

Cabinet – 14 December 2022

Draft Revenue Budget and Draft Capital Programme 2023/24 – 2026/27 including the impact of the Autumn Statement 2022

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 provide an updated medium term financial outlook, draft revenue budget for (including savings proposals for consultation) and draft capital programme for 2023/24 to 2026/27, and set out the process and timescale for setting a legally balanced budget for 2023/24. The impact of the Government's Autumn Statement on 17 November 2022 on our financial forecast is also included, where known.

2. Summary

2.1 The 2022/23 budget was approved by Council on 24 February 2022, and is monitored and reported to Cabinet throughout the year to address any performance issues and manage key risks and pressures as they arise. 2022/23 has been a particularly challenging year, with the impact of the cost of living crisis and post Covid-19 reset, impacting on service delivery and finances. Emerging service pressures have required action to be taken to limit the council's financial exposure. These actions continue to ensure that the budget is balanced at year-end, with a sufficient level of reserves to manage existing liabilities and any potential new risks which may arise in 2023/24. Where pressures continue into 2023/24, they are incorporated into this report.

2.2 The report covers the four year period 2023/24 to 2026/27, including:

- An update on the Medium Term Financial Outlook (MTFO), based on known pressures and estimated assumptions for 2023/24 to 2026/27;
- Proud savings proposals identified to date to deliver a balanced budget for 2023/24 and savings in relation to 2024/25 to 2026/27;
- A draft capital programme for 2023/24 to 2026/27;
- The timeline for the setting of the revenue budget and capital programme, including stakeholder consultation and equality impact assessments (where required).

- 2.3 The Council continues to experience the impact of Covid-19 and the ongoing challenge imposed by unprecedented cost of living increases - felt on services and the council's finances, including the impact on costs - pay, contracts, energy and fuel in particular - and income levels and some delays to delivery of approved budget savings. Any known on-going financial impact arising in 2022/23 has been addressed in year or as part of this budget cycle. Our MTFO has been updated for all known pressures, including best professional assumptions around the cost of living increase and residual impact of Covid-19.
- 2.4 The Autumn Statement was announced on 17 November 2022 and, whilst it has provided some further detail for 2023/24, the impact on our financial forecasts remain uncertain until we formally receive further policy documents, as referred to in the statement, and our provisional core grant settlement which is expected in late December 2022, and which will be included in the final budget report to Cabinet and Council in February 2023. This report includes the impact of the Autumn Statement announced on 17 November 2022, where known.
- 2.5 The Council is legally obliged to set a one year balanced budget (2023/24), however a medium term approach is beneficial to allow for sound financial planning and to support future financial stability. This report presents a balanced budget for 2023/24, subject to changes arising from the settlement yet to be received. A number of savings proposals are also included for 2024/25 to 2026/27, with further options being identified to allow for a balanced budget over the period 2024/25 to 2026/27 aligned to the Council Plan and Proud activity.
- 2.6 The 2023/24 draft budget assumes a 2.99% general council tax increase. This is in line with Government referendum limits announced in the Autumn Statement on 17 November 2022, with the option to increase by a further 2% for the Adult Social Care Precept.
- 2.7 To ensure the budget process and delivery of savings is informed by a clear purpose and key council priorities, the Council Plan and Proud objectives are being used to shape future service delivery proposals through Proud service transformation plans.
- 2.8 The draft capital programme for 2023/24 totals £110.09m. It sets out new capital investment funded from the council's own resources of £66.86m (funded by capital receipts and borrowing) and externally funded schemes of £43.23m (funded by capital grants) and represents a balanced programme for 2023/24. In addition, the report sets out a further three years of indicative proposals to 2026/27. Despite reductions in capital funding in recent years and going forward, the draft capital programme contains significant investment into highways, education, and into Adult Social Care and housing to support vulnerable households through Health through Warmth and provision of aids and adaptations.
- 2.9 The council's Medium Term Financial Framework (MTFF), reviewed regularly by Cabinet, is the framework within which the council's financial planning and management is undertaken and its budget set. The main objectives of the Framework are to set out how the council will structure and manage its finances now and in the future and to ensure this approach facilitates delivery of the council's aims and objectives.
- 2.10 The final budget, including: any changes arising from consultation and equality impact assessments of saving proposals; referendum principles and tax base changes; the

S151 Officers S25 Statement on the Robustness of the Budget Estimates and the Adequacy of Reserves, recommended levels of reserves and contingencies; and the final allocation of direct Government funding and other specific grants, will be presented to Cabinet on 8 February 2023 for recommendation to Council, and will be considered by full Council on 23 February 2023.

3. Recommendations

Cabinet are requested to:

- 3.1 Note, as a basis for consultation, the revised financial assumptions and projections within the draft revenue budget, the uncertainty around core funding, and that these assumptions will change as the budget progresses. Along with savings already identified and reported within the Budget report to Council in February 2022, this represents a balanced budget for 2023/24.
- 3.2 Note the implications from the Chancellors Autumn Statement announcement on 17 November 2022 as set out in section 4.18-4.20 and that any financial implications arising once the Provisional (and Final) Settlement is received will be included in the budget report to Cabinet on 8 February 2023.
- 3.3 Note that the medium term financial outlook position assumes an increase in council tax of 2.99% in 2023/24 and 2024/25 and 1.99% in the following 2 years, the assumed level of “reasonableness” in respect of the current referendum principles.
- 3.4 Approve that the further 2% increase for Adult Social Care, permitted by the Autumn Statement be consulted on, with a report back to Cabinet on the outcome of that consultation.
- 3.5 To note the policy savings proposals for 2023/24 as set out in Appendix 2A and agree that they proceed to formal consultation, reporting back to Cabinet for a decision once consultation and equality impact assessment are complete.
- 3.6 Approve the operational savings proposals for 2023/24 to 2026/27 set out in Appendix 2B of this report, and instruct officers to implement these under officer delegations, subject to any required consultation, equality impact assessment, and any changes arising as a result of the latter two.
- 3.7 Approve as a basis for consultation the current draft capital programme for 2023/24 to 2026/27 in section 4.32 to 4.48, and Appendices 3 to 5 - £110.09m for 2023/24 with a further £208.05m over the 3 year period 2024/25 to 2026/27.
- 3.8 Note that the level of contingency funds and general reserves will be set in line with the levels contained within the council’s MTFF, the final level to be based on a detailed risk assessment, which will be reported to Cabinet and Council in February 2023 for approval.
- 3.9 Refer the budget for statutory consultation with national non domestic rate (NNDR) payers in respect of the current and available council tax assumptions in line with the referendum principles announced in the Autumn Statement 2022.

3.10 Refer this report to Scrutiny Overview Committee on 7 February 2023, to enable the Committee's comments to be considered by Cabinet. All Scrutiny Committees will also receive proposals relating to the individual remit of each Committee.

4. Know - Context

Key Timeline

4.1 The approach to budget setting for 2023/24 and the associated timeline were reported to Cabinet on 20 July 2022 and can be accessed at the following link: [Approach to Budget Setting](#). This was based on this report being considered by Cabinet in October 2022, which has been deferred until now to enable full consideration of Government funding announcements received to date and allow a review of the impact of cost of living assumptions on the revised forecasts. The following sets out the key activities and revised reporting dates, following publication of this report:

- Stakeholder consultation commencing 15 December 2022, including employee and trade union consultation, noting that full implementation of draft policy savings proposals identified within this report are subject to consultation and equality impact assessment;
- Statutory consultation with Non-domestic ratepayers (NNDR) payers;
- Overview and Scrutiny Committees will receive the draft revenue budget and draft capital programme with subsequent feedback to Cabinet on 8 February 2023;
- Budget briefings for political groups and independent and non-affiliated members, as required;
- Council tax base to be approved by the S151 Officer by January 2023;
- Receipt of the final settlement late January / early February 2023;
- Recommendation of the final budget to Council by Cabinet on 8 February 2023;
- Council set the final budget envelope (statutory determinations), council tax and capital programme on 23 February 2023.

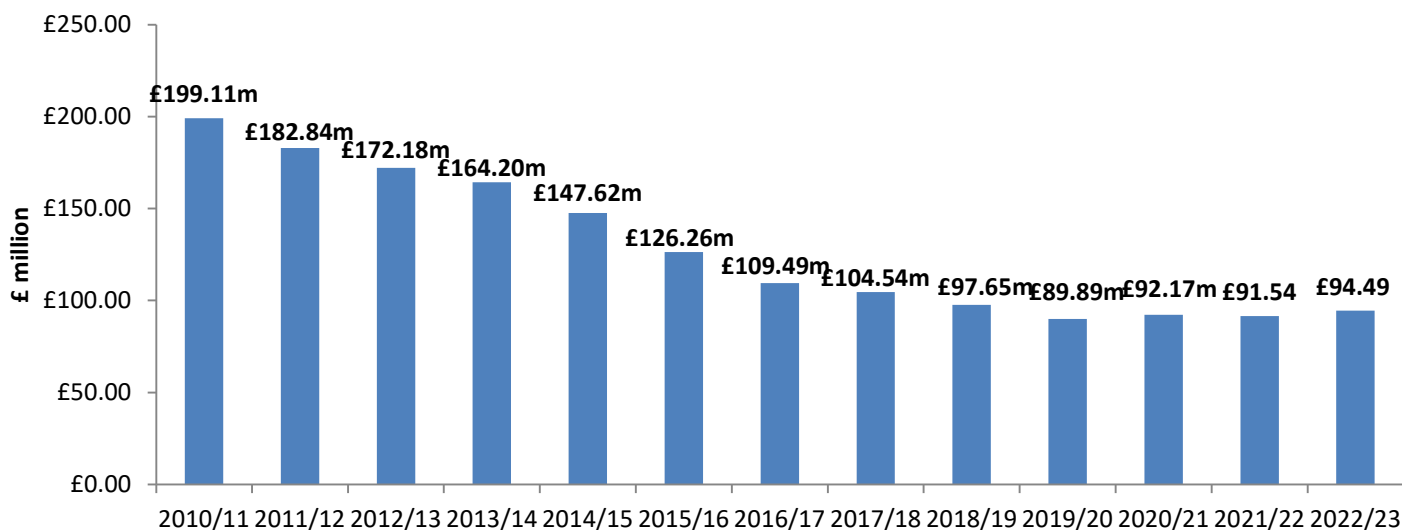
Walsall's Financial Context

Government central funding and business rate retention

4.2 Like all other public sector bodies, Walsall has seen Government grant funding reduce since the Emergency Budget of 2010 when the Government set out its initial plans to reduce the overall Government deficit. This has continued in successive Government Spending Reviews until 2020/21 when the one year Spending Round confirmed that no Government department would see a cut to its budget with all being increased by at least inflation for that year. This approach continued for 2021/22 and 2022/23. The Government announced a one-year local Government finance settlement for 2022/23 only. The Spending Review (SR21) on 27 October 2021 set out the economic forecast and departmental budgets for the three year period 2022/23 to 2024/25, so we were expecting some clarity over funding for the period to 2024/25 in the final settlement, which was not forthcoming. It has now been confirmed that there will not be a further Spending Review for 2022 which will result in no overall change to departmental expenditure budget envelopes for 2023/24 and 2024/25. Whilst overall funding increased for 2022/23, a heavy reliance was placed on individual authorities' ability to raise a local Adult Social Care precept through council tax, and provision of one-off rather than recurring grant funding. Given the heavy reliance on Walsall Council on Government grant funding a more sustainable, longer term financial solution is required from Government to support future service and financial stability.

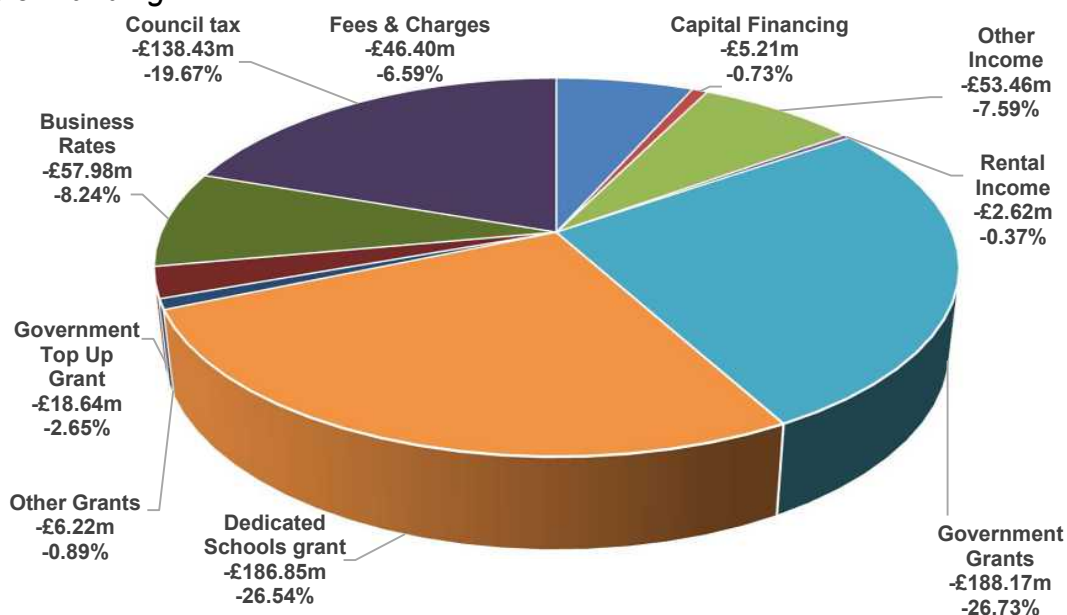
4.3 Government austerity measures have meant our direct funding has reduced considerably from 2010, with a loss of core revenue funding (revenue support grant, top up grant and business rates, net of rolled in grants) of c£104.62m to 2022/23. There remains considerable uncertainty in Government funding going forward from 2023/24 as we await further detail after the Autumn Statement 2022 and the Settlement in late December.

