operating under a Corporate Landlord Methodology
- 2.2 Coupled with the integration of the Corporate Landlord service is the preparation of a Strategic Asset Plan (SAP) which sets out the principles and objectives for the operational and strategic management of the Council's property assets.
- 2.3 At its meeting on 15th December 2021, Cabinet received a report seeking the approval of the SAP and the appendices that had been prepared at that time.
- 2.4 On 20th April 2022, Cabinet approved the Major Projects Handbook and a number of minor amendments to the SAP and the suite of appendices previously presented to Cabinet.
- 2.5 This report seeks Cabinet approval of the Accommodation Policy which is the final appendix to the SAP.
- 2.6 The approval of the Accommodation Policy is a key decision because it is significant in terms of its direct effects on communities in an area comprising two or more wards in the Borough.

3. Recommendations

- 3.1 That Cabinet approves the Accommodation Policy as attached in Appendix A.

4. Report detail - know

Context

- 4.1 Walsall Council has adopted a Corporate Landlord approach to the management of its land and property assets in order to support the Council Plan Priorities.
- 4.2 At its meeting on 15th December 2021, Cabinet received a report seeking approval to the draft Strategic Asset Plan 2022-27 (SAP). At the time of the December 2021 report, two of the appendices to the SAP were in development, being the Accommodation Policy and the Major Projects Handbook. The Major Projects Handbook was approved by Cabinet at its meeting on 20th April 2022 along with a number of minor amendments to the suite of SAP documents.

Appendix 2 – Accommodation Policy

- 4.3 The Accommodation Policy sets out the Council's policies relating to the occupation of property in accordance with the adopted principles of blended working and presence with a purpose and ensuring our premises are fit for purpose to cater for our current and future needs. It also details requirements and expectations of service areas in terms of their occupation of buildings which, together with the Responsibilities Document, provides the framework for the "landlord" and "tenant" relationship between Corporate Landlord and Service Directorates. The document also provides guidance on the procedures to be followed by Service Directorates in cases when additional space is required for existing or new operational requirements.
- 4.4 The draft policy is contained in Appendix A of this report for approval.
- 4.5 The preparation of the Accommodation Policy has involved consultation with service directorates and elected members. The consultation with service directorates has been undertaken through the Corporate Landlord Working Group.
- 4.6 The Accommodation Policy has also been reviewed by the Strategic Investment Board.

Council Plan priorities

- 4.7 As set out in Our Council Plan 2022-2025, the Council's vision is to ensure that 'Inequalities are reduced and all potential is maximised. Together we are committed to developing a healthier, cleaner and safer Walsall and creating an environment that provides opportunities for all residents, communities and businesses to fulfil their potential and thrive.' This will be achieved by focusing on five key priorities. The implementation of the SAP will contribute towards the delivery of the following Council priorities and outcomes.

- Priority: Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place
- Outcome: Regenerating the Borough to support places where people are proud to live and work, delivering affordable homes and attracting inward investment
- Priority: Internal focus – The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring
- Outcome: Services will provide value for money measured through delivery of outcomes within agreed resources.

Risk management

- 4.8 The SAP sets out the scope and approach of the Corporate Landlord model for the management of the Council's property assets to establish clear responsibilities for actions relating to risks arising from property ownership and occupation.
- 4.9 The inclusive approach of the SAP which enables Directorates to interact with Corporate Landlord promotes strategic property thinking, and ownership of the SAP by Members and senior officers, provides valuable evidence of the efficient use of resources.
- 4.10 The clarified and revised governance arrangements established in the SAP will enable the Corporate Landlord, working with all occupiers of Council property, to minimise property related risks and to deliver a portfolio of safe and fit for purpose assets.
- 4.11 The Accommodation Policy sets out the policies and processes which will enable the Corporate Landlord to ensure that the built estate is occupied safely and in the most efficient way possible.

Financial implications

- 4.12 By developing a property strategy that reflects current and future patterns of service delivery, the Council is ensuring that scarce financial resources are targeted to maximum effect and for the maximum benefit of the residents of the borough. In this way, decisions to invest or disinvest in locations are directly linked to service models and it can be demonstrated that opportunities to share accommodation across services, or with other public and private partners, have been explored.
- 4.13 As the SAP is implemented further investment into our estate as well as disposals and repurposing of assets will be planned and prioritised and any further capital investment in addition to what is already included within the capital programme will come through Strategic Investment Board, Asset Strategy Group and Cabinet as required.

Legal implications

- 4.14 In developing the strategies outlined in the SAP, due regard has been taken to the Council's statutory obligations in terms of health and safety, employment, property

law, planning law and equality to ensure that its portfolio is fit for purpose. The governance arrangements contained within the SAP operate within the existing scheme of delegations set out in the Council's constitution.

- 4.15 This report does not seek directly to acquire or dispose of land or property. Such acquisitions and disposals will continue to be carried out in accordance with the Council's constitution. The Council has an overriding statutory duty to ensure that all property assets are managed efficiently to secure best value in service delivery and that in disposals the Council achieves best consideration.

Procurement Implications/Social Value

- 4.16 There are no direct procurement or social value implications arising from this report. Corporate Landlord will manage the Council's property assets in accordance with the SAP. In doing so, there will be requirements to procure services and works from external providers which will be undertaken with the Council's Procurement team in accordance with the Contract Rules, national legislation including Social Value and the council's wider priorities.

Property implications

- 4.17 The SAP sets out the governance, procedures, policies and strategies required to deliver an efficient and fit for purpose property portfolio. The Accommodation Policy provides the further detail relating to the occupation and day to day management of the Council's built estate.

Health and wellbeing implications

- 4.18 The adoption of the SAP has no direct impact on health and wellbeing, however the corporate priorities reflect the key objectives of the Marmot review and the implementation of the Council's Health and Wellbeing Strategy can be supported by a co-ordinated and planned provision of property assets to enable the delivery of appropriate services in locations that meet identified needs.

