

Draft Revenue Budget and Capital Programme 2015/16 to 2018/19 for Regeneration Portfolio

Ward(s) All

Portfolio: Councillor M Nazir – Regeneration

Summary of report

This report outlines the portfolio plans for future service delivery for the Regeneration Portfolio. This includes Cabinet's draft revenue budget proposals and draft capital programme for 2015/16 to 2018/19 for consultation, for the panel to consider and make recommendations to Cabinet if they so choose.

Recommendation

The panel are recommended to:-

1. Consider the portfolio plans for future service delivery, and draft revenue proposals in this report, and make recommendations to Cabinet as appropriate.
2. Review and make recommendations to Cabinet as appropriate, on the draft capital programme for services within the remit of this panel.

Background papers

Various financial working papers.

Reason for scrutiny

To enable consultation and scrutiny of the draft portfolio plans, draft revenue budget proposals, and draft capital programme for 2015/16 to 2018/19.

Resource and legal considerations

Cabinet on 29 October 2014 presented their draft portfolio plans on future service delivery, including the draft revenue budget and draft capital programme for 2015/16 to 2018/19 for consultation.

The full budget papers can be accessed with this link:

<http://cmis/CMISWebPublic/Meeting.aspx?meetingID=2260>

The report includes the context in which the draft budget has been set, including the reference to council priorities and consultation arrangements.

Attached to this report are the portfolio plans applicable to the remit of this panel.

Citizen impact

The budget is aligned with council priorities. The report sets out the plans for future service delivery for the services within the remit of this panel.

Environmental impact

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

Performance management

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

Equality Implications

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

Consultation

This is a specific meeting for scrutiny to consider the draft revenue budget and draft capital programme for 2015/16 to 2018/19.

Consultation is an integral part of the budget process and arrangements are in hand to consult with a wide range of stakeholders (i.e. councillors, residents, service users, business sector, voluntary and community organisations, etc.). This is outlined in the budget report, which includes the finding from phase 1 of public/staff information gathering.

An update on feedback from phase 2 consultation will include scrutiny feedback and will be presented to Cabinet on 17th December.

Any changes to these proposals, following public consultation, will be reported to a future meeting of the panel, providing an opportunity to make further recommendations to Cabinet. Cabinet may wish to consider the feedback contained within this report in formulating their draft budget proposals

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PORTFOLIO: REGENERATION

Summary of services within the portfolio

- Strategic Regeneration
- Development & Delivery
- Planning Services
- Property Services

Portfolio Objectives / Outcomes / Purpose

“Create the conditions for sustained economic growth by supporting the growth of business and jobs in Walsall, ensuring Walsall people have the right skills and environment to make the most of opportunities”

Manage our assets well

- Stimulate private investment
- Support service delivery
- Reduce costs & liabilities

Support our town & district centres

- Improve footfall
- Increase investment
- Improve customer experience

Create the right sites for business

- Attract new business
- Retain existing business
- Raise external reputation of Walsall
- Create future supply
- Business friendly council

Support business growth

- Understand & respond to new & existing business needs
- Retain & increase jobs
- Promote Walsall to new investors

Address unemployment

- Reduce worklessness & resulting demands
- Raise aspirations
- Increase spending & demand in Walsall economy

Improve skills

- Improve chances of getting & keeping a job
- Improve future resilience & employment flexibility

New & better homes

- Respond to housing need
- Improve existing homes
- Create new homes

Note: - Delivery of the above activities (all or in part) rely on our continued ability to attract external resources, either through grants or income for services delivered. Cuts in mainstream budgets together with the austerity measures planned by the Government will have adverse effects on our ability to maintain delivery of services. Where known these have been factored into this plan.

Financial summary

Table 1 details the revenue cash limits for the Regeneration Portfolio for the next four years. Full details of savings and efficiencies for 2015/16 and 2016/17 are in table 2.

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Opening cash limit	5.808	4.174	3.720	3.271
Base budget adjustment	(0.145)	0.000	0.000	0.000
Less: Savings / efficiencies - <i>see table 2 below</i>	(1.489)	(0.454)	(0.449)	(0.148)
Revised cash limit	4.174	3.720	3.271	3.123

Investment for pay, pensions and contractual inflation are made centrally, and will be allocated to services following confirmation of the final savings proposals.

Cash limits for 2017/18 and 2018/19 are based on indicative savings required, as government funding allocations are not yet available. High level service reviews are underway, the development of which will continue. Once the Spending Review 2015 is published, these will be reviewed.

Capital investment for the Regeneration Portfolio over the next four years is £12.002m. Full details of capital investment are shown in table 3.

2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
7.942	1.420	1.320	1.320	12.002

Proposed revenue savings and efficiencies

Table 2 details the revenue saving and efficiencies for the Regeneration Portfolio for both 2015/16 and 2016/17.

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
128	Development & Delivery – Black Country Archaeological Service cease payment of Walsall’s share of funding post	0.007	
129	Development & Delivery – removal of vacant post	0.036	
130	Planning & Building Control – remove vacant LLPG post	0.026	
131	Planning & Building Control – reduce directorate management hub support	0.025	
132	Planning & Building Control – reduce stationary budget	0.015	
133	Planning & Building Control – increase planning fee income target	0.080	
134	Property Services – merge facilities and project management teams to remove duplication, and change delivery to procure single contract to deliver £945k in total over the 3 years from 2015/16	0.801	0.094
135	Property Services – additional shop rental income	0.050	
136	Property Services - Cleaning / Caretaking and Curators – market testing review of consumables	0.003	

Saving reference	Detail of saving / efficiency	2015/16 £m	2016/17 £m
137	Property Services – restructure and reposition Asset Management team	0.142	0.064
138	Regeneration Management – replace Black Country Consortium payment with alternate external funds	0.144	
139	Regeneration Management – efficiencies through revised service management and remodelling	0.043	0.229
140	Regeneration Management – develop alternative income streams to cover costs	0.072	0.067
141	Strategic Regeneration – replacement of revenue funding with other funding	0.045	
	Total	1.489	0.454

Proposed capital investment

Table 3 details the capital investment for the Regeneration Portfolio over the next four years.

Table 3: Regeneration Portfolio Capital Investment 2015/16 – 2018/19					
Capital Project	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Source of funding
Walsall Market	1.750				Council
Shop Maintenance		0.120	0.120	0.120	Council
Regenerating Walsall		0.200	0.200	0.200	Council
Walsall Town Centre Public Realm Improvements		1.100	1.000	1.000	Council
Integrated Transport Block / Local Transport Plan	1.247				External
Darlaston Strategic Development Area Access Project	4.945				External
Total	7.942	1.420	1.320	1.320	

In addition to the above, there are schemes under development within the Enterprise Zone and wider Darlaston areas to unlock employment sites, together with innovative proposals, and also a project covering combined heat and power for central council buildings. These will be subject to a separate business case to be reported to Cabinet, and will be included in the latest update of the draft capital programme when confirmed. Where practical, a payback agreement should be implemented, whereby projects should, wherever possible be self funded over the life of the project and beyond.

A separate allocation has been set aside for projects of a health and safety nature. This can be drawn upon as required in year for asbestos removal, statutory testing, legionella, fire risk, condition surveys and any demolition works as required.

A reserve list of schemes is also identified to start should funds become available in year which includes the following in regeneration - regenerating Walsall (further provision in 2015/16).