Core Government Funding 2010/11 to 2022/23



4.4 Walsall receives much (c64%) of its c£704m of funding for 2022/23 from central Government, including the core Funding Settlement - 11% (a combination of local business rates retention through 100% business rates pilot within the West Midlands, and top up grant direct from Government), core Schools Grant - 26% (dedicated schools grant(DSG) which is passported direct to schools) and Government grants for specific services - 27% (Housing Benefit, Public Health, Better Care Fund etc). Income is summarised in the following pie chart.

Sources of Funding:

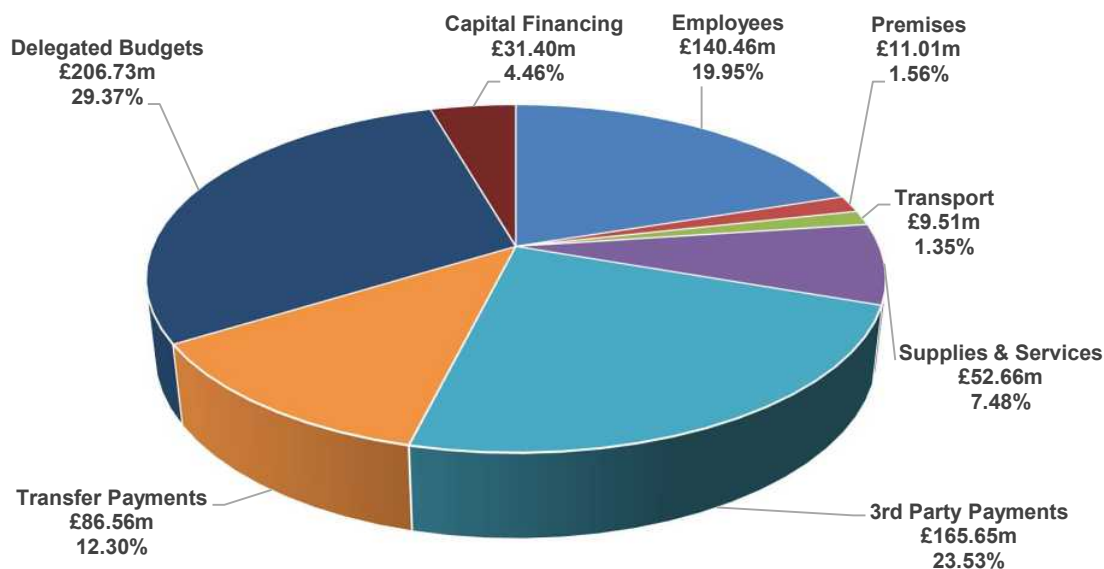


- 4.5 The Government replaced the way it funds councils with a new scheme known as Business Rate Retention (BRR) from April 2013. A review of the scheme by Government to amend the % of retained business rates from 49% to 75% was due to be finalised by 2021/22 was abandoned in November 2021 as it went against the Governments levelling up agenda and announced that they would look at introducing a new mechanism for redistributing funding to the authorities most in need. This has still to be introduced and nothing is expected to change in relation to 2023/24.
- 4.6 From 2017/18, Walsall has been part of the West Midlands Combined Authority (WMCA) 100% business rate retention (BRR) pilot. Government agreed that this would be at 'no detriment' to participating authorities; however, there remains some uncertainty as to the future final impact of national policy in respect of BRR. Walsall assumes we will continue with 100% business pilot for 2023/24 onwards at this point in time until we have any further direction.
- 4.7 Government set Walsall a baseline figure under the business rates retention scheme which is made up of the business rates local share and top up grant. The baseline for 2023/24 has not yet been announced and final figures will be reported to Cabinet in February 2023 following the settlement and our final estimate of business rates income. Volatility in business rates will need careful monitoring throughout the year, particularly the ongoing impact of the pandemic on businesses.
- 4.8 BRR and top up grant equate to 10.89% of our total funding. Along with other Government grants (public health, Better Care Fund, Adult Social Care grant etc but excluding DSG), the total equates to 37.62% of the council's funding (excluding schools).
- 4.9 The future financial environment continues to be challenging for councils for 2023/24 and beyond, with significant uncertainties in future grants, including public health, better care fund, etc. Whilst Walsall can now keep business rates generated within their area rather than pooling for national redistribution, this benefit is limited by other parts of the funding mechanism, such as Government top slicing of funds to meet new burdens, safety net authorities, national capitalisation targets, etc and the additional risk of reliance on collection rates. Additionally, as part of BRR, the Government were consulting on transferring additional responsibilities to local authorities but again no announcement have been made at this time. This could lead to further pressures if these are not fully funded.
- 4.10 The council's second largest source of funding is council tax (19.67% of the council's gross spend is funded from council tax), which continues to be subject to Government restrictions on the amount that can be raised from this income stream, previously through 'capping', and now through the referendum principles. The budget currently assumes council tax increases of 2.99% in 2023/24 and 2024/25 and 1.99% in the following 2 years.
- 4.11 Alongside reductions in funding, the council also faces increasing cost pressures, due to increasing demand (for example, as a result of welfare reforms reducing individuals disposable incomes further, larger numbers of older people requiring support to remain independent, etc) and new burdens imposed by Government, but without the corresponding full funding given. There is also considerable pressure in relation to the cost of living impact on pay, energy, contracts/third party spend in particular. Where there is a known on-going impact this has been addressed as part of this budget. This report includes the known impact of the Autumn Statement announced on 17 November

2022 based on information released to date. The full impact of these on our financial position in future years is unknown at this point so risks are increased.

In relation to how this funding is spent, the following pie charts provide further detail.

Gross expenditure by type of expenditure



Notes

- *Transfer payments include expenditure such as housing benefits, rent allowances and social services direct payments – for example payments for which no goods or services are received in return by the local authority.*
- *Delegated budgets include budgets for schools, community associations and allotments.*
- *Third Party Payments include payments to external contractors.*

Gross expenditure by outcome

Proud activity is developed around the following ten key outcomes, aligned to the Council Plan five key areas of focus:

Economic;

1. Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place;
2. Education, training and skills enable people to contribute to their community and our economy;

People;

3. People can access support in their community to keep safe and well and remain independent at home;
4. People are supported to maintain or improve their health, wellbeing and quality of life;

Internal focus;

5. We get things right, first time and make all services accessible and easy to use;
6. The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring;

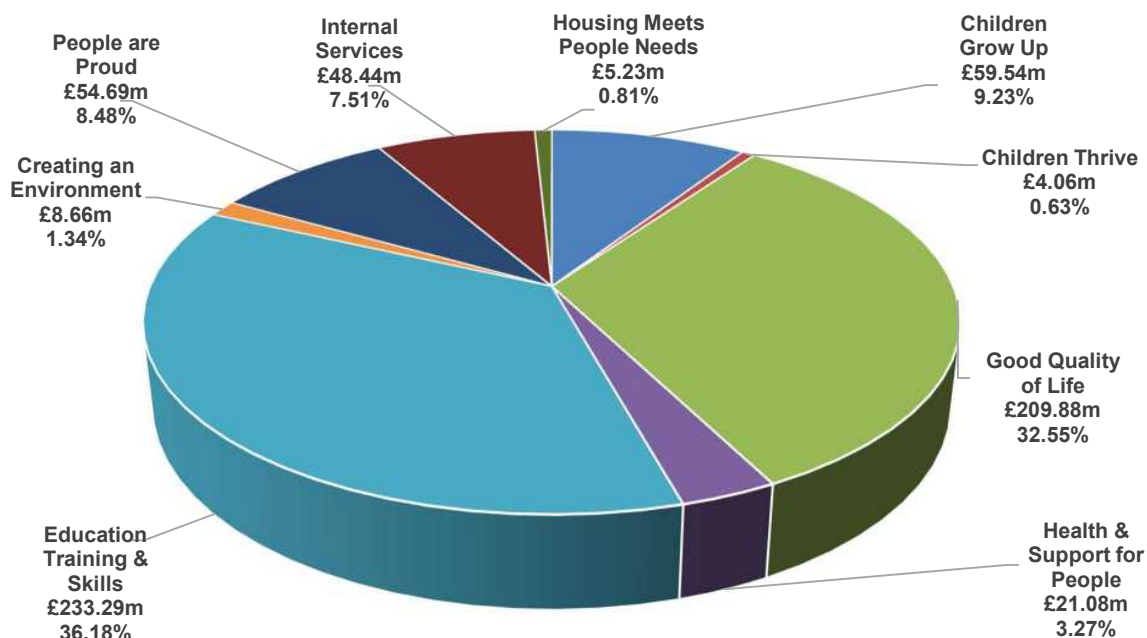
Children;

7. Children and young people thrive emotionally, physically, mentally and feel they are achieving their potential;
8. Children and young people grow up in connected communities and feel safe everywhere;

Communities;

9. Our communities will be more resilient and supportive of each other;
10. The people of Walsall feel safe in a cleaner, greener Borough.

Council services are aligned to the above outcomes. The following summarises the 2022/23 gross expenditure by outcome as reported in the budget report to Council in February 2022 (linked to previous council outcomes). This will be updated for 2023/24 based on revised outcomes as above.



4.12 In summary the main areas of uncertainty and pressure are:

- The existing and future unknown impact of the cost of living crisis on council services, including the rising costs of inflation (RPI increase of 12.6% and CPI 10.1% announced for September 2022). This will impact all services through pay, energy, street lighting, fuel, borrowing rates, contracted services etc.;
- The residual impact of Covid-19, including ongoing cost pressures and reductions in income as a result of an ongoing reduced take up of council services;
- Continued reductions in core Government grant funding, for example:
 - Impact of the review of full business rate retention (BRR) and revaluation;
 - Impact of the future review of Relative Needs and Resources (formerly the Fair Funding Review) to include the setting of new baseline funding allocations, subject to confirmation;
 - Funding for 2023/24 as there is no spending review in 2022 which will result in Government departments staying within their current spending limits (provisional settlement for 2023/24 expected in late December 2022);
 - Impact of funding beyond 2023/24 uncertainty on whether a further year may also be announced for 2024/25 as part of the settlement in December 2022;
 - Continuation or otherwise of other specific grants e.g. public health, improved Better Care Fund, troubled families, etc;
- Increases in demand:
 - From an ageing population, increases in care package costs and the ongoing impact of Covid-19 have put a strain on local authority systems both in financial and operational terms. For example, Adult Social Care packages and placements costs have risen by £12.54m from £68.70m in 2017/18 to £81.24m in August

2022/23 – an increase of 18.25%;

- Children and young people in care - March 2018, there were 930 children and young people receiving care or support from the local authority (644 children in care / 286 other support) with an average cost per placement of £735 per week for children in care and £141 per week for other support. In comparison, as at the end of September 2022, numbers had risen to 1,100 (647 children in care / 453 other support) with average costs of £1,618 per week for children in care and £340 per week for other support. Placements costs have risen by 120% in the past four years whilst children in care numbers have increased by 18.3%.

The biggest impact on costs has been within external residential placements which have risen from an average cost of £3,802 per week in March 2018 to £5,773 in October 2022. The number of children has also increased from 32 in March 2018 to 74 in October 2022. The rise in placement costs is mainly due to changes in legislation, increased numbers of complex cases and shortage in placements.

For information, other support includes placements such as supported accommodation, special guardianship orders, care leavers & residence orders.

- Government's continued reliance on individual council's ability to raise income through council tax increases, rather than providing national ongoing funding to support social care pressures, etc;
- Welfare reform, including universal credit;
- The impact of the delayed adult social care reforms;
- Increased corporate costs, including costs in relation to pay and pensions.

- 4.13 Since the Emergency Budget 2010, the council has reduced its spending by £249m over the period 2010/11 to 2022/23, £105m from a reduction in Government grant and £144m from cost pressures. In considering future resource allocation, funding for the development of services will need to be met from the redirection of existing resources, reducing existing spend and the identification of new or revised income sources. The council will need to continue to do things differently and do different things, and in some case stop doing things that are not in line with Council Plan priorities.

Draft Revenue Budget 2023/24 to 2026/27

Budget Approach / Framework

- 4.14 Cabinet on 20 July 2022 approved the budget approach for 2023/24 to 2026/27 (and can be accessed at [Approach to Budget Setting](#)). This was based on this report being considered by Cabinet in October 2022, which has been deferred until now to enable full consideration of Government funding announcements received to date. An amended timeline is summarised at section 4.1. Resources are allocated and budgets set within a framework of protocols and guidelines, in particular the Council Plan and MTF. Decisions have 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, 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.

Maximising Outcomes through Budgeting 2023/24 onwards

- 4.15 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).
- 4.16 Directors and their Heads of Service were 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. Those identified to date are outlined within this report, with the need for further review to close the financial gap from 2024/25 onwards.
- 4.17 The Council Plan direction of travel approach will set out how the budget will be aligned to deliver the desired outcome i.e. through different amounts of delivery, coordination, influencing, signposting or regulating. A review of the current delivery model will be undertaken alongside the direction of travel and re-prioritised where appropriate to maximise value for money and overall delivery of outcomes and ensuring the 2023/24 onwards budget is built and developed on this moving forward.

Autumn Statement and MTFO Impact

- 4.18 Whilst the Government's Spending Review (SR21) on 27 October 2021 set out the economic forecast and departmental budgets for the three year period 2022/23 to 2024/25, a one year final settlement followed for 2022/23 only. It was announced on 28 September 2022 that there will not be a spending review in 2022 and that Government departments will be limited to existing departmental spending limits. The Government were committed to giving local Government a two year settlement for the period 2023/24 to 2024/25 but we await confirmation of this. Our current funding and cost assumptions are set out in this report, therefore they are subject to change.
- 4.19 The final settlement for 2022/23 announced on 7 February 2022 stated that the Government would not proceed with the implementation of the Review of Relative Needs and Resources (formerly the Fair Funding Review) and 75% Business Rates Retention in 2022/23. At the time of this report there has not been any further indication if or when any changes will occur and therefore this report is based on the current funding formulas. Government may outline their plans as part of the 2023/24 provisional settlement, although it is considered unlikely that any changes will come into effect in 2023/24. The reset of accumulated business rates growth also did not take place in 2022/23 but the revaluation and transfer from local lists to the central list is now expected to be implemented from 1st April 2023. Any changes to the value of income we collect in business rates as a result of the revaluation and transfers from the central list will be compensated for within the Government top up grant. It is unknown at this time what the impact of the revaluation and transfers from central list will be but expected to be a net nil impact on the budget. Any updates will be reported in future budget reports.