Staffing implications

- 4.19 Responsibility for the delivery of the strategy sits with the Corporate Landlord service. Across the wider Council, senior officers in all services are called upon to support the process. This support takes the form of attendance at Directorate Capital and Asset Groups, Working / Project Groups and Strategic Investment Board and assistance with general compliance with the policies and processes when considering property related matters. As assets are identified within the SAP programme as being surplus to requirements and/or for disposal, or as land and property is identified for acquisition, officers in Legal Services and possibly external providers will be involved, on a case by case basis.

Reducing Inequalities

- 4.20 The effect of the adoption of the SAP is to provide more focused management of the Council's existing assets and a strategic approach to disposals and acquisitions, making the most of opportunities as they arise. The operation of the SAP will potentially affect existing occupiers, employees and service users of

Council assets. It may also affect how or where services are delivered. An initial EqIA has been carried out and is attached at Appendix B. Whilst this demonstrates that there is no adverse impact upon protected groups under the Equality Act by reason of the adoption of the Corporate Landlord model, it is envisaged that a series of projects and transactions will emanate from this strategy and, as those individual projects are developed and brought forward, a separate EqIA may need to be prepared for each.

- 4.21 The Council is committed to ensuring that equalities form an intrinsic part of its decision making. In respect of each project, detailed thought will be required about the needs of people with protected characteristics on a case by case basis and appropriate consultation will need to be carried out to ensure that protected groups, including employees, occupiers and service users, have opportunities to comment. Whilst the Council's services rightly focus on delivery rather than location, the SAP will enable the location of a service and its suitability for purpose to be assessed, to ensure that there are sufficient assets of the right type available to meet the services we deliver, so that assets are well used and cost effective.

Climate Change

- 4.22 The Council declared a climate emergency on 16th September 2019 and resolved to develop strategies to become carbon neutral by 2050 in line with national government targets. In 2020, a Climate Change Action Plan was presented to Cabinet, which set out meaningful and effective measures to enable the Council to deliver against its vision.
- 4.23 To meet the net zero carbon by 2050 target, and fully respond to the declaration of a Climate Emergency, the Council needs to ensure that reducing greenhouse gas emissions (mitigation) and increasing climate resilience of our operations and assets is central to the work of the organisation. Including climate change as a mandatory element of Cabinet reports shows that the Council is taking measures to embed climate change within operations and normalise it as a key consideration for all projects. It will support the Council in reducing its own carbon footprint and help drive us to be carbon net zero by 2050.
- 4.24 The SAP embraces the objectives of the Climate Change Action Plan and notes the impact of the Council's property portfolio on the organisation's carbon footprint. A key aspect of the Corporate Landlord model is the maintenance of its assets. This includes building and land maintenance, fire, facilities management, services (gas, electricity, water etc), asbestos, Japanese knotweed, ground contamination etc. In addition, the maintenance element of the model enables consideration of energy resources, sustainability and carbon reduction methods, in line with the Council's Climate Change Action Plan.

Consultation

- 4.25 Consultation in respect of the preparation of the Accommodation Policy has been undertaken with the Leader and Deputy Leader of the Council, Children's Services, Economy, Environment and Communities, Adult Social Care and Resources and Transformation.

5. Decide

- 5.1 The Approval of the Accommodation Policy will complete suite of documents that makes up the Strategic Asset Plan which is the strategic and operational framework required to enable the Corporate Landlord service to manage the Council's land and property assets effectively and in accordance with the Council's priorities.
- 5.2 The ability for the Corporate Landlord service to effectively and strategically manage the Council's land and property assets will be significantly reduced without an adopted Strategic Asset Plan.

6. Respond

- 6.1 Subject to Cabinet approval of the recommendations in this report, Corporate Landlord will enact the policies and procedures and strategies contained in the Accommodation Policy in its management of the Council's built estate.

7. Review

- 7.1 Progress against the outputs from the enactment of the Accommodation Policy will form part of the regular update reports on the Asset Management Action Plan will be reported to Corporate Landlord Board and Strategic Investment Board.

Background papers

Strategic Asset Plan

Appendices

Appendix A – Accommodation Policy

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20 July 2022

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Councillor Andrew
Portfolio Holder - Regeneration

20 July 2022

Walsall Council

Accommodation Policy

Date	
Owner	
Effective from	
Review date	

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1.0 Introduction

The Accommodation Policy (The policy) is fundamental to the council's Strategic Asset Plan (SAP) and aims to ensure that the council achieves the most efficient estate possible whilst ensuring that accommodation is appropriate to meet the needs of all staff, elected members and visitors and is designed to ensure that space is allocated according to need.

Responsibility for space provision, allocation and maintenance lies with the Corporate Landlord Service (CLS)

Where Service Directorates require additional operational property, for the expansion of operational activities or new operational activities, the acquisition or allocation of additional space will be managed by CLS. Details of the process for taking additional floor space, whether in council-owned or third party owned property are contained within this policy.

The policy has been developed to provide a clear framework for decision making around utilisation of the council's estate and incorporates best practice and space standards recommended by the Health and Safety Executive (HSE) and Building Regulations where applicable and outlines the terms of use and standards of occupancy.

The diagram below demonstrates how the policy sits within the SAP supporting documents which in turn supports the aims of Our Council Plan 2022- 2025



Figure 1- Strategic Asset Plan content

2.0 Purpose

The aim of the policy is to provide a method of managing space within the council's estate, locating and re-allocating space between departments and services to make maximum use of all available options. It will also enable the council to use space more effectively and reduce the size of the estate where possible. This will allow for the older, less efficient buildings to be vacated and disposed of in accordance with the SAP, and in line with the five Asset Management Policy objectives.

The main objective of the policy is to provide a framework for the management of all accommodation and accommodation combined with service user provision to ensure the available space is fit-for-purpose, of a consistent corporate style and complies with statutory and non-statutory recommended standards. The policy supports the principles contained in SAP and is intended to challenge and support innovation and new ways of working.

3.0 Scope

This policy applies to all members of staff and elected members located at any of the council's buildings.

