

5 JANUARY 2021

**Draft Revenue Budget Feedback and Draft Capital Programme 2021/22 to 2023/24**

**Ward(s)** All

**Portfolios:** Cllr C Towe – Education and Skills

**Executive Summary:**

The second budget report to Cabinet on 9 December 2020 includes feedback from this Committee on the draft budget plan as reported to Cabinet on 28 October 2020, along with a draft Capital Programme for the period 2021/22 to 2023/24.

The draft capital programme for 2021/22 totals £65.99m. It sets out new capital investment funded from the council's own resources of £28.17m (funded by capital receipts and borrowing) and externally funded schemes of £37.82m (funded by capital grants) and represents a balanced programme for 2021/22. In addition, the report sets out a further two years of indicative proposals to 2023/24.

Capital programme resources are limited. The financing for capital investment is heavily reliant on grants and funding received from the Government. The remaining flexibility is currently through capital receipts and borrowing. Capital receipts projections however are limited, and fully dependent on when council assets are sold.

This report provides an extract of the draft capital programme that relates to the services within the remit of the Education Overview and Scrutiny Committee, split into 2 areas –

1. Council funded schemes – those schemes funded from the councils own resources (borrowing and capital receipts) – see **Appendix 1**. These include a refresh of the draft programme reported to Council in February 2020, along with additional schemes deemed as being high priority based on three categories (health & safety, council priority and unavoidable infrastructure). For 2022/23 onwards, the full impact of these projects will be reviewed, and funding revisited as part of the rolling annual budget process. There may be a number of schemes that will require match funding in year to secure external resources, which will be reviewed in year and funds drawn down as projects are confirmed.
2. Externally funded schemes – those schemes funded from grant or other external contributions – see **Appendix 2**.

Any additional receipts received in year (excluding those earmarked for specific schemes) will be considered to fund those projects on the reserve list. There are no schemes relating to the remit of this committee.

Walsall Proud Programme work streams will identify one off revenue and capital investment required to ensure the required savings are delivered. Regular Proud programme updates will be provided to Cabinet and Scrutiny, and the S151 Officer will report throughout the budget process on the robustness of budget estimates to ensure that a legally balanced 2021/22 budget is set in February 2021.

Feedback from this Committee on the content of this report will be reported back to Cabinet on 10 February 2021 prior to the recommendation of the final revenue and capital budget plan to Council on 25 February 2021.

### **Reason for scrutiny:**

For Education Overview and Scrutiny Committee to consider the draft Capital Programme as reported to Cabinet on 9 December 2020, specifically in relation to capital schemes that fall within services under the remit of this Committee, and for feedback to be taken into account in the finalisation of the budget by Cabinet on 10 February 2021 for recommendation to Council on 25 February 2021.

### **Recommendations:**

#### **That:**

1. The Committee are recommended to consider the draft capital budget proposals attached that relate to the remit of this committee.
2. The Committee are asked to note that consultation continues on all revenue policy proposals previously reported, and that feedback will be presented to Cabinet on 10 February 2021, along with further revenue options to close the gap to ensure we set a balanced budget for 2021/22.

### **Resource and legal considerations:**

Cabinet, on 9 December 2020, were presented with the draft capital programme for 2021/22 to 2023/24. The full Cabinet report can be accessed at the following link:

[Draft Revenue Budget Feedback and Draft Capital Programme 2021/22 to 2023/24](#)

### **Background papers:**

Draft Revenue Budget Feedback and Draft Capital Programme 2021/22 to 2023/24 as approved by Cabinet on 9 December 2020 (attached).

**Contact Officers:**

Sally Rowe – Executive Director Children’s Services

✉ [Sally.Rowe@walsall.gov.uk](mailto:Sally.Rowe@walsall.gov.uk)

Vicky Buckley – Interim Director of Finance, Corporate Performance  
Management and Corporate Landlord, ☎ 07983 604698,

✉ [Vicky.Buckley@walsall.gov.uk](mailto:Vicky.Buckley@walsall.gov.uk)

### Appendix 1: Draft Capital Programme 2021/22 to 2023/24 – Council Funded Schemes

Capital Scheme	Detail of Capital investment	2021/22 £	2022/23 £	2023/24 £
<b>Prior Year Approvals</b>				
School Estate Condition Survey ( <i>Children's</i> )	Ongoing provision to cover school conditions. Part allocation from 2020/21 proposed to be carried forward to 2021/22.	79,300	250,000	250,000
School Temporary Classrooms ( <i>Children's</i> )	Ongoing provision for improving / replacing permanent mobile classrooms when they reach a state of disrepair. This has been held corporately to fund emergency costs arising.	250,000	250,000	250,000
<b>Total Draft Capital Programme – Council Funded Schemes within remit of Education Overview &amp; Scrutiny Committee</b>		<b>329,300</b>	<b>500,000</b>	<b>500,000</b>

### Appendix 2: Draft Capital Programme 2021/22 to 2023/24 – Externally Funded Schemes

Capital Scheme	Detail of Capital investment	2021/22 £	2022/23 £	2023/24 £
Basic Need ( <i>Children's</i> )	Paid to LAs to support the capital requirement for providing new pupil places by expanding existing maintained schools, free schools or academies, and establishing new schools.	1,319,871	1,319,871	1,319,871
Devolved Formula Capital ( <i>Children's</i> )	Received by the LA then allocated out to individual schools as per allocations defined by the DfE. It is intended to provide schools with capital funding for improvement to buildings and other facilities, including ICT, or capital repairs / refurbishments and minor works. (Department for Education).	514,854	514,854	514,854
Capital Maintenance ( <i>Children's</i> )	Allocated to the LA on an annual basis to improve and maintain the condition of the school estate (buildings and grounds). Investment is prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues. (Dept for Education).	1,917,799	1,917,799	1,917,799
School Nursery Capital Fund – Goldsmith ( <i>Children's</i> )	The Project: A new build, Option 2 creating 16 additional full time nursery places and holiday provision on the Goldsmith Primary Academy site, Goldsmith Road, Walsall WS3 1DI. Approved by Cabinet 20/03/2019 and 18/03/2020.	991,550	0	0
<b>Total Draft Capital Programme - Externally Funded Schemes within remit of Education Overview &amp; Scrutiny Committee</b>		<b>4,744,074</b>	<b>3,752,524</b>	<b>3,752,524</b>