The Autumn Statement was announced on 17 November 2022. There has been a strong market reaction to the announcements initially made in the Chancellors mini budget on 23 September 2022, particularly on inflation and interest rates, with most key announcements rescinded as a result. Whilst the Autumn Statement announcement has provided some detail for 2023/24, the impact on our financial forecasts remain uncertain until we formally receive our provisional core grant settlement which is expected on 21

December 2022. Additionally, Government advised that a policy statement would be published by the end of November/Early December to provide further information on allocations and social care grants. Government confirmed a cash protected (as opposed to a real terms including inflation) settlement in line with SR21 for the next 2 years, meaning no reduction on the overall figures previously provided, but no further uplifts for additional cost of living pressures. Some additional *specific* funding has however been announced within the below.

4.20 The following summarises the key announcements and known impact on our financial position.

Council Tax

- Further council tax flexibilities, including increasing the core referendum limit for increases in council tax to 3% per year from 2023/24, with councils with social care responsibilities being able to increase the Adult Social Care precept by up to 2% per year. Further details will be provided in the Settlement.

Core Funding

- Service grant reduced by £200m following the NI levy removal. The distribution method and allocations for the remaining grant are to be provided with the Settlement.

Business Rates

- Business rates revaluation will take place from April 2023, updating rateable values for non-domestic properties in England. Increased rate bills will be supported by £13.6 billion transition relief over the next 5 years. English Local Authorities will be fully compensated for the loss of income as a result of these business rates measures and will receive new burdens funding for administrative and IT costs. The business rates multipliers will be frozen 2023-24 at 49.9 pence and 51.2 pence. This calculation incorporates the 2023 revaluation. Treasury assure us that councils will be compensated for the loss of CPI inflation on rates.

Other Direct Funding

- An increase in direct social care grant of £5.1 billion over the next 2 years (excluding additional council tax);
- Delaying the planned Adult Social Care charging reforms from October 2023 to October 2025, with the funding for implementation retained in council budgets to help them meet current pressures;
- Additional £1bn of grant for Better Care Fund (£600m) and discharge & other pressures (£400m). BCF is expected to be split between the Integrated Care Board (ICB) and the council. Council allocations could be in the region of £1.8m (BCF) and £2.4m (Discharge).
- An extension to the Household Support Fund over 2023/24.
- The distribution methodology for the above, along with allocations and conditions of use are expected to be available by 21 December and any flexibilities or allocations will need to carefully balance existing and new pressures.

Public Sector Pay

- The increase in National Living Wage confirmed, from £9.50 per hour, to £10.42 per hour from April 2023.

Infrastructure Initiatives

- The Government will refocus the Investment Zones programme to “catalyse a limited number of high potential clusters”, working with local stakeholders, to be announced in the coming months. The existing expressions of interest will therefore not be taken forward.

Medium Term Financial Outlook (MTFO) and Revisions to Assumptions

4.21 Following national and local changes since the 2022/23 to 2025/26 budget was set in February 2022, the MTFO has been rolled forward (with 2026/27 added), reviewed and updated to reflect ongoing changes in council demand during the current year and updated projections of future demand and income. It has also been updated to reflect changes in core and local funding. The resulting council tax requirement arising from funding and investment assumptions from 2023/24 to 2026/27 is shown in **table 1**.

Table 1: Council Tax requirement				
	2023/24	2024/25	2025/26	2026/27
	£m	£m	£m	£m
Council tax Requirement	138.43	143.85	149.17	153.18
Cost Pressures:				
Growth / Investment (Appendix 1)	50.52	25.40	19.41	15.53
Savings plans identified (Appendix 2)	(16.30)	(3.10)	(0.85)	(0.84)
Other savings to be identified – see movements in table 2 below	0.00	(13.85)	(12.56)	(8.54)
Other movements / funding changes:				
Other changes including base budget adjustments, grants, income	(20.06)	(5.17)	(0.37)	(0.24)
Core Funding changes	(16.51)	(0.72)	(2.33)	(2.37)
Collection fund (surplus) / deficit	0.28	0	0	0
Transfer to / (from) reserves	7.49	2.76	0.71	0.58
Revised Council Tax Requirement	143.85	149.17	153.18	157.30
Council Tax Increase – General	2.99%	2.99%	1.99%	1.99%
Council Tax Increase – Adult Social Care precept	0.00%	0.00%	0.00%	0.00%

Primarily, investment covers:

1. *Provision for pay and pensions (corporate cost pressures) and contractual inflation:*
 - Annual pay increase and provision for pay increments;
 - Impact of pension auto-enrolment and tri-annual employer pensions contributions based on the latest valuation information;
 - Provision for contractual increases;
 - Managing the cost of energy and fuel price changes as a result of the cost of living impact.
2. *Demand, demographic changes and managing market conditions within Services (demand led cost pressures):*
 - Increases in placements/costs for Looked after children;
 - Increased care packages/costs within Adult Social Care arising from an increased ageing population with more complex care needs, linked to Adult Social Care, Better Care Fund and Hospital Discharge funding announced in the Autumn

Statement on 17 November 2022;

- Investment to vulnerable resident's in crisis;
- Support to the Adult Social Care market;
- Increase in the number of clients requiring home to school transport;
- Increases in fostering and Special Guardianship Orders fees;

3. *Other service based pressures/investments:*

- Investment to deliver change and new ways or working through Proud transformation;
- Reductions in grants such as housing benefit administration grant and council tax support grant;
- Capacity to cover additional responsibility on the local authority for elective home education and admission appeals, and attendance responsibilities introduced in new legislation;
- Reduction in traded services income from schools;
- Fall out of Economic Growth Programme funding from March 2023;
- Review of funding for Resilient Communities;
- Management of the council's obligations for climate change;
- Review of ICT infrastructure requirements including Cloud/ licences and associated resources;
- Review of resources within Support Services (Finance, Human Resources, Legal, Elections).

4. *Other central provisions:*

- Review of the capital financing, treasury debt and investment portfolio;
- Revenue implications of the capital programme.

4.22 **Tables 2 and 3** summarise the movements in the MTFO, including changes to investments, resulting in a revised saving requirement (MTFO gap – **table 2**). Further detail is provided in the following sections on revised assumptions. This would amend the original MTFO as follows, with a gap over the period of £61.30m (£34.71m original plus revised assumptions impact of £26.59m) in total, including £35.97m of savings to be identified.

Table 2: Movement in Saving requirement / Gap					
	2023/24	2024/25	2025/26	2026/27*	Total
	£m	£m	£m	£m	£m
Savings required per Council February 2022 (in line with original MTFO)	12.24	11.53	10.94	0.00	34.71
Revised savings requirement as above	16.30	16.95	13.41	9.38	56.04
Variance – increase (decrease)	4.06	5.42	2.47	9.38	21.33

Table 3: Movement in savings requirement - detail					
	2023/24	2024/25	2025/26	2026/27*	Total
	£m	£m	£m	£m	£m
Savings required per Council February 2022 (in line with original MTFO)	12.24	11.53	10.94	0.00	34.71
Funding changes					
Funding changes / other changes	(8.63)	0.42	(3.43)	7.22	(4.42)
Changes to investment / growth					
Service investment / pressures	9.08	2.52	1.80	0.79	14.19
Cost of living / inflation pressures	2.56	(0.48)	0.17	0.24	2.49
Central pressures	(1.50)	2.41	3.83	0.97	5.71
New Asks	2.55	0.55	0.10	0.16	3.36
Savings identified / to be identified	16.30	16.95	13.41	9.38	56.04

* 2026/27 has been added to the rolling MTFO for the first time and therefore was not included in the February budget report.

The main changes in MTFO assumptions are as follows:

Funding changes

- Removal of a core funding reduction of £850k in 2023/24 and then c£3.5m per annum, with a cash flat assumed Settlement, confirmed as based on SR21;
- Business rates changes as a result of revaluation are awaited. CPI inflation compensation has been assumed at 6%;
- Lower Tier services grant and New Homes Bonus grant continue at 2022/23 levels;
- Services grant confirmed to continue, but at a reduced level in 2023/24 following the removal of the NI levy;
- The implications of the 2 year delays to Adult Social Care charging reform will be reviewed on publication of the policy statement announced as being available from late November/early December, and included within the final budget report;
- The additional grants (Adult and Children's Social Care, Better Care Fund and discharge grants) announced during the Autumn Settlement are assumed, for the purposes of this draft budget, to be supporting new pressures and new investment in these areas, and are therefore net nil to the MTFO until allocations, distribution methodology and conditions are published with the provisional Settlement in late December 2022;
- The additional 2% council tax levy for Adult Social Care announced as part of the Autumn Settlement, will be subject to consultation and is not included within the draft budget.

Changes to Investment / Growth

The impact of cost-of-living pressures i.e. rises in inflation rates, energy costs and pay costs were not known when the budget was set. Work continues to understand the full impact of this on all areas of the authority including contract costs.

The following changes have been made to the forecasts:

Service investment pressures (full details in Appendix 1):

- A forecast net increase in social care demand of £5.18m in 2023/24, with net reductions of £1.86m in 2024/25, £3.18m in 2025/26 and £1.17m in 2026/27, inclusive of Adult Social Care, Better Care, and Hospital Discharge funding announced in the Autumn Statement on 17 November 2022;

- Increase in children's services placement and care costs due to expected changes in demand of £12.6m in 2023/24, including a review of Special Guardianship orders, and additional local authority responsibility for elective home education and school admissions;
- Provision for foster care inflation of £500k in 2023/24 and c£45k from 2024/25;
- Children's investment of £300k in 2023/24 to fund the expansion of the Education, Health & Care Plan team;
- Increase in HUBS and connected working investment of £399k from 2023/24;
- ICT cloud licences and resources of £430k in 2023/24 with a further £309k in 2024/25;
- Economic Growth Programme investment of £1.9m to be reprofiled from 2023/24 to 2024/25 due to expected carry over of reserves;
- Crisis Support of £500k reprofiled from 2023/24 to 2024/25;
- Support in the community of £385k in 2023/24, including interpretation, translation and transcription; equalities; community cohesion; support to voluntary sector; Making Connections Walsall; community resetting grant;
- Supporting climate change of £100k in 2023/24;
- Children's supporting families grant of £1m expected to continue from 2023/24;
- Review of resources within Support Services (Finance, Human Resources, Legal, Elections) of £1m in 2023/24, with an additional £276k in 2024/25.

Cost of living / inflation pressures:

- Reprofiled energy prices, ensuring additional provision of £1m in additional energy costs from 2023/24, with a further £400k from 2024/25;
- Contractual inflation within Adult Social Care of £1.57m in 2023/24, with £1.37m in 2024/25 and £2.3m thereafter;
- Forecast increase in fuel costs of £275k in 2023/24, reducing to £150k in 2024/25, £75k in 2025/26 and falling out in 2026/27.

Central pressures/ reductions:

- Increase in pay provision by a further 2% in 2023/24, plus ongoing funding of the 2022/23 pay offer;
- Additional £1m per annum for pay for incremental drift;
- Reduction in revenue contribution to capital budget by £500k in 2023/24 and £250k thereafter, due to current budget levels/ reserves expected to be sufficient in the short term;
- Contribution to Combined Authority in 2025/26 of £468k;
- Increase in Combined Authority Transport Levy 2% per annum;
- Removal of contribution to redundancy reserve budget for 2024/25 only as the reserve is expected to be sufficient to fund these one-off costs, with reinstatement to £1m over 2 years from 2025/26;

4.23 Further to the changes in assumptions, the draft budget 2023/24 – 2026/27 includes provision for growth and investment of c£111m (£50.52m in 2023/24), as shown in **Appendix 1**. Assumptions will be kept under continual review and are expected to change as the budget process progresses. Core funding will be updated on receipt of the draft and final Settlements and allocations of specific grants.

MTFO Savings Requirements

4.24 Our approach to budget setting was established in 2020 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 their service

transformation plans. As set out in **table 2** above, the changes in assumptions reflected in the updated MTFO changed the quantum of the funding gap, with the savings required to be delivered over the period 2023/24 to 2026/27 set out below, a total of c£56.04m.

2023/24 - £16.30m

2024/25 - £16.95m

2025/26 - £13.41m

2026/27 - £9.38m

Walsall Proud Benefit Opportunities

4.25 The council's 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 of 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 two years, 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.

4.26 The Walsall Proud business case set out up to £70.26m of ongoing saving opportunities (cashable and non-cashable), of which savings to date are as follows:

- Delivered 2020/21 - £1.19m;
- Approved for delivery during 2021/22 - £28.89m (£26.62m after adjusting for one-offs of £2.28m) with some reprofiled into 2022/23 due to the delay in implementation mainly as a result of the impact of the pandemic;
- Approved for delivery in 2022/23 - £18.86m;
- £648k of benefits identified but not approved by Cabinet;

- Identified for delivery in 2023/24 - £16.30m in this report;
- Totalling £63.62m, leaving a further £6.64m available to be delivered. Given the savings requirement identified in this report, it is expected that the full £70.26m of Proud savings opportunities as set out in the original business case should be delivered by 2024/25.

Service Transformation Planning process

4.27 As part of the Reset process, the council identified an opportunity to bring together Proud activity and the work taking place in each directorate in response to Covid-19. Proud activity supported directors to develop service transformation plans (STPs) to deliver both financial and non-financial benefits. Each Director was asked to prepare an STP identifying:

- The strategic direction of travel for their service(s);
- How the service(s) would deliver against the 3 KPIs of the Proud Programme;
- How each service would use the new ways of working delivered by the Programme to deliver the 3 KPIs;
- Savings to be delivered.