Every employee and elected member of the council has an obligation to ensure that all available resources are used effectively, and this principle applies equally to the use of accommodation.

All service users will be provided with 'fit for purpose' accommodation of a suitable standard to meet the needs of the service.

To comply with this policy, all staff and members must be aware of the levels of responsibility and the governance process which exist to ensure that all matters of accommodation allocation and standards are dealt with efficiently and effectively.

4.0 Ownership and Responsibilities

4.1 Corporate Landlord Service

Building ownership, occupancy and overall CLS responsibilities are outlined within the **SAP Appendix 5 Responsibilities Document**

4.1.1 Property Manager

To manage the Council's property portfolio and be an advisor to Strategic Investment Board and a member of Asset Strategy Group, Corporate Asset Review Group, Corporate Landlord Board and Directorate Asset Review Groups.

4.1.2 Space Manager

- Reports to the Property Manager.
- To act as business partner in all matters of corporate space allocation

- Procurement and supply of office furniture, corporate removals, space booking tools and access control.
- Implementation and management of this policy and member of Corporate Landlord Board, Corporate Asset Review Group and Ways of Working Office Group
- Responsible for compliance with HSE accommodation standards.
- Maintain records of current allocation of space and deal appropriately with change requests in accordance with governance requirements.
- Work with services and directorates to facilitate moves as required and approved.
- Responsible for the utilisation tools and surveys and reporting appropriately as required. To regularly review to optimise the estate and reduce costs where appropriate in line with the principles of occupation outlined in this policy.
- Project management of accommodation change processes from requirements capture and to the co-ordination of associated works
- Develop an outline brief for with service directorates and work on appropriate level business case prior to approval where appropriate.
- Prepares detailed brief in line with the approved business case and passes to the CLS team responsible for delivery.

4.1.3 Facilities Management

- Work undertaken to ensure acceptable standards are maintained within the accommodation such as cleaning and caretaking services, security internal redecoration and renewal of floor finishes within communal areas
- Provision of consumables such as liquid soap, toilet rolls and dishwashing liquid and sanitary bins
- Waste management and confidential waste disposal in line with our corporate service level. Waste, recycling and confidential waste bins will be provided in communal spaces only
- Ensure that there are appropriate risk assessments in place and that there are regular health and safety inspections carried out by a suitably qualified person.
- Produce accommodation management procedures and documentation for safe working practices including visitors and contractors on site.
- Out of Hours callout security provision

4.1.4 Corporate Management

Corporate statutory compliance contracts managed by CLS

- Asbestos Management
- Legionella Management (water systems)
- Access Audits
- Energy Efficiency
- Lifts

- PAT and fixed wire electrical testing
- Gas Safety
- Emergency lighting
- Alarms
- Fire safety

4.2 Building Managers

For each building, there is a nominated Head of Service from the lead service in occupation of the building. The Head of Service is the primary contact for CLS and is the responsible person for ensuring that periodic statutory compliance processes are followed, and the requirements of this policy are fully adopted by staff and site users. A schedule of nominated Heads of Service is maintained by CLS. Responsible managers based on site will be required to raise any issues arising with Facilities Management through 'report a problem' online service desk in addition to: -

- Arranging weekly water system flushing for legionella prevention,
- Adherence to the fire evacuation process
 - weekly fire alarm tests
 - check all fire doors open freely and escape routes are clear of furniture
 - rubbish and trip hazards.
 - There are trained fire marshalls on site
- Monitor contractors (sign in via contractor registration forms)
- keep the site log book up to date.
- Ensure availability of first aiders on site

Under no circumstances should any changes be made to the building fabric, room layouts or occupancy without following the CLS 'Process for Change'

4.3 All Staff

All staff have a responsibility to treat all council property with respect, report issues as they arise and abide by the contents of this policy.

4.4 Non-council employees and site users

Will ultimately be the responsibility of the requesting service outside of a formal lease agreement. Where a building or part thereof is to be occupied by non-council staff, partners, contractors or volunteer agencies then advice should be sought from CLS to ensure appropriate permissions are granted and terms of occupancy agreed. Although this will not be considered unless space is available.

4.5 Occupying Services

Under no circumstances should any changes be made to the building or its services. Any requirements for such changes should be referred to CLS with the appropriate business case

4.6 Digital and Transformation Service (DaTs)

Digital and Transformation Service colleagues will be responsible for the provision of IT networks and desktop equipment within council accommodation

5.0 Standards and Practice

5.1 Proud *Everywhere* and Presence with a Purpose Principles

Proud*Everywhere* is a vision to create a workplace culture where colleagues make use of a variety of locations and technological tools to help them deliver their job roles, and benefit themselves, our service users and the council.

This new way of working gives Walsall Council employees both trust and accountability to deliver their roles; empowering them to choose how, where and when they undertake their tasks to complete their objectives and serve their customers in the most effective way.

This can be achieved by improving the virtual and physical workplace experience, by developing workspaces to provide greater flexibility to meet an evolving need for an adaptable and agile working culture and environment.

By adopting these principles in addition to continually monitoring space requirements our organisation will be able to achieve the most efficient estate possible.



Figure 2 Presence with a Purpose Principles

Proud *Everywhere* and Presence with a Purpose Principles support the Ways of Working policy.

5.2 Accommodation

5.2.1 Service Standard

- CLS aims to meet statutory and professional requirements and guidelines on accommodation for all staff, members and council services.
- Space or accommodation is not owned by specific departments or services. It is council property, managed by the Corporate Landlord Service, and all staff and members must be prepared to relocate if it is judged to be of benefit to the organisation
- The standard offer for office accommodation will be open plan with a range of bookable fully equipped workspaces to support quiet working and team working supported by collaboration spaces, rooms for private meetings, business centres and welfare spaces.
- Staff will be required to use the corporate booking system for an allocated workspace
- Some larger teams with specific requirements may be offered a dedicated space in which to manage their own teams outside of the corporate workspace booking system. Each arrangement of this type will be periodically reviewed to ensure the space offered is appropriate.
- All workstations are subject to the Clear Desk Policy and must be left clean and tidy after every use in readiness for the following user. CLS reserves the right to remove and dispose of any residual items remaining at the end of each business day.

A standard workstation will include:

- Desk
- Ergonomic adjustable chair
- Docking station and 23" monitor on adjustable arm or Wyse 2 in 1 unit
- Keyboard
- Mouse

Under no circumstances should any equipment be removed from any workstation whether bookable or permanently allocated and at any site within the organisation. Issues should be reported appropriately to

- Issues with IT equipment to DaTS through their intranet 'point of business' portal
- Furniture- desks, chairs and monitor arms to CLS via officemoves@walsall.gov.uk

Where there is office accommodation combined with service user engagement, the site will be developed or lead by the specific needs of the service and service user in line with the Customer Strategy

Individual offices will only be allocated on the requirements of the post and subject to consultation with the relevant Executive Director and Corporate Management Team (CMT) approval other than for existing agreed arrangements.

5.2.2 Health and Safety

The Health and Safety at Work Act 1974 ensures that all employers provide a safe working environment for staff.

CLS adheres to the minimum standards of Regulation 10 of the Workplace (Health, Safety and Welfare) Regulations 1992 with regards to room dimensions and space requirements. To support our adherence to these regulations under no circumstances should furniture be moved or room layouts changed.

The authority's safety management standards on all other aspects of workplace safety and wellbeing can be found at

http://int.walsall.gov.uk/Human_Resources/Health_and_Safety_Manual/Safety_management_standards_SMS

First Aid

Arrangements for first aid fall within the building manager role. In cases of low-risk buildings, there is a requirement for 1 first aider per 100 occupants, and so, for most of the buildings, there is only a requirement for a nominated person who is the liaison where emergency services are required. Within the Civic Centre complex, there are trained first aiders within the curatorial team, and HR maintains an up-to-date list of trained first aiders.

Fire procedures

Each property has a fire evacuation process which is audited by the Health and Safety team and is maintained by the relevant building manager

5.2.3 Opening Hours

Opening hours are site specific according to service need within reason and in line with optimising building efficiency and safety.

Site	opening	closing	
Civic centre	7:30 am	7 pm	
Council house	7:30 am	Variable	dependent upon the Council and statutory evening meeting schedule which is supported by the curatorial staff.
All other sites supported by caretaking staff	7:30 am	6 pm	Alternative arrangements can be sourced and supported by CLS at the expense of the occupying service.
Public access buildings			Local arrangements in place-varying published opening hours to satisfy individual site requirements

Some support service staff and services may have different local arrangements

5.2.4 Booking Space

There is a corporate booking system for meeting room and workspace booking provision.

Teams who have shared allocated workspaces do not need to use the booking system, however all other staff do need to book a space. This will help us to be more informed about the capacity and overall use of our spaces

All meeting rooms need to be booked to ensure availability.

Some collaboration spaces need to be booked but others are available for ad hoc use, such as meeting pods and smaller informal groupings of tables and chairs

5.3 Meeting Rooms

All meeting rooms within council properties are considered a shared resource unless agreed by the CLS following submission of a business case.

Each meeting space will contain a display of the default room layout including maximum occupancy. Default layout should be reinstated by users at the end of each booking.

Meeting room bookings are largely self-service, however there may be time when priority needs to be given to specific services or functions in order to fulfil statutory obligation.

Meeting room provision will require periodic review by CLS in order to check demand is being consistently met. To maximise efficiency services are encouraged to only book space relevant to the size, number of delegates and type of meeting planned unless there is no alternative.

Hybrid meeting technology through MS teams will be installed within a variety of different meeting spaces to further improve efficiency and collaboration through Presence with a Purpose Principles particularly when collaborating with external agencies. Details will be within the booking process

5.4 Furniture

Allocation of space and furniture purchase and installation is managed by the CLS to provide a consistent corporate 'look and feel' throughout the estate. Proud *Everywhere* and Presence with a Purpose Principles are bringing a new look and feel to our spaces. Furniture will be provided to encourage open collaboration as well as quiet zones for more focused work

Worn out or damaged furniture will be replaced through CLS at the expense of the occupying service as outlined in the SAP Appendix 5 Responsibilities document.

Furniture is specifically laid out to conform with Health and Safety requirements. Services must not alter room layouts. Please contact CLS to make change requests through CLS 'Process for Change'

5.5 Reasonable Adjustments

CLS will work with managers to support reasonable adjustments where appropriate under the Ways of Working Policy

5.6 Storage

Storage will be allocated to appropriate to service requirements and will be robustly challenged for necessity and adherence to the Information Governance legal framework.

Storage of larger items within communal storage areas will be subject to storage space inventory, service responsibility and regular review by the CLS

Lockers will only be allocated to staff who attend the office two or more days a week unless there is a reasonable adjustment in place

5.7 Staff Welfare Spaces

5.7.1 Break out areas

Break out areas are available to enable all staff to move away from their working environment. At a minimum each area will contain a sink, refrigerator, microwave, water heater, waste bins and appropriate seating. There will be no individual refrigerators, toasters, coffee machines or kettles allowed within office spaces. Kettles will be replaced by fixed water heaters in all kitchens where it is feasible to do so.

Staff are required to leave break out areas clean and tidy and store crockery and cutlery in the cupboards provided. CLS reserves the right to dispose of any residual dirty unhygienic items littering the breakout areas.

Fridges will be fully emptied at the end of every week.

5.7.2 Welfare Rooms

Welfare rooms will follow to further supplement break out areas and will contain comfortable seating, washing facilities and a refrigerator and will provide private quiet space for prayer or personal reflection, and facilities for nursing mothers and employee support.

5.8 Monitoring and Inspection

CLS has overall responsibility for ensuring that space is efficiently used and in line with the SAP 'Optimising Assets' theme.

The use, allocation and layout of accommodation is recorded in Computer Assisted Drawings (CAD) files. The drawings are updated every time a move occurs or allocation changes. Each location is inspected at least annually to ensure that drawings are accurate.