4.28 This process enabled directors to consider the practical application of the original Proud business case within their individual area and as a result generate the budget options set out within this report for 2023/24 onwards. This work is required as the council continues to seek to address the budget position for 2023/24 and the years beyond. For a period, the council will be required to manage the implementation of STP's whilst continuing to deliver new ways of working through the work streams, for example, implementation of the Customer Access and Management capability is underway at the same time as director's will be seeking to use that capability as part of delivering their plans. This will put additional strain on resourcing throughout the organisation and will require a joined up approach to change management.

Summary of Savings identified

4.29 The Proud service transformation plans have identified £9.02m of financial benefit for 2023/24, in addition to the £7.28m identified in the budget report to Council in February 2022. There is also £1.95m identified for 2024/25 (in addition to £1.15m already identified), £854k for 2025/26 and £844k for 2026/27. Benefits / savings are classified into two categories:

1. Policy Proposals - which require an Executive decision to proceed, and which will be referred for public consultation and equality impact assessment. Policy proposals are shown on **Appendix 2A**, and these total £1.16m in 2023/24. Implementation of these may need to be considered on a pro-rata basis in the final budget report, due to consultation commencing in December rather than the usual October;
2. Operational Proposals – savings which officers have delegations to implement; examples include restructures, back office savings, operational efficiencies. These are shown at **Appendix 2B**, and total £15.14m in 2023/24 (£19.94m over the four years).

Some proposals require investment to support delivery. Such investment will only be allocated if the relevant saving proposal is included within Cabinet's final budget report in February, once consultation and equality impact assessment has concluded.

Medium Term Financial Outlook (MTFO) and 2024 – 2027 Financial Strategy

4.30 The savings at **Appendix 2** will ensure a balanced budget for 2023/24. A gap of £13.85m remains after the delivery of the £3.10m saving identified for 2024/25, with a further £12.56m saving requirement for 2025/26 and £8.54m for 2026/27 as shown in **table 4** below. Through budget week and beyond, a number of themes were identified for prioritisation to take forward to support the 2023/24 position and also form the foundations of the medium term financial strategy, building on the work of the Proud programme. Directors continue to work on identifying additional options for Members consideration, and a further report will be presented to Cabinet outlining further options to balance the budget for 2024/25 onwards. A work stream review of the STP's is taking place to ensure that they maximise opportunities from the Proud ways of working and capabilities, and therefore capture the full benefits; to ensure they capture innovative thinking; and to challenge any opportunities to accelerate identified savings.

Table 4: MTFO Outlook					
	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m
MTFO gap	6.22	14.98	13.31	9.22	43.72
New asks	2.47	0.44	0.05	0.05	3.01
Gap if all new asks agreed	8.69	15.42	13.36	9.27	46.73
STP savings identified from workbook submissions	-9.02	-1.95	-0.85	-0.84	-12.66
New asks - investment linked to STP's	0.08	0.11	0.06	0.12	0.35
Investment linked to STP's	0.25	0.28	0.00	0.00	0.53
Current financial gap if ALL new ask and savings accepted	0.00	13.85	12.56	8.54	34.95

4.31 Directors continue to work on the delivery plans for these future opportunities but a projection of likely work theme opportunities to be taken forward which will significantly contribute to this gap is shown in table 5 below. Additional work in identifying additional options for Members consideration, including a full review of the services the council provides and benchmarking our core and non-core services, will be included in a future report to Cabinet outlining further options to balance the budget for 2024/25 onwards and also ensuring that council funds are fully committed to delivering the council's key outcomes and priorities in the most efficient and effective ways possible.

Table 5: Future Benefits by Theme				
Workstream / Theme	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Income Generation & Cost Recovery	(3.00)	(2.00)	(2.00)	(7.00)
Enabling Support Services including Assets	(1.00)	(1.00)	(1.00)	(3.00)
Third Party Spend	(3.00)	(2.00)	(2.00)	(7.00)
Enabling Technology	(0.50)	(0.50)	(0.50)	(1.50)
Customer Access Management	(2.00)	(1.50)	(1.50)	(5.00)
Partnerships	0.00	(0.50)	(1.00)	(1.50)
Total Future Benefits	(9.50)	(7.50)	(8.00)	(25.00)

Draft Capital Programme 2023/24 to 2026/27

4.32 The key objective of the Capital Strategy is to deliver a capital programme that:

- Ensures the council's capital assets are used to support the delivery of priorities within the Council Plan and the council's vision;
- Links with the council's Strategic Asset Plan;
- Is affordable, financially prudent and sustainable;
- Ensures the most cost effective use is made of existing assets and new capital investment, and;
- Supports other Walsall service specific plans and strategies.

4.33 The approach to capital planning includes:

- The need to match priority capital investment decisions against the council's limited internal resources;
- To maximise external funding sources;
- To optimise borrowing where there is an agreed deliverable pay back mechanism;
- To ensure the council's health and safety, etc. commitments are adequately covered;
- To minimise the call on revenue resources.

4.34 In practical terms the basic approach is to use the Strategic Asset Plan to:

- Maintain required assets to meet the needs of the services and people that use them;
- Evaluate options for disposal of surplus assets;
- Develop sustainable, cost effective new assets in response to the council's priorities.

4.35 However there will be an increasing emphasis on:

- Investing in activity that unlocks external investment in the borough;
- Investing in service redesign to drive out long term revenue savings;
- Investing in the creation of an efficient and effective operational estate;
- Investing in assets that support the strengthening of the borough's economy;

4.36 Capital programme resources are limited. The financing for capital investment is heavily reliant on grants and funding received from the Government. The success that Walsall has had in securing a wide range of external funding may be harder to achieve as many of the sources of funding may stop or reduce.

4.37 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. Earmarking of capital receipts beyond what we are statutorily obliged to do is not recommended without overall strategic consideration of the entire capital programme. Use of borrowing incurs ongoing revenue debt charges and impacts on council tax payers. The Chancellor is currently reviewing current borrowing regulations which may involve a cap on borrowing levels, restricting authorities' ability to fund capital expenditure.

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

4.39 Despite the above difficulties, significant investment is planned and funded over the four years to 2026/27. The council is able to fund existing commitments and has, through prioritisation of bids, resources and sound treasury management, been able to support new investment into key services, and areas of capital investment need, linked to Walsall Proud activity.

4.40 Cabinet determine the projects to be included within the capital programme in the light of the relative priorities and the overall impact on the revenue budget. Schemes that require use of the council's own capital resources (such as through borrowing or capital receipts), are scored and prioritised in accordance with a matrix, in order to assist the decision making process:

- For Delivery of Capital projects - alignment to local plans and strategies; deliverability; benefit to cost ratio; amount of match-funding to be levered in; commercialisation - Income generation / land sales etc. to be considered to enable funds to be recycled so that more of the pipeline can be funded in the longer term; generation of savings in the form of council tax, business rate income, revenue income or operational cost savings generated as a result of this investment to support the MTFO.
- For Development Pool Capital projects - alignment to local plans and strategies; long term deliverability; benefit to cost ratio; and the potential for the wider scheme to secure external funding / match funding / recycling of funds i.e. commercialisation, overage, land sale etc so that more development schemes can be funded in the longer term.

4.41 The list of schemes included in the draft capital programme for 2023/24 to 2026/27 are shown at **Appendix 3** (council funded) and **Appendix 5** (externally funded). **Table 6** below shows the draft capital programme against available resources.

Table 6 : Draft Capital Programme 2023/24 to 2026/27

Anticipated Capital Resources	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Capital receipts projected	1.50	1.50	1.50	1.50
General borrowing as per Council 24 February 2022	7.10	4.67	4.67	4.67
Other scheme borrowing as per Council 24 February 2022	34.60	25.80	13.04	0.00
Carry Forwards from previous years - Enterprise Zones	0.39	2.71	0.00	0.00
Revenue contribution to capital	0.02	0.02	0.02	0.02
Funding as approved by Council 24 February 2022	43.60	34.70	19.23	6.19
Borrowing for new schemes / development	7.93	31.04	4.28	3.87
Carry forward from 2022/23 - pipeline	15.33	0.00	0.00	0.00
Total Council Funding	66.86	65.74	23.51	10.06
Externally Funded Schemes	43.23	43.66	36.24	28.85
Total capital resources	110.09	109.40	59.75	38.91
<u>Draft Capital Programme</u>				
Rolling Programme Schemes	4.65	4.65	4.65	4.65
Prior Year Approvals	14.87	23.89	5.86	0.68
Development investment	39.09	34.82	10.45	2.44
New Capital Schemes	8.26	2.39	2.55	2.29
Total Council Funded Schemes (Appendix 3)	66.86	65.74	23.51	10.06
Externally Funded Schemes (Appendix 5)	43.23	43.66	36.24	28.85
Total draft capital programme	110.09	109.40	59.75	38.90
Funding shortfall (surplus)	0.00	(0.00)	(0.00)	(0.00)

4.42 Council funded schemes identified in **Appendix 3** include a refresh of the draft programme reported to Council in February 2022, with a number of projects added during 2022/23 following Cabinet approval. For 2024/25 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. Schemes currently in the draft programme are those that have been assessed by the Council's Strategic Investment Board as meeting the Council Plan priorities and directly linked to the Strategic Asset Plan 2022-27 which was approved by Cabinet on 20 April 2022. The impact of inflation, material shortages, etc are also currently under review and will need to be accommodated from identified resources.

4.43 Capital receipts projections are based on professional estimates of property colleagues. Any additional receipts received in year (excluding those earmarked for specific schemes) will be set aside to fund any urgent requests for funding, including any match funding requirements received in year, subject to approval.

4.44 Borrowing is funded from the council's own resources – generated through savings, and/or paid for via council tax. Councils are allowed to borrow in accordance with the Treasury Management Code of Practice.

4.45 As well as those in the draft programme, there are a number of large capital schemes that are in development or planning stages. It is expected that as individual business cases are developed and considered by Cabinet and/or Council, they are then included

in the latest update of the capital programme if they are deemed to be a high priority and affordable. Funding for these will need to be identified and may be through a combination of borrowing and/or other contributions. Where practical, a payback agreement will be implemented, whereby projects should, wherever possible be self-funded over the life of the project and beyond.

4.46 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 development investment opportunities, including emerging regeneration schemes and major capital projects. This provision has been increased by a further £30m over the period to provide funding to support those schemes in development stages as outlined at **Appendix 4**. This includes schemes where funding or match funding is required (subject to external funding bidding processes) in order for some of these projects to progress as there is insufficient headroom within the existing capital programme to fund all of these development opportunities. This provision is held centrally. Of the £100m total provision, approximately £49m has been allocated, with the remaining £51m (development investment line referred to in Appendix 3C) to be allocated. To access these funds, an outline business case is required to be endorsed by the council’s Strategic Investment Board, followed by a full business case for Cabinet approval.

4.47 For externally funded schemes, where a bidding process is required, it is assumed the full cost of the project is met from external grant and/or third party contributions. If it becomes clear during the process that this is not the case, the project cannot proceed if the external funds cannot be sourced.

Draft Leasing Programme

4.48 The 2023/24 leasing programme totals £1.21m, summarised in **Table 7** below. Leasing minimises the call on capital resources by spreading the acquisition cost over a number of years. Revenue funds are required to finance operating leases, and are included in the revenue budget. There is expected to be a carry forward from 2022/23 which is dependent on timings on acquisition of vehicles.

Table 7: Leasing Programme	Capital £m	Revenue £m
Light Commercial vehicles	1.076	0.408
Refuse Vehicles	2.625	0.574
Tractors & Agricultural Implements	0.303	0.221
Welfare vehicles	0.444	0.002
Total	4.448	1.205

Council Plan priorities

4.49 The budget is the financial plan supporting delivery of the organisations key objectives and priorities. The budget process is a four yearly cycle, updated annually, aiming to support delivery of council priorities and outcomes within available resources. It aims to achieve this through the delivery of efficiencies, income reviews and service reviews and redesign to redirect existing and reducing resources to areas of high council priority in order to deliver the council outcomes. This budget has been prepared using the council’s high level purpose and priorities as outlined in the approved Council Plan.

Risk management

- 4.50 The budget process is governed by the overarching MTFP and Council Plan. Risk management is an integral part of this activity and is embedded in budget preparation, monitoring and forecasting to enable potential budget variances and risks to be identified early and addressed.
- 4.51 There is still uncertainty around Government funding for 2023/24 and beyond due to the lack of Government allocations beyond the short term and the uncertainty around changes arising from the Review of Relative Needs and Resources (formerly the Fair Funding Review) and Business Rates Revaluation. The MTFO continues to be regularly reviewed to ensure all significant changes are reflected.
- 4.52 It has also been announced that there will be no Spending Review this year leaving Government departments limited to their existing departmental expenditure limits (DEL) for 2023/24 which indicates there will be no additional funding to cover the rising costs.
- 4.53 Following the Autumn Statement announcement on 17 November 2022, there is a risk that funding will reduce or that further pressures will emerge into the longer term, which will require the council to address prior to setting the budget in February 2023. As the need for savings increases, the council's ability to protect services from being reduced or actually ceasing diminishes.
- 4.54 The budget is risk assessed and this is used to formulate the recommended level of contingencies and reserves. The outcome of this will be reported to Cabinet and Council in the final budget report.

Financial implications

- 4.55 The council must set a balanced budget to meet its legal requirements as set out under legal implications.

Legal implications

- 4.56 Under the Local Government Act, an authority must set a council tax and balanced budget, giving 14 days' notice of the council tax level prior to the date of billing. The Council must set a budget before 11 March of each year. This will include the S151 Officer's S25 Statement on the Robustness of the Budget and the Adequacy of the Reserves for which the budget provides, together with an assessment of risk.
- 4.57 The collection fund and council tax base are governed by Statutory Instrument 2012 No.2914 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The council is legally obliged to set the council tax base and notify the precepting authorities by 31 January each year.