To ensure that space is being used efficiently a full utilisation study is conducted in conjunction with access control data on a regular basis to record occupancy and

how space is being used. The results of this study will be reported to CMT on a regular basis.

5.9 ID and Access Control

All staff are required to have an ID card supported by access control appropriate to the needs of their role and access requirements.

Access Control is managed centrally by CLS and is critical to the safety of our staff and operational functions.

Issuing of new and replacement identity and access control cards will be undertaken by the Admin and Business and Support function . Further information on the process can be found at [http://int.walsall.gov.uk/Service information/ID and Access Control](http://int.walsall.gov.uk/Service%20information/ID%20and%20Access%20Control) and contact is via AccessControlID@walsall.gov.uk

6.0 Process for Change

All requests for space, changes of use, bids for, or requests for additional space by departments, whether they involve building alterations or not, will be managed under this policy and subject to approval.

CLS has overall responsibility for the optimisation of space and will ensure that all allocations are based on need and corporate objectives

6.1 Business Case

All applications for change need to be submitted by completion of a Relocation or Change request form (Appendix A). The form needs to be signed off by the relevant service director or executive director and submitted to CLS Space Manager via OfficeMOves@walsall.gov.uk for attention in the first instance.

The application document will be reviewed to ascertain the most appropriate path within the approval process which will differ dependent on the size, scale and impact of the change. The outline brief will then be developed further with the requesting service and passed through the relevant approval process.

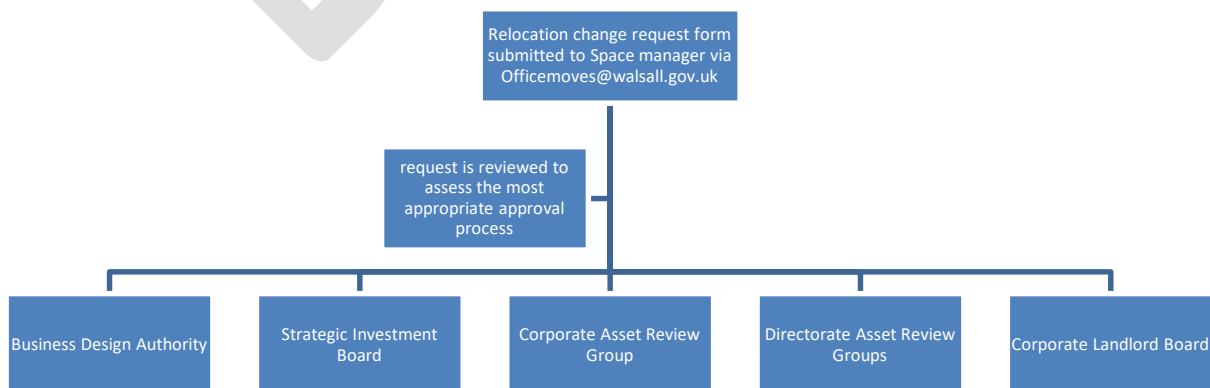


Figure 3 'process for change' approval considerations

6.2 Business Design Authority (BDA)

BDA needs to be consulted when there is a change to an existing business process which may have wider implications on other services or service users. Depending on the requirement it may be appropriate to approach BDA prior to submitting an initial request to CLS.

6.3 Strategic Investment Board (SIB)

SIB approval may be required subject to estimated costs.

SIB will deliver against its terms of reference in supporting the identification of priorities across the council for capital programme funding which is aligned to the delivery of corporate priorities, aims and outcomes. Approvals are achieved through joint agreement of directorate priorities and associated pipeline ranking against funding available or anticipated.

6.4 Corporate Asset Review Group (CARG)

Corporate Asset Review Group is the forum which brings together the property champions for each directorate and the Corporate Landlord. This group allows cross directorate property related matters to be discussed.

6.5 Directorate Asset Review Groups

Each directorate has a Directorate Asset Review Group which is the forum for discussion about the directorate's property requirements for efficient service delivery. All service delivery property requirements and issues should be raised with Corporate Landlord through these groups.

6.6 Corporate Landlord Board (CLB)

Corporate Landlord Board is responsible for ensuring the effective performance of the Corporate Landlord function and the delivery of the aims and objectives of the Strategic Asset Plan. CLB will monitor progress of the Asset Management Action plan (AMAP) and agree the annual review of the AMAP. CLB reports directly to SIB on matters relating to the council's property portfolio.

Strategies, policies and associated documents

[Our Council Plan 2022-2025](#)

Customer Strategy

SAP and appendices link to report where approved

Proud Everywhere presentation

Ways of Working Policy

Code of Conduct for Employees

Behaviour and Standards framework

http://int.walsall.gov.uk/Service_information/ID_and_Access_Control

Contacts

CLS@walsall.gov.uk

AccesscontrolID@walsall.gov.uk

officemoves@Walsall.gov.uk

Health and Safety Executive – How much space am I entitled to at work?

<https://www.hse.gov.uk/contact/faqs/roomspace.htm>

Appendices

Appendix A

Relocation or Change request form

APPENDIX 1

BUSINESS CASE to support Relocation or Accommodation Change request			
Directorate		Service	
Requesting Head of Service		Contact Officer	
Current Location:		Date	
Business Case (to be completed by requesting Head of Service)			
Please provide an overview of your requirements			

How have you, the team or individual staff member been working since March 2020?

Blank response area for the first question.

Now taking into account our blended working principles below – on what basis would you need regular access to council workspaces?

Blank response area for the second question.



A professional requirement for supervision

Peer support, challenge and wellbeing support, in carrying out duties to support and safeguard adults and children.



Collaborating and Problem solving

Creative, innovative working sessions – where space, facilities, ideas generation, bouncing off others is essential.



Administration

Access to specific hard copy records, dealing with post, scanning, creating signs when unable to use a digital solution.

Induction and Introductory meetings

Meeting people for the first time.



Team Building

Bringing everyone together in one place, to build and ensure team engagement.



Connectivity

Ensuring all employees have connectivity to the system, for example when individuals have poor or limited connectivity at home, or increased processing capability is needed, e.g. waste unitary charge processing.

Wellbeing

To support the mental, social and physical wellbeing of an employee, when there is a specific concern or support required for a period of time.



Meetings where body language is important

For example negotiations, performance management, dealing with difficult situations / matters.



Professional Development

Training and workshops which require face to face facilitation.



Event management

Coming together around a specific event, access to information, quick decisions, checking on wellbeing, e.g. flood control room.

<i>More specific detail regarding team equipment, working hours of individuals etc. will need to be submitted on an accompanying data collection spreadsheet following approval</i>	What you have now	What you require
Number of staff to be accommodated		
Storage requirements		
Close proximity to other teams or services		
Number of working days per week		
Comments		

Disability Discrimination Act 2005 requirements:

Please state whether there are any reasonable adjustments to be considered and provide separately any current risk assessments and Personal Emergency Evacuation Plans in place for staff members.

Please also complete an Equality Impact Assessment [Equality Impact Assessment](#)

Cost implications - Capital and Revenue:

Please note that furniture, fixtures, fittings, ICT and out of hours costs for power and network installations will be charged to the service. Additionally there may be a lead in time for goods or services of up to 4 weeks or more.

Please provide your oracle code below.

Oracle code:

Executive Director

Print name

Signature

Office use only	
Request Approved by Corporate Landlord Yes/ No	If 'no' please state why
Approver	
Signed	
Date	

DRAFT

Cabinet – 20 July 2022

Provision of Adult Social Care Service for Supported Living - Spot Contracts

Portfolio: Councillor Keir Pedley

Related portfolios:

Service: Adult Social Care

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1. The report seeks Cabinet approval to award Spot contracts to the three non-contracted Supported Living Providers who are not on the Supported Living Framework. The three providers are providing complex care packages to individuals due to the providers on the Supported Living Framework who are unable to meet the complexity of these packages of care, and additional spot purchase contracts that may be spot purchased in the future.
- 1.2. The Spot Supported Living contracts are aligned with the Supported Living Framework end date of 26 January 2023 with two 12 months optional extension periods to 26 January 2025. This will ensure that the Council is able to address packages that are complex and that it continues to have services to comply with its statutory obligations.
- 1.3. The recommendation of this report will ensure that the Council is compliant with its responsibilities under the Care Act 2014

2. Summary

- 2.1. Additional spot purchase non contracted providers have been used to provide complex care packages when the providers on the Supported Living Framework due to the complexity of the care packages are unable to meet. There is a need to award the three non-contracted providers with a Spot contract and any further additional Supported Living Provider who may need to be spot purchased due to Providers on the Supported Living Framework being unable to meet the complexity and capacity of the care packages.
- 2.2. This is a key decision because it exceeds the threshold for “significant” expenditure of £500,000.

- 2.3 One of the key areas of focus in the Council Plan 2022 -2025 for People is to:
- encourage our residents to lead more activity fulfilling lives
 - to maintain or improve their health and wellbeing.

3. **Recommendations**

- 3.1 That Cabinet approves the awarding of Spot contracts to the three non-contracted Supported Living providers identified in this report to 26 January 2023 with two 12 months optional extension periods to 26 January 2025, to ensure the Council is able to address complexity care packages and comply with its statutory obligations.
- 3.2 That Cabinet delegates authority to the Director of Adult Social Care in consultation with the Portfolio Holder for Adult Social Care, to award additional Spot contracts to non-contracted for Supported Living providers to 26 January 2023 with two 12 months optional periods to 26 January 2025, to ensure the Council is able to address capacity issues in the market and comply with its statutory obligations.
- 3.3 That Cabinet delegate's authority to the Executive Director of Adult Social Care Public Health and Hub to subsequently authorise the sealing or signing of any associated contracts, deeds or other related documents for such services as identified above.
- 3.4 That Cabinet delegate authority to the Executive Director for Adult Social Care Public Health and Hub, in consultation with the Portfolio Holder for Adult Social Care, to authorise any variations to the contractual arrangements or other related documents for such services should this be required throughout the duration of the Supported Living Framework and the Spot contract arrangements.

4. **Report detail – know**

Context

Supported Living

- 4.1. The Care Act 2014 set out the Council's duty to meet the care and support needs of people who are determined to have eligible needs in accordance with the criteria set out within the Act. Local Authorities must promote wellbeing when carrying out care and support and prevent, reduce or delay the onset of need and support the person to be independent as possible.
- 4.2. The Council performs its responsibilities through a procured Supported Living Framework from which it can call off work to deliver complex care and support to those who have been assessed as needing care by the Council.
- 4.3. The Council has had to go outside of the Supported Living Framework and spot purchase complex care packages with providers to be able to meet individual needs as providers on the Supported Living Framework are unable to meet the complex packages that is required to support the individual.

- 4.4. The table below shows the current number of non-contracted providers that have been used to spot purchase complex care packages and their rates.

Provider	Hourly rate 2021/2022 Day Support	Hourly rate 2022/2023 Day Support	Hourly Rate 2021/2022 Waking Night	Hourly Rate 2022/2023 Waking Night	Hourly Rate 2022/2023 Sleeping Night	Disturbed Night	Hourly Rate 2022/2023 Sleeping Nights
AMG Nursing	£15.94	£15.94	£15.94	£15.94	N/A		N/A
Seco Support		£20.00		£20.00			
The Sandwell Community Caring Trust		£16.50		£16.50		£41.42	

- 4.5. As a result of the issue set out in the above paragraph and table showing the three non-contracted Supported Living Providers that we are currently using who are able to meet the complexity of the to meet the complex care packages, that providers on the Supported Living Framework are unable to provide.
- 4.6. There is a need to award Spot contracts to the three above providers and any additional Supported Living providers within the market that may need to be spot purchased if providers on the Supported Living Framework are unable to provide the complex care package. This is in order to ensure continuity of service provision.