Procurement Implications / Social Value

- 4.58 There are no direct implications arising from this report. Any procurement implications as a result of the development of the budget or savings and investment proposals will be set out within the relevant proposals as they are developed.

Property implications

4.59 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. Any direct property implications as a result of the budget or capital programme will be set out as they are developed.

Health and Wellbeing implications

4.60 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

4.61 There will be some staffing implications arising from proposals within this report. The contribution of the trade unions will be important in the council achieving its key aims and objectives particularly in these challenging times. Officers and members will consult widely with them on the employee implications of service redesign and delivery.

4.62 Staff affected by proposals arising from the review of Proud activity will be supported as appropriate throughout the process and the number of redundancies will be minimised wherever possible.

Reducing inequalities

4.63 Reducing inequalities is the council's vision as set out in the Council Plan. Assessing the impact of proposed organisational changes and changes to policies, procedures and services is a positive opportunity for the council to ensure good decisions are made, based on robust evidence. It is clear that the decisions taken by individual services do not operate in isolation. Thus, when making policy, it is important not just to look at the potential impact of individual measures, but also to ensure that their interaction is properly understood and that the cumulative impact is taken into account. Understanding the cumulative impact on protected groups should be a pre-requisite of any policy making process.

4.64 Under the Public Sector Equality Duty an analysis of impact on equality must contain sufficient and suitable information to enable the council to;

- Demonstrate it has given 'due regard' to the aims of the equality duty in decision making;
- Consider ways of mitigating or avoiding any adverse impacts.

4.65 The council uses an Equality Impact Assessment (EqIA) to check the lawfulness of council decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. An EqIA must contain relevant data and sufficient

analysis to enable Members to understand the equality implications of a proposal and any alternative options before any decisions are arrived at.

- 4.66 Completing an EqIA provides a positive opportunity to ensure that the council makes better decisions, based on robust evidence and will identify any anticipated impact on residents, service users and staff that fall within the protected characteristics as defined in the Equality Act. Equality impact assessments are undertaken on service and organisational change proposals as they develop and any implications reported as they arise, to allow Cabinet to consider and make any revisions required.
- 4.67 Initial screening EqIAs are carried out on options to indicate whether full EqIAs will be required. Full EqIAs identify the outcomes, and their potential impacts, and document the reasons for this decision. There are four possible outcomes:
- A. No major change required:
When no adverse impact is identified and all opportunities to promote equality have been taken
 - B. Adjustments are needed to adverse impact to better promote equality
 - C. Continue despite possible adverse impact:
Compelling reasons will be needed and mitigating actions may be required to minimise adverse impact
 - D. Stop and rethink the proposal:
When an EqIA shows actual or potential unlawful discrimination and needs to be reviewed immediately
- 4.68 If adjustments are needed or a potential adverse impact is identified, an action plan is developed to show how this will be mitigated or in exceptional circumstances, justified. EqIAs will be considered by Cabinet members, prior to any decision being made as to the final proposals to be included in the final Budget report to Council.

Climate Change

- 4.69 The budget and capital programme will need to be prepared with consideration of the council's Climate Change Action Plan, and budget proposals will be assessed against the six key areas of the plan: strategy, energy, waste, transport, nature, resilience and adaptation as appropriate. Proposals within this budget included investment in the service to support the plan.

Consultation

- 4.70 Section 138 of the Local Government and Public involvement in Health Act 2007 places a general duty on every local authority in England to take such steps as it considers appropriate to secure that representatives of local persons (or of local persons of a particular description) are involved in the exercise of any of its functions, among other things by being consulted about the exercise of the function. The 2010 Equality Act, whilst not imposing a specific duty to consult, lays a requirement to have due regard to the equality impact when exercising its function.
- 4.71 Consultation is an integral part of the budget process and arrangements are in place to consult with a range of communities and stakeholders as appropriate (the public, councillors, business rate payers, voluntary and community organisations, etc.). Consultation will be publicised and communicated widely via a range of methods and channels.

4.72 Consultation will be undertaken on policy related draft budget options as they develop from Proud activity and findings presented to Cabinet. Consultation will primarily be conducted online. However in order to ensure that everyone who wants to have their say is able to, in line with our Public Sector Equality Duty (PSED), alternative formats and support to respond will be provided to those who request it. Findings along with equality impact assessments will be reported to Cabinet for their consideration and to inform Cabinet's final budget recommendations to Council in February 2023.

4.73 This report will be forwarded to Overview Scrutiny Committees for consultation purposes, to allow each Committee to comment on the budget proposals within their remit.

5. Decide

5.1 As set out in the legal section, councils are required to set a legal budget. This report is the first stage in that process and Cabinet are asked to approve the recommendations as set out, to allow consultation to commence.

6. Respond

6.1 Following Cabinet's consideration, draft proposals will be referred for consultation as required, feedback provided to Cabinet and the council will publish the feedback and the council's response to it.

7. Review

7.1 Further updates will be presented to Cabinet as required, including any feedback from consultation, in advance of the final budget report to Cabinet on 8 February 2023.

Summary of appendices:

- 1 Summary of New Growth and Investment 2023/24 to 2026/27 aligned to Proud Outcomes;
- 2 Benefits Realisation (Savings) for Proud activity by Outcome 2023/24 to 2026/27;
- 3 Draft Capital Programme 2023/24 to 2026/27 – Council Funded Schemes;
- 4 List of Capital development schemes – subject to business case approval;
- 5 Draft Capital Programme 2023/24 to 2026/27 – External Funded Schemes.

Background papers:

- Various financial and working papers.
- Corporate Budget Plan 2022/23 to 2025/26, incorporating the Capital Strategy; and the Treasury Management and Investment Strategy 2022/23 Onwards – Council 24 February 2022
- Corporate Financial Performance 2022/23 and approach to Budget Setting for 2023/24 - Cabinet 20 July 2022

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Deborah Hindson
Interim Executive Director of Resources
and Transformation (s151 Officer)

14 December 2022



Councillor M. Bird
Leader of the Council

14 December 2022

Appendix 1 - Summary of New Growth and Investment 2023/24 to 2026/27 aligned to Proud Outcomes

Directorate	Ref No	Details of Growth by outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place						
Economy, Environment & Communities	1	Funding of the delivery and development team following the fall out of grant funding (Economic Growth Programme) which ceases from March 2023 but can be contained from reserves for 2023/24	0	1,013,000	0	0
	2	Town Centre Officer post - to support the regeneration of the high street - funded from Public Health Grant	0	86,315	0	0
Resources & Transformation	3	Funding of the Programme Management team following the fall out of grant funding (Economic growth programme) which ceases from March 2023 but can be contained from reserves for 2023/24	0	885,150	0	0
	4	Black country consortium annual subscription - previously funded from external funding which ceases 31 March 2023 but funded from reserves for 1 year.	0	90,000	0	0
Total Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place			0	2,074,465	0	0
Education, training and skills enable people to contribute to their community and our economy						
Children's Services, Education & Customer Engagement	5	Increase in demand for Home to school transport	1,095,861	841,977	1,191,977	1,000,000
Economy, Environment & Communities	6	Add capacity to support Collections, Library and Archive Service	27,500	0	0	0
Total Education, training and skills enable people to contribute to their community and our economy			1,123,361	841,977	1,191,977	1,000,000
People can access support in their community to keep safe and well and remain independent at home						
Children's Services, Education & Customer Engagement	7	Crisis support - to support Walsall residents in crisis	0	500,000	0	0
	8	Walsall Connect Programme - to support the voluntary and community sectors to deliver services in the local communities	375,000	0	0	0
Total People can access support in their community to keep safe and well and remain independent at home			375,000	500,000	0	0
People are supported to maintain or improve their health, wellbeing and quality of life						
Adult Social Care, Public Health & Hub	9	Social Care increase in demand pressures	1,834,118	371,862	371,862	371,862
	10	Contract price uplift	1,675,785	523,855	534,332	545,018
	11	Better Care Funding iBCF2 fall out of grant funding in 2025/26	0	0	2,023,652	0
	12	Direct Payments - to cover reduction in refund income	153,000	0	0	0
	13	Adult Social Care contractual inflation based on RPXI - Housing 21	1,125,768	(293,450)	245,506	251,644
	14	A preparing for adulthood service - capacity to support statutory functions across 14/18-25 year olds and meet the transition needs of all young people	256,126	0	0	0
	15	Hospital discharge - fully funded from grant	2,385,000	1,670,000	0	0

Directorate	Ref	Details of Growth by outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Economy, Environment & Communities	16	Leisure services income shortfall - on-going impact of the pandemic (one-off)	150,000	(150,000)	0	0
Total People are supported to maintain or improve their health, wellbeing and quality of life			7,579,797	2,122,267	3,175,352	1,168,524
We get things right, first time and make all services accessible and easy to use						
Children's Services, Education & Customer Engagement	17	Reduction in housing benefit admin grant	48,677	46,148	43,840	40,000
	18	Reduction in council tax support grant	23,895	22,701	21,566	20,000
Total We get things right, first time and make all services accessible and easy to use			72,572	68,849	65,406	60,000
The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring						
Adult Social Care, Public Health & Hub	19	Additional capacity - Hub linked to HUBS work stream activity	566,000	0	0	0
Economy, Environment & Communities	20	Additional capacity to deliver equalities training	15,000	0	0	0
Resources & Transformation	21	Cloud / Microsoft licences and infrastructure costs	874,000	55,000	750,400	31,520
	22	Review of and redesign of legal services	423,000	0	0	0
	23	Additional capacity for Finance strategic partnering (linked to saving OP29)	0	276,039	0	0
	24	Develop in house capacity within the Applications and Digital Team in order to meet increasing demands on the service and deliver digital opportunities	333,382	308,762	0	0
	25	Growth and pro-active use of Organisational Development function including Human Resources Business Partners	248,699	0	0	0
	26	Additional business support capacity to support the Children's Family Safeguarding Model	168,842	0	0	0
	27	Elections restructure and additional capacity to meet the requirements of the new Elections Act 2022	89,739	0	0	0
	28	Investment in strategic / higher level Financial Transactions management capacity	75,000	0	0	0
Central / Capital Financing	29	Capital financing / Minimum Revenue Provision review	2,502,870	1,202,650	(133,042)	600,000
	30	Revenue implications of capital programme	0	250,000	250,000	250,000
	31	Energy	1,000,000	(600,000)	0	0
	32	Connected working - Proud work stream activity to drive change within the organisation	246,000	0	0	0
	33	Pay / pension provision	12,453,515	8,490,162	8,602,419	7,473,914
	34	Combined Authority contribution for Metro	228,237	232,802	705,458	242,207
	35	Cost of living / demand provision	1,487,370	1,500,000	1,500,000	1,500,000
	36	External audit fee increase	90,000	0	0	0
	37	Social Care grant funding expenditure - held centrally to be used for Adults & Children's pressures whilst allocations and conditions are awaited. Fully offset by grant.	6,916,047	3,966,000	0	0
Total The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring			27,717,701	15,681,415	11,675,235	10,097,641
Directorate	Ref	Details of Growth by outcome	2023/24	2024/25	2025/26	2026/27

			£	£	£	£
Children and young people grow up in connected communities and feel safe everywhere						
Children's Services, Education & Customer	38	Additional Looked after Children demand / cost pressures	10,786,348	2,460,336	2,583,751	2,351,106
	39	Foster care / Special Guardianship Order allowances and proposed change to current fostering fees	570,602	111,800	113,800	116,000
	40	Increase in social workers pay (full year impact of 2022/23 investment)	131,000	12,000	0	0
	41	Additional social workers and training for foster carers to support increase in foster care placements (linked to saving OP46)	78,000	105,000	55,000	115,000
	42	Additional capacity within internal residential services and high cost external placements (linked to reducing high cost placement costs)	92,000	0	0	0
	43	Additional capacity within Education Health and Care Plan Assessments due to increase in demand	302,020	0	0	0
	44	Capacity to cover additional responsibility on the local authority for elective home education and admission appeals and attendance responsibilities introduced in new legislation.	181,411	0	0	0
	45	Reduction in traded services attendance income target due to schools directly employing their own staff in response to the new requirements of the school attendance procedures and bill	36,388	36,387	36,387	36,387
	46	Additional capacity to deliver Special Guardianship Orders due to increased demand	140,961	0	0	0
	47	Removal of saving OP50 due to legislation changes - Development of locality partnership offer in Early Help and restructure of 'change grow live' following contract bought in house (implementation of restructure).	0	888,396	0	0
Total Children and young people grow up in connected communities and feel safe everywhere			12,318,730	3,613,919	2,788,938	2,618,493
Our communities will be more resilient and supportive of each other						
Economy, Environment & Communities	48	Interpretation, Translation and Transcription - communication in alternative formats to ensure improved accessibility for customers	25,000	0	0	0
	49	Community Cohesion communication and partnership - to manage demand for social cohesion and integration	150,000	0	0	0
	50	Additional capacity to cover growing demand to build capacity in Community Association's network to implement the CXS (Walsall Connected)	40,000	0	0	0
	51	Capacity within Making Connections Walsall to ensure residents have access to local support to reduce their loneliness and isolation	155,000	0	0	0
Total Our communities will be more resilient and supportive of each other			370,000	0	0	0
The people of Walsall feel safe in a cleaner, greener Borough						
Economy, Environment & Communities	52	Economy, Environment and Communities contractual inflation	590,000	590,000	590,000	590,000
	53	Increase in vehicle fuel costs	275,000	(125,000)	(75,000)	0
	54	Capacity to support the councils climate change agenda	100,000	0	0	0
Directorate	Ref	Details of Growth by outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £

Resources & Transformation	55	Funding of the transport team costs following the fall out of grant funding (Economic growth programme) which ceases from March 2023 but can be contained from reserves for 2023/24	0	33,000	0	0
	Total The people of Walsall feel safe in a cleaner, greener Borough		965,000	498,000	515,000	590,000
Total Growth and investment		50,522,161	25,400,892	19,411,908	15,534,658	