Our Walsall Plan

- 4.7. This service meets the Key areas of focus for People in our Walsall Plan for 'People' - Encourage our residents to be active fulfilling lives and independent lives to maintain or improve their health and wellbeing. People have increased independence, improved health and can positively contribute to their communities.

Outcomes	Markers of Success
3. People can access support in their community to keep safe and well and remain independent at home	5. People are supported to build on their strengths and those in their communities to maintain and/or maximise their independence. 6. People feel safe in their home and community.
4. People are supported to maintain or improve their health, wellbeing and quality of life	7. People know how to maintain or improve their health and wellbeing and get timely support for this, where required.

	8. People can access timely social care support and reablement to prevent a hospital admission or facilitate a timely discharge
--	---

4.8. All the above Key areas of focus for People are supported by this approach in these extraordinary circumstances.

Risk management

4.9. The Supported Living Spot contract will ensure that the Council is compliant with the Public Contracts Regulations 2015 (as amended), its Contract Rules and able to respond compliantly to demands in the marketplace and meet statutory duties until the new Supported Living Frameworks are in place.

4.10. Risks will also be managed as we will only be going outside of the Supported Living Framework in specific circumstances where the Supported Living Providers are unable to meet the complexity of the care packages. Due diligence checks will be undertaken with the spot provider

Financial implications

4.11. Any expenditure relating to the usage of these 3 additional spot contracts and any further spot contracts added to the framework will be funded from within the existing Supported Living budget of £14.52m.

Legal implications

4.12. Legal Services will work with the Procurement Team to comply with all applicable legal requirements, in particular the Public Contracts Regulations 2015 (as amended) and to minimise any risk associated with having to comply with regulation 72 of the 2015 Regulations in circumstances where any of the individual contracts that exceed, or will be likely to exceed, the light touch regime threshold for contract life value of £663,540 (inclusive of VAT).

Procurement Implications/Social Value

4.13. All procurement activity will be conducted in accordance with the Public Contracts Regulations 2015 (as amended), the Council’s Contract Rules and the Social Value Policy. Procurement and Legal Services will coordinate to ensure that there is consistency of advice and approach.

Property implications

4.14. There are no property implications arising out of this report.

Health and wellbeing implications

4.15. Continuing to commission these services will enable the Council to promote independence, choice and control for adults and their families. It also links and contributes to the Council’s corporate priorities referred to in section 4.7 of this report.

- 4.16. The principles and actions contained within this report are in full accordance with the Marmot objectives because service users will have increased independence, improved health and can positively contribute to their communities in a safe and healthy way.

Staffing implications

- 4.17. There are no staffing implications arising out of this report.

Reducing Inequalities

- 4.18. The implications for reducing inequalities have been taken into account and assessed as set out below:
- i. Consideration has been given to the Council's responsibility under the Equality Act 2010; and
 - ii. The Council's duty to meet people's eligible needs will remain the same following the award of the new contracts for the Services.
- 4.19. An Equality Impact Assessment (EqIA) has not been undertaken at this time as there is no change to the service.

Climate Change

- 4.20. This is not applicable for this service.

Consultation

- 4.21. A public consultation was not undertaken, as there is no change to the current service.

5. Decide

- 5.1 There was no other option to consider but to ensure that the three non- contracted Supported Living providers are awarded a Spot contract as providers are being used to purchase spot complex packages without a contract being in place and this is putting the Council at risk.
- 5.2 Cabinet is requested to consider the content of this report and to agree the recommendations as outlined in section 3.

6. Respond

- 6.1 Subject to Cabinet approval of the recommendations, Adult Social Care will work with corporate colleagues to:
- Progress the contract award of spot contracts to non-contracted Supported Living Providers who are outside of the Supported Living Framework to

manage complexity care packages and ensure the Council meets in statutory obligations.

7 Review

7.1 Once awarded and fully commissioned, the spot contracts will be reviewed in line with our contract management and individual support plan review process.

Background papers

None

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Lead Commissioner

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Kerrie Allward

Executive Director

Adult Social Care, Public Health and Hub

11 July 2022



Councillor Pedley

Portfolio Holder

Adult Social Care

11 July 2022

Cabinet – 20th July 2022

Independent Statutory Advocacy Contract Award

For: Care Act Advocacy, Independent Mental Health Advocacy, Independent Mental Capacity Advocacy, and Independent Complaints Advocacy

Portfolio: Adult Social Care

Related portfolios:

Service: Adult Social Care

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

This report seeks Cabinet approval to award an Independent Statutory Advocacy Service contract to the successful provider following a competitive tender exercise. The Council will be assured that it will continue to have an Independent Advocacy service to comply with its statutory obligations, in meeting the needs of those clients who are eligible to receive an Independent Statutory Advocacy Service.

2. Summary

This is a key decision because it exceeds the threshold for “significant” expenditure of £500,000.

The current Independent Statutory Advocacy contracts expire on 30th September 2022.

These Services are a corporate priority because they protect adults from avoidable harm, including treating and caring for people in a safe environment.

3. Recommendations

- 3.1 That following consideration of the confidential report in the private session of the agenda, Cabinet approves the award of the Statutory Independent Advocacy Service contract to POhWER commencing from 1st October 2022 to 30th September 2024 with the option to extend for a further 4 periods of up to 12 months up to 30 September 2028 with an anticipated lifetime value of £1,216,830. This award is following a competitive tender process in accordance with Public Contracts Regulations 2015 and the Council’s Contract Rules.

- 3.2 That Cabinet delegates authority to the Executive Director of Adult Social Care, to enter into a contract to deliver the Statutory Independent Advocacy Service and to subsequently authorise the sealing or signing of any associated contracts, deeds or other related documents for such services including the optional extension periods.
- 3.3 That Cabinet delegates authority to the Director of Adult Social Care, in consultation with the Portfolio Holder for Adult Social Care, to authorise any variations to the contractual arrangements or other related documents for the services identified above, should this be required at any time during the contract term, in line with Public Contracts Regulations and the Council's Contract Rules.