Investment Summary by Outcome

Outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place	0	2,074,465	0	0
Education, training and skills enable people to contribute to their community and our economy	1,123,361	841,977	1,191,977	1,000,000
People can access support in their community to keep safe and well and remain independent at home	375,000	500,000	0	0
People are supported to maintain or improve their health, wellbeing and quality of life	7,579,797	2,122,267	3,175,352	1,168,524
We get things right, first time and make all services accessible and easy to use	72,572	68,849	65,406	60,000
The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring	27,717,701	15,681,415	11,675,235	10,097,641
Children and young people grow up in connected communities and feel safe everywhere	12,318,730	3,613,919	2,788,938	2,618,493
Our communities will be more resilient and supportive of each other	370,000	0	0	0
The people of Walsall feel safe in a cleaner, greener Borough	965,000	498,000	515,000	590,000
Total	50,522,161	25,400,892	19,411,908	15,534,658

Investment Summary by Directorate

Directorate	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Adult Social Care, Public Health and Hub	7,995,797	2,272,267	3,175,352	1,168,524
Children's Services and Customer Engagement:				
- Children's Services	13,414,591	4,455,896	3,980,915	3,618,493
- Customer Engagement	447,572	568,849	65,406	60,000
Economy, Environment and Communities	1,527,500	1,414,315	515,000	590,000
Resources and Transformation	2,212,662	1,647,951	750,400	31,520
Central / Capital Financing	24,924,039	15,041,614	10,924,835	10,066,121
Total	50,522,161	25,400,892	19,411,908	15,534,658

Appendix 2 – Benefits Realisation (Savings) for Proud activity by Outcome 2023/24 to 2026/27

A: Summary of Policy Proposals by Outcome 2023/24 – 2026/27

Directorate	Ref No	Detail of Policy Proposals by Outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £	
Education, training and skills enable people to contribute to their community and our economy								
Economy, Environment & Communities	P1	Outsource Mobile / Home Library Service	(155,000)	0	0	0	(155,000)	
Total Education, training and skills enable people to contribute to their community and our economy			(155,000)	0	0	0	(155,000)	
People can access support in their community to keep safe and well and remain independent at home								
Children's Education & Customer Engagement	P2	Expiry of Sandwell & Walsall Citizen Advice (CAB) grant funding agreement	(240,000)	0	0	0	(240,000)	
Total People can access support in their community to keep safe and well & remain independent at home			(240,000)	0	0	0	(240,000)	
People are supported to maintain or improve their health, wellbeing and quality of life								
Economy, Environment & Communities	P3	Outsource Outdoor Pursuits Service to a community group	(23,776)	0	0	0	(23,776)	
Total People are supported to maintain or improve their health, wellbeing and quality of life			(23,776)	0	0	0	(23,776)	
The people of Walsall feel safe in a cleaner, greener Borough								
Economy, Environment & Communities	P4	Increase in bulky waste charges from £10 to £30 for up to 3 items, £50 for 4-6 items and £70 for 7-9 items	(136,000)	0	0	0	(136,000)	
	P5	Reduce grass cutting frequencies	(40,000)	0	0	0	(40,000)	
	P6	Rewilding of all urban grassed areas - to manage public grassed open spaces and verges for biodiversity rather than visual appearance. Most areas would only receive one cut per year; however pitches, visibility splays, paths and edges would be cut more often.	(352,348)	0	0	0	(352,348)	
	P7	Increase resident and business parking permit charges by 20%	(3,300)	0	0	0	(3,300)	
	P8	Introduce charge for advisory disabled parking bays [£90 one off to align with Sandwell]	(2,850)	0	0	0	(2,850)	
	P9	Part night lighting - reduce energy consumption by 20%	(40,000)	0	0	0	(40,000)	
	P10	Garden waste collection - 2 weekly from May-Nov	(100,000)	0	0	0	(100,000)	
	P11	Modified winter maintenance service - the same roads will be gritted but split into 5 routes rather than 6	(30,000)	0	0	0	(30,000)	
	P12	Parking dispensation charging of £15 per vehicle per day	(19,500)	0	0	0	(19,500)	
	P13	Reintroduce staff parking charges – reduction from £45 to £15 per month	(18,000)				(18,000)	
	Total The people of Walsall feel safe in a cleaner, greener Borough			(741,998)	0	0	0	(741,998)
	Total Policy Proposals			(1,160,774)	0	0	0	(1,160,774)

B: Summary of Operational Proposals by Outcome 2023/24 – 2026/27

Directorate	Ref No	Detail of Operational Proposals by Outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place							
Economy, Environment & Communities	OP1	Income generation review of fees and charges - increase planning development charges by 5%	(1,385)	0	0	0	(1,385)
Total Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place			(1,385)	0	0	0	(1,385)
Education, training and skills enable people to contribute to their community and our economy							
Children's Education & Customer Engagement	OP2	Home to School Transport review of contracts and route optimisation	(300,000)	0	0	0	(300,000)
	OP3	Increase top slice of Basic Need capital Funding Block	(96,000)	0	0	0	(96,000)
Economy, Environment & Communities	OP4	Regeneration & Economy team review	(260,193)	0	0	0	(260,193)
	OP5	Income generation review of fees and charges - increase library hire and lettings by 5%	(761)	0	0	0	(761)
Total Education, training & skills enable people to contribute to their community & our economy			(656,954)	0	0	0	(656,954)
People can access support in their community to keep safe and well and remain independent at home							
Children's Education & Customer Engagement	OP6	Temporary Accommodation Rent Levels & Service Charges	(60,000)	0	0	0	(60,000)
	OP7	Increased external contributions for key initiatives in Money Home Job	(50,000)	0	0	0	(50,000)
	OP8	Housing benefits realignment of income	(200,000)	0	0	0	(200,000)
	OP9	Income generation review of grants - Afghan Citizens and Household Support grants	(332,587)	0	0	0	(332,587)
Total People can access support in their community to keep safe and well and remain independent at home			(642,587)	0	0	0	(642,587)
People are supported to maintain or improve their health, wellbeing and quality of life							
Adult Social Care, Public Health & Hubs	OP10	Demand - Develop and deliver additional support to Carers	(240,934)	(270,241)	0	0	(511,175)
	OP11	Shared lives - foster care provision	(116,277)	(142,812)	0	0	(259,089)
	OP12	Public health grant utilisation	(204,678)	0	0	0	(204,678)
	OP13	Learning disability joint funding tool	(954,000)	0	0	0	(954,000)
	OP14	Full year effect of extension of existing client reviews and reduction in costs of new client packages	(674,841)	0	0	0	(674,841)
	OP15	Income generation review of grants - Section 75 grant	(59,780)	0	0	0	(59,780)
Economy, Environment & Communities	OP16	Enhancement of Darlaston Pool - implement new water features to improve teaching pool facilities and attract 'new business' - linked to capital investment	(15,000)	0	0	0	(15,000)

Directorate	Ref No	Detail of Operational Proposals by Outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Economy, Environment & Communities	OP17	Development of Oak Park office space to create more functional fitness space to expand classes - linked to capital investment	(50,000)	0	0	0	(50,000)
	OP18	Improvement to Direct Debit collection processes	(10,000)	0	0	0	(10,000)
	OP19	Review of coffee shop operations	(10,000)	(10,000)	(10,000)	0	(30,000)
	OP20	Develop new concessions in more parks	(5,000)	0	0	0	(5,000)
	OP21	Increase rental income from Park Lodges	(5,000)	0	0	0	(5,000)
	OP22	Above inflation increase to fees and charges	0	(20,000)	0	0	(20,000)
	OP23	Income generation review of fees & charges - increase bereavement charges by 5%, registrars & interment fees by 3%	(187,292)	0	0	0	(187,292)
	OP24	Income generation review of fees & charges - increase active living by 5%; dry sports by 2%	(52,182)	0	0	0	(52,182)
Total People are supported to maintain or improve their health, wellbeing & quality of life			(2,584,984)	(443,053)	(10,000)	0	(3,038,037)
We get things right, first time and make all services accessible and easy to use							
Economy, Environment & Communities	OP25	Further efficiencies relating to Customer Access Management	(96,038)	0	0	0	(96,038)
Central / Capital Financing	OP26	Council wide efficiencies relating to Customer Access Management	(4,470,000)	0	0	0	(4,470,000)
Total We get things right, first time and make all services accessible and easy to use			(4,566,038)	0	0	0	(4,566,038)
The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring							
Resources & Transformation	OP27	Reduce IT Service Desk availability to 9-5	0	(25,000)	0	0	(25,000)
	OP28	Investment in strategic / higher level Financial Transactions management capacity - To be funded through increased recharges to external income	(75,000)	0	0	0	(75,000)
	OP29	Reduction in Finance Business Partner capacity	0	(276,039)	0	0	(276,039)
	OP30	Rationalise corporate estate to generate capital receipts and reduce maintenance and utility bills on our under-utilised assets to create opportunities for redevelopment of sites or repurposing of assets to support frontline delivery	(500,000)	0	0	0	(500,000)
	OP31	Increase traded services within Cleaning, Caretaking and Catering	(100,000)	0	0	0	(100,000)

Directorate	Ref No	Detail of Operational Proposals by Outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Resources & Transformation	OP32	Renting out Civic Centre floor space to partners	(100,000)	0	0	0	(100,000)
	OP33	Rephasing of required growth to creating a permanent team for continuity of external funding support	0	(293,000)	0	0	(293,000)
	OP34	Platinum Secure Storage	(13,000)	0	0	0	(13,000)
	OP35	Restore Offsite Storage (hard copy documents)	(1,100)	0	0	0	(1,100)
	OP36	Promotion of One Source system to Schools for sickness absence data entry	(30,000)	0	0	0	(30,000)
	OP37	Facilities Management staffing	(200,000)	0	0	0	(200,000)
	OP38	Rental income review of assets	(172,000)	0	0	0	(172,000)
	OP39	School crossing patrols - review of provision	(100,000)	0	0	0	(100,000)
	OP40	Redundant buildings provision	(250,000)	0	0	0	(250,000)
	OP41	Challenge buildings costs	(143,000)	0	0	0	(143,000)
Central / Capital Financing	OP42	Borrowing rescheduling	(897,500)	0	0	0	(897,500)
Total The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring			(2,581,600)	(594,039)	0	0	(3,175,639)
Children and young people grow up in connected communities and feel safe everywhere							
Children's Education & Customer Engagement	OP43	Extension of Strengthening Families, Protecting Children Model	(75,000)	0	0	0	(75,000)
	OP44	Adolescent Service - Turning Point	(560,000)	0	0	0	(560,000)
	OP45	Further Recruitment & Retention of internal Foster Carers	(260,000)	0	0	0	(260,000)
	OP46	Specialist Foster Placements	(392,000)	0	0	0	(392,000)
	OP47	Sibling Groups of 4+	(200,000)	0	0	0	(200,000)
	OP48	Review of Non-Staffing Costs across Children's Social Care	(100,000)	0	0	0	(100,000)
	OP49	Efficiencies from the utilisation of existing	(329,373)	0	0	0	(329,373)
	OP50	Development of locality partnership offer in Early Help & restructure of 'change grow live' following contract bought in house (implementation of restructure). Investment 48 proposes that this saving is removed.	0	(888,396)	0	0	(888,396)
	OP51	Foster care placements	(370,000)	(600,000)	(600,000)	(600,000)	(2,170,000)
OP52	Specialist foster carer placements	0	(244,000)	(244,000)	(244,000)	(732,000)	
Total Children and young people grow up in connected communities & feel safe everywhere			(2,286,373)	(1,732,396)	(844,000)	(844,000)	(5,706,769)
Directorate	Ref No	Detail of Operational Proposals by Outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Our communities will be more resilient and supportive of each other							

Economy, Environment & Communities	OP53	Income generation review of fees and charges - increase Arts Centre hire and lettings by 12%; bar commission fees by 15%	(7,463)	0	0	0	(7,463)
	Total Our communities will be more resilient and supportive of each other		(7,463)	0	0	0	(7,463)
The people of Walsall feel safe in a cleaner, greener Borough							
Economy, Environment & Communities	OP54	Charge developers for travel plans (this was approved in 2022/23 budget and deferred for 1 year only)	(30,000)	0	0	0	(30,000)
	OP55	Street lighting energy savings	(728,000)	(263,000)	0	0	(991,000)
	OP56	Increase recycling rates and reduce contamination	(452,523)	0	0	0	(452,523)
	OP57	Additional Trade Waste Income	0	(68,350)	0	0	(68,350)
	OP58	Increase domestic dropped crossing charges by 20%	(4,000)	0	0	0	(4,000)
	OP59	Increase s.38 and s.278 fees	(45,000)	0	0	0	(45,000)
	OP60	Increased bus lane/ bus gate enforcement	(50,000)	0	0	0	(50,000)
	OP61	Trade waste income realignment	(130,200)	0	0	0	(130,200)
	OP62	Waste to recycling review	(300,000)	0	0	0	(300,000)
	OP63	Income generation review of fees and charges - increase grounds maintenance, trees and arboretum rents by 5%; domestic waste and street cleansing by 10%; sale of bins by 22%; vehicle testing by 2.16%; vehicle goods and services by 20%	(55,102)	0	0	0	(55,102)
	OP64	Income generation review of fees and charges - increase traffic management by 10%; street naming and numbering and skip permits by 2%	(8,944)	0	0	0	(8,944)
	OP65	Income generation review of fees and charges - increase regulatory licences and permits by 28%	(5,155)	0	0	0	(5,155)
Total The people of Walsall feel safe in a cleaner, greener Borough		(1,808,924)	(331,350)	0	0	(2,140,274)	
Total Operational Proposals		(15,136,308)	(3,100,838)	(854,000)	(844,000)	(19,935,146)	

	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Total Savings Proposals					
A - Policy Proposals	(1,160,774)	0	0	0	(1,160,774)
B - Operational Proposals	(15,136,308)	(3,100,838)	(854,000)	(844,000)	(19,935,146)
Total Savings Proposals	(16,297,082)	(3,100,838)	(854,000)	(844,000)	(21,095,920)

Savings Proposals Summary by Outcome

Outcome	2023/24	2024/25	2025/26	2026/27	Total
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	£	£	£	£	£
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place	(1,385)	0	0	0	(1,385)
Education, training and skills enable people to contribute to their community and our economy	(811,954)	0	0	0	(811,954)
People can access support in their community to keep safe and well and remain independent at home	(882,587)	0	0	0	(882,587)
People are supported to maintain or improve their health, wellbeing and quality of life	(2,608,760)	(443,053)	(10,000)	0	(3,061,813)
We get things right, first time and make all services accessible and easy to use	(4,566,038)	0	0	0	(4,566,038)
The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring	(2,581,600)	(594,039)	0	0	(3,175,639)
Children and young people grow up in connected communities and feel safe everywhere	(2,286,373)	(1,732,396)	(844,000)	(844,000)	(5,706,769)
Our communities will be more resilient and supportive of each other	(7,463)	0	0	0	(7,463)
The people of Walsall feel safe in a cleaner, greener Borough	(2,550,922)	(331,350)	0	0	(2,882,272)
Total Savings Proposals	(16,297,082)	(3,100,838)	(854,000)	(844,000)	(21,095,920)

Savings Proposals Summary by Directorate

Directorate	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Adult Social Care and Public Health	(2,250,510)	(413,053)	0	0	(2,663,563)
Children's Services and Customer Engagement:					
- Children's Services	(2,682,373)	(1,732,396)	(844,000)	(844,000)	(6,102,769)
- Customer Engagement	(882,587)	0	0	0	(882,587)
Economy, Environment and Communities	(3,430,012)	(361,350)	(10,000)	0	(3,801,362)
Resources and Transformation	(1,684,100)	(594,039)	0	0	(2,278,139)
Central	(5,367,500)	0	0	0	(5,367,500)
Total Savings Proposals	(16,297,082)	(3,100,838)	(854,000)	(844,000)	(21,095,920)

Savings Proposals Summary by Proud Workstream

Workstream	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Third Party Spend	(4,940,525)	(1,520,053)	(844,000)	(844,000)	(8,148,578)
Income Generation	(4,431,202)	(391,350)	(10,000)	0	(4,832,552)
Enabling Support Services	(105,000)	(301,039)	0	0	(406,039)
Customer Access Management	(5,527,355)	(888,396)	0	0	(6,415,751)
Corporate Landlord	(1,293,000)	0	0	0	(1,293,000)
Total Savings Proposals	(16,297,082)	(3,100,838)	(854,000)	(844,000)	(21,095,920)

Appendix 3 – Draft Capital Programme by Outcome 2023/24 to 2026/27 – Council Funded Schemes

A: Rolling Programme Schemes

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
People can access support in their community to keep safe and well and remain independent at home						
Children's, Education & Customer Engagement	Aids and Adaptations / Preventative Adaptations/ Supporting Independence	This project directly supports the council's: 1. Statutory requirement to provide Disabled Facility Grants (DFGs) this includes enabling the council to provide a continuous service rather than as some councils do in terms of stock-piling enquiries till new grant allocations are made to them. 2. Provision of maintenance of lifts and hoists. 3. Minor adaptation works. 4. Domestic electrical safety.	412,000	412,000	412,000	412,000
	Health Through Warmth - Tackling Fuel Poverty	To help provide a safety net for those who cannot access other funding sources and is available as a loan charged on the individuals' property that is repaid upon sale or relevant transfer of their home. For this sum per year, it could offer 28 new boiler systems and 25 boiler repairs. Also helps secure continued investment from external agencies in tackling fuel poverty and excess winter deaths in the borough.	75,000	75,000	75,000	75,000
People are supported to maintain or improve their health, wellbeing and quality of life						
Economy, Environment & Communities	Memorial Safety Management in Cemeteries	The continued inspection and making safe of memorials in Walsall cemeteries and to discharge the council's duty of care within the cemeteries. Increased safety of memorials benefits the residents of Walsall by delivering a safer environment within Walsall cemeteries.	20,000	20,000	20,000	20,000
Council Wide	Funding to support essential works including health and safety, and other projects that cannot be programmed at start of year	1: Asbestos removal - the authority is required by legislation to manage asbestos within its properties and to remove to comply with health & safety legislation. 2: Statutory testing of gas and electrical systems in buildings. 3: Control of Legionella - statutory requirement to test all water systems and undertake upgrades and improvements as required. 4: Fire Risk Assessment - statutory requirement to ensure compliance with health & safety. 5: Demolition of redundant buildings to provide saleable assets and increase market value of sites. 6: General repair & maintenance of buildings, historic buildings, aiding relocations. 7: Self-insured property damage – insurance excess. 8: Risk Management - unforeseeable events.	1,000,000	1,000,000	1,000,000	1,000,000

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
People can access support in their community to keep safe and well and remain independent at home						
Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
The people of Walsall feel safe in a cleaner, greener Borough						
Economy, Environment & Communities	Traffic Signals Infrastructure	The council has a statutory duty to maintain all its traffic signal infrastructure. This programme of planned pedestrian crossing replacements will ensure the safe and efficient movement of pedestrians across the borough (Traffic Management Act 2004). Also supports delivery of the council's carbon reduction targets.	200,000	200,000	200,000	200,000
	Provision of Community Dropped Crossings	These are dropped kerbs at strategic points along footways which permit access for wheelchairs, pushchairs, mobility scooters etc. to cross roads. The investment will allow the council to provide a rolling programme of community crossing points.	20,000	20,000	20,000	20,000
	Promotion of Community Health and Safety	Ongoing funding of road safety schemes, to address local community concerns, which fail to achieve the strategic priorities associated with the Local Transport Plan funding in terms of casualty reduction. In supporting the delivery of these local schemes it is possible to improve local quality of life and safety creating safer communities.	120,000	120,000	120,000	120,000
	Highways Maintenance Programme	As Highway Authority the council has a legal responsibility to maintain the highway network. Failure to do so inevitably leads to a deterioration of our roads, increasing the likelihood of accidents and would ultimately expose the council to increased risk of third party claims.	2,800,000	2,800,000	2,800,000	2,800,000
Total Rolling Programme Schemes			4,647,000	4,647,000	4,647,000	4,647,000

B: Prior Year Approval Schemes

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place						
Economy, Environment & Communities	Enterprise Zones	Required for the Council to cash-flow borrowing costs associated with capital investment into the Enterprise Zone. Financial modelling forecasts that these costs are expected to be recovered from future business rates generated from within the zone, although the Black Country LEP are the decision making body in relation to where business rates within the zone are invested. Therefore, on the basis that the BCLEP approve that costs on Walsall sites can be recovered through the business rates mechanism, then the Council will only be required to cash-flow these costs.	387,213	6,897,852	2,435,472	0
	Future High Streets Fund	To invest in Walsall to deliver a much-needed boost to our high street at this challenging time (External funding announced by MHCLG (now DLUHC – Department for Levelling Up, Housing & Communities) on 26 December 2020.). The additional £4.49m has been added from previously reports for the refurbishment of the Saddlers Centre including the transformation of the public realm area from the centre to the bus station with additional works to the train station concourse. This will be part of the transformative investment in Walsall Town Centre around the rail and bus stations. £4.49m increase - £3.471m in 2024/25, £1.02m in 2025/26.	7,517,372	14,657,776	1,020,000	0
Resources and Transformation	Towns Deal	In 2021/22, Walsall and Bloxwich were successful in being awarded £21.3m from DLUHC for each town. Working with the Town Deal Board and partners, a project confirmation table has been submitted for each project, with an underwriting requirement from the Council of £5.48m as the Council's share of the shortfall compared to the awarded allocation.				
		Walsall Towns Deal - council contribution.	780,520	0	0	0
		Bloxwich Towns Deal - council contribution.	1,650,000	425,000	600,000	0
Education, training and skills enable people to contribute to their community and our economy						
Children's, Education & Custody	School Estate Condition Survey	Ongoing provision to cover school conditions.	250,000	250,000	250,000	250,000

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
	School Temporary Classrooms	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	250,000
People are supported to maintain or improve their health, wellbeing and quality of life						
Economy, Environment & Communities	Children's Play Equipment	Installation of 6 new outdoor gyms and the improvement of 13 main play sites at a total cost of £1.644m to enhance the quality of play and fitness provision for young people and adults. This will be funded from S106 monies (£229k) and £1.07m council funded and seek to find the remaining fund externally. £580k in 2023/24 is the remaining amount out of £1.07m approved as council contribution.	580,000	0	0	0
The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring						
Resources and Transformation	Replacement of 'tablet' technology	A 'tablet replacement rollout' programme is required and it will be phased over 2024/25 and 2025/26. Allocation of £2.25m approved in 2022/23. Further allocation of £2.25m rephased from 2023/24 to 2024/25 & 2025/26	0	1,125,000	1,125,000	0
	Card payments, Digital Website	To ensure the council remains compliant and allows for citizens to pay for services online.	100,000	100,000	0	0
	Telephony - Cloud based system	Transfer all of our incoming phone lines to new technology, potentially replace desk phones with headsets and implement Microsoft telephony.	150,000	0	0	0
	Maintaining a safe and secure environment	Hardware & software upgrades to maintain compliance for current standards e.g. BACS software & open banking compliance.	200,000	0	0	0
The people of Walsall feel safe in a cleaner, greener Borough						
Economy, Environment & Communities	Yorks Bridge (Top Up)	Yorks Bridge is currently the subject of a 7.5 tonne weight limit. Replacement scheme funded using council capital funding and the Department for Transport Maintenance Block.	750,000	0	0	0
	Waste Management Strategy	Strategic acquisition of property to support the future delivery of the council's waste management strategies.	2,069,970	0	0	0
	Capitalisation of wheeled bin stock	Linked to revenue savings option. Wheeled bin stock capitalisation	180,000	180,000	180,000	180,000
Total Prior Year Approval Schemes			14,865,075	23,885,628	5,860,472	680,000

C: Development Investment

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place						
Council Wide	Development investment	Funding for development investment opportunities. This to include additional match funding costs if required to support projects in planning / development, subject to approval of a full business case by Cabinet to access these funds. See Appendix 4 for indicative list of development schemes.	19,707,407	23,895,407	5,664,750	1,371,688
Economy, Environment and Communities	High Streets Fund - further match funding	This project was approved by Cabinet 21 April 2021 - To part match fund external/council funds to invest in Walsall to deliver a much-needed boost to our high street. Originally £3,727,171 in 2024/25 and £1,067,476 in 2025/26. Rephased to 2025/26 and 2026/27. Further £315,353 also rephased from 2022/23	0	0	4,042,524	1,067,476
	Willenhall Masterplan	Willenhall Garden City Phase 1 is part of a housing-led regeneration programme with public sector intervention in land assembly and gap funding required to support private sector delivery of new homes.	6,420,927	0	0	0
People are supported to maintain or improve their health, wellbeing and quality of life						
Economy, Environment and Communities	Active Public Places	To deliver the full project scope of public realm works, canal bridge and basin works (approved by Cabinet)	0	1,000,000	744,000	0
Children and young people grow up in connected communities and feel safe everywhere						
Children's, Education & Customer Engagement	Looked After Children Foster Care refurbishment programme	This funding is provided to enable foster carers and special guardians for children looked after by Walsall to enlarge their homes or in some circumstances, to obtain an alternative larger home.	150,000	150,000	0	0
The people of Walsall feel safe in a cleaner, greener Borough						
Economy, Environment and Communities	Regional Materials Recycling Facility	Contribution towards the scheme approved by Cabinet on 4 September 2019 - Joint Working Arrangement with 5 partner councils in order to facilitate the delivery stage of a local authority owned Materials Recycling Facility. Approved contribution by Cabinet 17 March 2021.	929,054	0	0	0

	HWRC station - Middlemore Lane	This is additional budget required to cover the uncontrollable increased inflationary / construction pressures on the existing project. To provide a new Waste Transfer Station (WTS) and large Household Waste Recycling Centre (HWRC) at Middlemore Lane in Aldridge.	7,599,919	9,775,472	0	0
Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Economy, Environment and Communities	Street Lighting	Approved contribution by Cabinet 16 June 2021 - To deliver a modern, energy efficient street lighting solution that provides the ability to finely control light output whilst significantly reducing energy consumption and contributing to the Council becoming carbon neutral by 2050.	4,280,112	0	0	0
Total Development Investment			39,087,419	34,820,879	10,451,274	2,439,164

D: New Capital Schemes

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place						
Economy, Environment and Communities	Development Team capitalisation of posts	The Development Team structure is currently a Team Leader and 4 officers. Capitalising posts will enable further capacity to be introduced to the team to support delivery of the pipeline.	327,649	327,649	327,649	327,649
Resources and Transformation	Saddlers Project- Car Park/New toilets and other works to support Connected Gateways	Car Park Surfacing works, Electric Vehicle charging, Changing Places and toilets plus further capital works to units during/post connected gateway scheme.	800,000	350,000	150,000	150,000
	Bosty Lane Farm	Remediation works at Bosty Lane Farm to allow disposal.	300,000	0	0	0
Education, training and skills enable people to contribute to their community and our economy						
Children, Education & Customer Engagement	Free School	Funding towards providing a free school in the borough.	1,000,000	0	0	0
The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring						
Resources and Transformation	Proud card payments, digital website etc) Corporate Card Payments Platform	Need additional funding: This project set out to replace the 20+ year old "middleware system (LGOL)" and to provide a corporate payments platform easily accessible to our residents and staff. There has been a reliance on 3rd party specialists throughout this implementation and this will continue until the end of the project with knowledge transfer taking place.	800,000	0	0	0
	Enabling support Services/OneSource System	Completion of Enabling Support Services Portal and integrated data source. Further investment into OneSource to maximise use of the system and integrate further with other council systems.	1,250,000	0	0	0
	Konica multi-functional device re-tender	Konica multi-functional device contract expires 23/24; options to extend the contract. Following the extension a full tender will be required during 2025/26 and devices will need to be replaced	50,000	0	0	50,000