4. Report detail – know

Context

Independent Statutory Advocacy

- 4.1. The Council has a statutory duty to provide independent advocacy services. The legislation under which a statutory duty to provide independent advocacy is the Care Act 2014, the Mental Health Act 1983 as amended, the Mental Capacity Act 2005 and the Health and Social Care Act 2012. These require the provision of;
- Care Act Advocacy
 - An independent Mental Health Advocacy (IMHA)
 - An independent Mental Capacity Advocacy (IMCA)
 - An independent Complaints Advocacy Service (ICAS)
- 4.2. The Council have a statutory responsibility to ensure the availability of the following services for adults where:
- a) qualifying patients, who are detained or subject to a community treatment order, require support and assistance from an Independent Mental Health Advocate (IMHA) under the Mental Health Act 1983 as amended.
 - b) in certain circumstances relating to decisions about their health or care needs, people who lack capacity and have no one else to support them, require support from an Independent Mental Capacity Advocate (IMCA) under the Mental Capacity Act 2005.
 - c) a person who lacks capacity and is being deprived of their liberty, and where the best interests assessor is unable to recommend anyone, an advocate should be appointed as the relevant person's representative to support the person through the Deprivation of Liberty Safeguards (DoLS) process.
 - d) a person has substantial difficulty in being involved in the assessment of their needs or with care planning or reviews, safeguarding enquiry or safeguarding adult review, an independent advocate is required to support them under the Care Act 2014.
 - e) individuals who, for a wide range of reasons, find it difficult to navigate the health complaints system themselves an independent advocate is to be provided, by the NHS complaints advocacy service to help people to speak up, express their views and achieve personal outcomes.
- 4.3. New legislation is expected that will introduce new Liberty Protection Safeguards (LPS). This legislation was due in April 2022 and has been postponed. The

proposed contract will be flexible to accommodate these new services in order to ensure that the Council will be able to meet its legal duties thereunder and any other changes that emerge with regards to the Mental Health White Paper when relevant statutory guidance becomes available.

- 4.4. The recommendations of this report will ensure that the Council is compliant with its responsibilities under the Care Act 2014.

Council Plan priorities

- 4.5. This service meets the Council Plan priority of ‘People’ - Encourage our residents to lead active, fulfilling and independent lives to maintain or improve their health and wellbeing.

Outcomes	Markers of Success
3. People can access support in their community to keep safe and well and remain independent at home	5. People are supported to build on their strengths and those in their communities to maintain and/or maximise their independence. 6. People feel safe in their home and community.
4. People are supported to maintain or improve their health, wellbeing and quality of life	7. People know how to maintain or improve their health and wellbeing and get timely support for this, where required. 8. People can access timely social care support and reablement to prevent a hospital admission or facilitate a timely discharge

Risk management

- 4.6. A competitive tender process has been undertaken in accordance with the requirements of the Public Contracts regulations 2015, to seek a provider to deliver this service and discharge the Council’s statutory duties to provide independent advocacy.

Financial implications

- 4.7. The lifetime cost of the contract including the four year extension option is anticipated to be £1,216,830. This is based upon annual value of the new contract of £202,805 and can be met from the existing budget of £204,769.

Due to the pending changes in legislation which will affect the IMCA service, the Council may need to increase the budget for this services to reflect legislative changes which may impact on the provider’s ability to deliver within the current contract value. An estimation of the potential cost of any additional requirements will be factored into medium term financial outlook as part of the budget setting

process. This will continue to be reviewed as further details of the impact of any changes emerge.

Legal implications

- 4.8. Commissioning have worked with Legal Services in drawing up a new contract and specification for the Independent Statutory Services, so that the procurement and the formation of the contract are compliant with all applicable legal requirements and any risk of legal challenge is minimised..

Procurement Implications/Social Value

- 4.9. The procurement process has been conducted in accordance with the Public Contracts Regulations 2015, the Council's Contract Rules and Social Value Policy.

Property implications

- 4.10. There are no property implications arising out of this report.

Health and wellbeing implications

- 4.11. Continuing to commission independent statutory advocacy services will enable the Council to promote independence, choice and control for adults and their families. It also links and contributes to the Council's corporate priorities referred to in section 4.5 of this report.
- 4.12. The principles and actions contained within this report are in full accordance with the Marmot objectives because clients will have increased independence, improved health and can positively contribute to their communities in a safe and healthy way.

Staffing implications

- 4.13. There are no staffing implications arising out of this report.

Reducing Inequalities

- 4.14. The implications for reducing inequalities have been taken into account and assessed as set out below:
- i. Consideration has been given to the Council's responsibility under the Equality Act 2010; and
 - ii. The Council's duty to meet people's eligible needs will remain the same following the award of the new contract for the Service.
- 4.15. An Equality Impact Assessment (EqIA) is not required as this is a statutory service.
- 4.16. Continuing to provide an independent statutory advocacy service will ensure that those with a disability, health inequality or any other person, are provided with a quality service to ensure that their rights are upheld and their thoughts and wishes are heard. Without an advocacy service those with these protected characteristics may not have their voices listened to, may not be involved in decisions that directly

impact on their life and may be subjected to unlawful treatment, such as being unlawfully deprived of their liberty

Climate Change

4.17. This is not applicable for this service

Consultation

4.18. A public consultation was not undertaken, as there is no change to the current service.

5. Decide

Cabinet is requested to consider the content of this report and to agree the recommendations as outlined in section 3.

6. Respond

Subject to Cabinet approval of the recommendations, Adult Social Care will work with corporate colleagues to:

- a. Progress the contract award
- b. Effectively manage this contract during its lifetime

7. Review

Once awarded and fully commissioned, the contract will be reviewed in line with our contract management and individual support plan review process.

Background papers

Procurement Advice Note – WP3714

Advocacy Services for: ICAS/IMCA/IMHA and Independent Care Act Advocacy Services
- 15/09/2021

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Kerrie Allward
Executive Director
11 July 2022



Councillor Pedley
Portfolio holder
11 July 2022