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
		2026/27. A resource will be required to manage the device replacement programme.				
Resources and Transformation	Archiving of Systems moving to Customer Access Management being retired	Provision for archiving either systems or data within systems as and when they are retired where third party solutions are required.	100,000	100,000	100,000	100,000
	Enabling Technology	Further develop to include data changes, contract or agreements and assessment requirements.	25,000	0	0	0
	Capitalisation of Capital Finance Team	Capitalisation of the team to enhance capital monitoring, financing and strengthen programme delivery.	261,000	261,000	261,000	261,000
	Refurbishment Investment in Civic/Council House	Costs to refurbish and re-furniture the Civic/Council House site to deliver the newly agreed floor layouts and improved collaboration and training areas to meet corporate and service needs regarding hybrid working and presence with a purpose to achieve required changes across the site to meet present and future corporate and service needs.	750,000	0	0	0
	Digital and Technology Service (DaTS) Staffing Capitalisation	DaTS will grow the internal team and knowledge to deliver capital projects which will reduce external consultants moving forward.	668,875	654,854	654,854	0
	Replacement of 'tablet' technology	A 'tablet rollout' programme will be completed in 2025/26 enabling agile working and the adoption of Office 365. These will need replacement starting in 2026.	0	0	0	900,000
	Android Replacement programme	These devices will need to be replaced every 2-3 years as the versions of android become unsupported (an android replacement carried out in 2022/23).	0	200,000	0	0
	Data Back-up/Security replacement & Cloud Data back up	The current on-premise tape back-up solution will be end of life in 2024/25 - a replacement solution will be required to ensure that data is secured in line with the council's retention policy and to also ensure that it can be recovered should there be a disaster.	0	0	450,000	0
	WiFi Access Points and Licences	WiFi access points and associated licences have a 4 year lifespan in which they are compliant with PSN standards. In order to retain the council's PSN certification the Access Points and Licences will need to be replaced on a 3-4 yearly basis.	0	0	80,000	0
	Chip & Pin Devices	Chip & Pin Devices and associated licences have a 4 year life span in which they are compliant with PCI standards. In order to retain the council's PCI Compliance, the Chip & Pin Devices and Licences will need to be replaced on a 3-4 yearly basis.	0	0	30,000	0

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Central	Minor capital schemes <£100k	To fund minor capital schemes.	500,000	500,000	500,000	500,000
Our communities will be more resilient and supportive of each other						
Economy, Environment and Communities	Expansion of Park Hall	Resilient Communities capital schemes including potential expansion of new facility at Park Hall CA by creating another linked classroom on site and modular build at Alumwell.	580,000	0	0	0
The people of Walsall feel safe in a cleaner, greener Borough						
Resources and Transformation	Pilot Changing Places/Public Toilets	Bloxwich and Willenhall groundworks at £125k each.	250,000	0	0	0
Economy, Environment and Communities	Regional Materials Recycling Facility	Joint Working Arrangement with 8 partner councils in order to facilitate the delivery stage of a local authority owned Materials Recycling Facility. Approved contribution by Cabinet 17 March 2021.	600,000	0	0	0
Total New Capital Schemes			8,262,524	2,393,503	2,553,503	2,288,649
Total Draft Capital Programme – Council Funded Schemes			66,862,018	65,747,010	23,512,249	10,054,813

Draft Capital Programme by Outcome (Council Funded Schemes)

Outcome	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place	37,891,088	46,553,684	14,240,395	2,916,813	101,601,980
Education, training and skills enable people to contribute to their community and our economy	1,500,000	500,000	500,000	500,000	3,000,000
People can access support in their community to keep safe and well and remain independent at home	487,000	487,000	487,000	487,000	1,948,000
People are supported to maintain or improve their health, wellbeing and quality of life	1,600,000	2,020,000	1,764,000	1,020,000	6,404,000
The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring	4,854,875	2,940,854	3,200,854	1,811,000	12,807,583
Children and young people grow up in connected communities and feel safe everywhere	150,000	150,000	0	0	300,000

Our communities will be more resilient and supportive of each other	580,000	0	0	0	580,000
The people of Walsall feel safe in a cleaner, greener Borough	19,799,055	13,095,472	3,320,000	3,320,000	39,534,527
Total Savings Proposals	66,862,018	65,747,010	23,512,249	10,054,813	166,176,090

Appendix 4 – Development Schemes – subject to business case approval.

Children's, Education & Customer Engagement

- **High Needs Capital Provision SEND (Special Education Needs) Places** - Funding to support the current Special Education Needs within the Borough, where the grant received falls short of the places needed.
- **Temporary Accommodation** - Significant Capital investment into current temporary accommodation blocks or acquisition budget to purchase relevant properties across the borough if available to support a dispersed accommodation strategy and improve outcomes.
- **Redesign of Children's Homes** - Funding for a new residential children's home to be operational by 2025. Business case to be prepared once outcome on external funding is known.

Economy, Environment and Communities

- **Electric Vehicle charging points installation** - Installation of 844 charging points across Walsall's council owned assets to retain and operate to generate future income stream in conjunction with the removal of new petrol and diesel cars being sold by 2030.
- **Moat Street/Villiers Street** - Phase 1 of the Willenhall Framework Plan comprising the delivery of 111 new homes.
- **Willenhall Framework Plan future phases** - identifies three potential further phases where council intervention may be required to support delivery of new housing given ownership and viability issues.
- **Gasholders** - This Council owned site is located in the Black Country Enterprise Zone and forms a key part of Walsall's employment land supply. Work is being undertaken to provide an up to date site appraisal but previous work has indicated a need to fund a viability gap.
- **Anson Road** - The site is owned by Severn Trent and is not a priority for delivery due to viability and delivery issues. Severn Trent have indicated they are willing to consider disposal. The site forms a key part of Walsall's employment land supply and funding would support acquisition and delivery costs.
- **Walsall Gateway** - The sites are in multiple private ownerships and has been identified as an opportunity to bring forward new residential development in a sustainable location. A Strategic Delivery Plan is due to be prepared to inform future stages which are likely to focus on land acquisition, addressing abnormal costs and procuring a developer.
- **Challenge Block** - A new medical centre is currently being delivered on part of the Challenge Block site and work has commenced to identify the most suitable use for the balance. The council has a significant landholding but funding will be required to undertake land assembly to enable a comprehensive approach to future development.
- **Saddlers Quay** - Public sector intervention likely to be required to bring forward the site for development and address the ongoing issues. "Total Homes" to build 222 flats. Council to balance the viability gap.
- **Station Street Town Centre Living** - The site is in multiple private ownerships and has been identified as an opportunity to bring forward new residential development in a sustainable location. Due diligence work has been undertaken and a proposed delivery approach identified focused on land acquisition, addressing abnormal costs and procuring a developer.
- **Additional cameras** - Additional coverage for crime and anti-social behaviour.

- **Development of Oak Park office space** - To create additional functional fitness spaces to expand classes and generate extra income.
- **North Walsall Cemetery-concrete rafts** - Block installation of concrete foundation rafts at North Walsall Cemetery.
- **Pro-active repair and maintenance of roads and pathways at all cemeteries** - The council has an obligation to minimise health and safety risks for all staff and cemetery users. In addition to that, it is legally required to keep the cemeteries in good condition.
- **New Art Gallery** - Refurbishment works including LED (light emitting diode) and audio recording equipment, solar panel installation, digital infrastructure, footfall monitoring, heating and ventilation works, toilet and library refurbishment in support of external funding.
- **Household Waste Recycling Centre (HWRC)** - Fryers Road - to provide a new Waste Transfer Station (WTS) and large Household Waste Recycling Centre at Fryers Road.
- **In house operation of HWRC's** - The operating model for HWRCs is being reviewed in parallel with the construction of the new Middlemore Lane site. There may be revenue savings from bringing this contract in house. The council would need to purchase equipment for the site.
- **York Bridge** - review of scheme being undertaken and potential additional requirements to deliver the scheme.
- **Traffic Signals Infrastructure** - additional funding to replace obsolete traffic signals infrastructure. Existing rolling budget £200k.
- **Highways Maintenance** - additional request on top of rolling budget due to current inflationary pressures and increased labour and material costs-the existing rolling budget is for Highway maintenance as the council has a legal responsibility to maintain the highway network.
- **Creative Industries Enterprise Scheme** - A cultural development funding bid has been submitted to support the additional £3m required and there are other external funding options available but the business case requires approval back to Government prior to any known outcomes and council underwriting, should other external funding not be successful, is required to take this forward.
- **Nottingham Drive Car Park** - Car park improvements on land being purchased by WMBC. Planning permission is in place but construction must commence by January 2023.
- **Brown Jug Compulsory Purchase Order (CPO)** - This is a derelict site, with the potential to CPO to facilitate housing (c up to 10-15 units maximum). There is currently no scheme currently to quantify, hence only the land CPO costs have been included plus legal/tax and contingency.

Resources and Transformation

- **Remediation works at the Gasholders site on Darlaston Road to allow disposal**
- **Continuation of Enabling Technology** - established to provide a core technology platform which would support the council's transformation.
- **Transforming Social Care System** - Adults and Children's use a number of Social Care Systems which are currently hosted in the Council's on-premise data centre. Should the data centre fail, these critical systems will not be accessible.

Appendix 5 – Draft Capital Programme by Outcome 2023/24 to 2026/27 – External Funded Schemes

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Supporting a dynamic, resilient and diverse economy where businesses invest and everyone has the right jobs and the right housing in the right place						
Economy, Environment & Communities	High Streets Fund	To invest in Walsall to deliver a much-needed boost to our high street at this challenging time, as announced by MHCLG (now Department for Levelling Up, Housing & Communities - DLUHC) on 26 December 2020.	4,783,964	0	0	0
	Resources and Transformation	Towns Deal	In 2021/22, Walsall and Bloxwich were successful in being awarded £21.3m from DLUHC for each town. A grant offer has been received, which has been accepted by the signing of a Heads of Terms. Working with the Town Deal Board and Partners, a Project Confirmation Table has been submitted for each project, with an underwriting requirement from the Council of £5.48m as the Council's share of the shortfall compared to the awarded allocation. This is subject to formal completion of a full business case for all of the projects.			
		Walsall Towns Deal - Council contribution.	3,020,316	6,129,952	2,463,731	0
		Bloxwich Towns Deal – Council contribution.	6,356,604	8,662,988	4,929,408	0
	Changing Places Toilets (CPT)	S31 Funding from DLUHC to invest in Council owned or facilities owned by others. CPTs are disabled toilet facilities for those with complex needs including a hoist.	171,650	0	0	0
Education, training and skills enable people to contribute to their community and our economy						
Children's, Education & Customer Engagement	Basic Need	Paid to Local Authorities to support the capital requirement for providing new pupil places by expanding existing maintained schools, free schools or academies & establishing new schools (Department for Education-DfE).	10,748,251	10,748,251	10,748,251	10,748,251
	Devolved Formula Capital	Received by the Local authority 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).	510,228	510,228	510,228	510,228
	Capital Maintenance	Allocated to the Local Authority 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. (Department for Education).	3,888,380	3,888,380	3,888,380	3,888,380

Directorate	Capital Scheme	Detail of Capital investment	2023/24 £	2024/25 £	2025/26 £	2026/27 £
Children's, Education & Customer Engagement	High Needs Provisional Capital allocation	High Needs Provisional Capital Allocation (HNPCA) funding is paid to Local authorities to support the capital requirement for providing new SEND (Special Educational Needs and Disabilities) pupil places by expanding/improving existing maintained schools, free schools or academies. Confirmed Allocation for 2023/24.	4,365,293	4,365,293	4,365,293	4,365,293
People can access support in their community to keep safe and well and remain independent at home						
Children's, Education & Customer Engagement	Disabled Facilities Grant	This project directly supports the council's statutory requirement to provide disabled facility grants (DFGs). The project has a direct positive impact on the number and subsequent varied costs to the council from the increasing level of demand for home adaptations.	3,314,771	3,314,771	3,314,771	3,314,771
	Integrated Community Equipment Store (ICES)	Supplies equipment to people with both a social care and a health need on an assessed needs basis. This is a pooled budget between the CCG and the council, this capital funding will be used to purchase this equipment which will enable people to return home or continue to remain at home. This now forms part of the Better Care Fund (BCF) for which the council is host. (Department of Health).	888,000	888,000	888,000	888,000
The people of Walsall feel safe in a cleaner, greener Borough						
Economy, Environment & Communities	LTP Highway Maintenance Programme	This capital funding, known as the maintenance block, is distributed by the Integrated Transport Authority (ITA). As the Highway Authority we have an extremely high profile duty to maintain our highway network. This money is provided by the Department for Transport via the ITA with the condition that it should be spent on the classified road network. Includes allocation for potholes and bridge strengthening.	3,568,700	3,568,700	3,568,700	3,568,700
	Integrated Transport Block Funding	The Government provides each locality with grant funding to help implement the Local Transport Plan in their area. The grant is used for the implementation of small scale capital schemes; development of major capital schemes and to part fund major schemes implementation costs. The programme is designed to address road safety issues, progress the Council's major scheme aspirations; and resource the required 'local contributions' to approved major schemes. (Department for Transport / West Midlands ITA).	1,563,100	1,563,100	1,563,100	1,563,100
	Walsall Urban Tree Challenge Fund	Working in partnership with Trees for Cities - a joint application was made to the Forestry Commission. The project will plant 360 extra heavy standard trees in wide verges or small open spaces. The grant covers 50% of the cost of tree purchase and 50% of maintenance costs.	46,437	15,734	0	0
Total Draft Externally Funded Capital Programme			43,225,694	43,655,397	36,239,862	28,846,723

