

Special Cabinet – 16 July 2010

Council's response to Emergency Budget 2010/11

Portfolio: Councillor Towe – Finance and Personnel

Service: Finance – council wide

Wards: All

Key decision: Yes

Forward plan: No

1. Summary of report

- 1.1 Following the Government's emergency budget statement, published on 22 June 2010, to reduce public sector spending by £6.2bn in 2010/11, this report summarises the direct impact on Walsall, along with proposals to fund the £6.07m reduction in grants funded by the Department for Communities and Local Government (DCLG). Of this £6.07m, £4.246m has been confirmed, the remaining £1.824m relate to two grants which have been announced as being subject to cuts, but the exact amount has not yet been confirmed. These relate to Performance Reward Grant of £1.8m, (split 50:50 between revenue and capital) and revenue road safety partnership grant, of £24k.
- 1.2 In addition to the above, the Department for Education announced on 5 July 2010 a further £1bn of savings, of which Walsall's share is expected to be £1.692m.
- 1.3 In total, the impact of the emergency budget on Walsall is a reduction in total grant of £7.762m.

2. Recommendations

2.1 Cabinet members are recommended to:-

- Note the reduction in grant income to the council of £7.762m
- Approve the revenue and capital options as outlined in Appendices 1, 2 and 3 which constitute a revision to the council's current revenue and capital budget
- Approve that the balance between the revenue savings proposals and loss of grant of £0.601m is pooled by the creation of a reserve to fund any further reductions in in-year grant and fund any in year pressures as a direct result of the loss of government funding (e.g. redundancy implications)
- Note the current net budget requirement of £245.496m remains unchanged as the grant income reduction has been directly offset by reductions in expenditure and creation of a reserve.

- Subject to Council approving the in-year budget amendments, that Cabinet approves the changes to policies and procedures set out in Appendix 4, and further delegates authority to the relevant executive directors to implement the changes.
- In respect of harnessing technology, for which a final allocation is not yet known, delegate authority to the executive director – children’s services, to implement the reduction once the final allocation is known, in consultation with the portfolio holder.

3. Background information

3.1 The Government announced £6.2bn of savings for 2010/11 on 24 May 2010 to tackle the UK’s record deficit in order to restore confidence in our economy and support the recovery. Of this, it was identified that £1.166bn of savings would fall on local government. In considering grant and funding streams, the Government indicated it has :

- Given priority to protecting the funding for schools and Surestart and 16-19 year olds,
- Not reduced funding in the specific grants and/or funding streams for adult social care, housing benefit administration, main programme funding for Supporting People and for the fire service.
- Left formula grant protected from any reduction

3.2 The distribution and level of grants from 2011/12 onwards will be considered in the autumn Comprehensive Spending Review. This is due for publication on 20th October. At this time it is assumed within the revised medium term financial plan that the grant cuts announced will remain for 2011/12 onwards, except for those which were one off grants, such as performance reward grant.

3.3 The Department of Education further announced on 5 July 2010 that it will be reducing its End Year Flexibility (EYF) requirements by £1bn to address unrealistic inherited spending commitments in 2010/11, which is in line with the Government’s plans to reduce the deficit. The Department at that time also announced that £169.5m savings will be made on specific capital funded projects where commitments are no longer affordable:-

	£m
Co-location projects	24.0
School swimming capital investment	15.0
Eco-towns contribution	2.5
Harnessing technology grant	50.0
Support for LA’s not included in early BSF waves	50.0
Social work IT support	15.0
Youth capital fund reduction by 50%	13.0
TOTAL	169.5

3.4 Further detail on the impact of the above is contained in section 4.

4. Resource and legal considerations

Initial savings announced by the Department for Communities and Local Government

- 4.1 The impact of the grant reductions from the Department for Communities and Local Government in 2010/11 for Walsall is £6.07m: £4.35m revenue and £1.72m capital, summarised in table 1 below. The council has received confirmation of the final grant cut allocations for all of these apart from the performance reward grant (indications were given that authorities would be guaranteed their stage 1 payment only, therefore the council has assumed it will not receive any of the stage 2 payment) and the revenue CENTRO road safety partnership grant.

Table 1: Walsall impact of DCLG announced grant reductions 2010/11		
	Revenue £m	Capital £m
Department for Education – Area Based Grant reduction	2.160	0.000
Supporting People Admin grant – Area Based Grant reduction	0.125	0.000
Working Neighbourhood fund – Area Based Grant reduction	0.656	0.000
Prevent – Area Based Grant reduction	0.075	0.000
Cohesion – Area Based Grant Reduction	0.018	0.000
Home Office – Area Based Grant reduction	0.032	0.000
Integrated Transport Block	0.000	0.770
Reductions formally notified by CLG 10 June 2010	3.066	0.770
Housing & Planning Delivery Grant – abolished in 2010/11	0.050	0.000
Local Area Agreement Reward Grant	0.900	0.900
Local Authority Business Growth Incentives	0.169	0.000
Direct grant reduction impacting on Walsall	4.185	1.670
Other indirect cuts that will impact on Walsall		
Arts Council funding to New Art Gallery	0.005	0.000
Suspension of Free Swimming Grant	0.136	0.000
CENTRO Road Safety Partnership Grant	0.024	0.050
Expected grant reduction - impact on Walsall	4.350	1.720

- 4.2 One off reductions in 2010/11 are highlighted in grey in the above table (£1.725m revenue, £0.950 capital), which means that grant reductions of £3.395m (£2.625m revenue, £0.770m capital) are expected to be ongoing into 2011/12 and beyond.
- 4.3 Revenue savings proposals are shown in **Appendix 1**. These total £4.951m in 2010/11 and £2.94m in 2011/12. These options exceed the level of grant reduction by £0.601m, which is proposed to be pooled, and a reserve created to fund any further grant reductions and the impact of in year budget reductions, including the funding of potential redundancy costs, the impact of which is currently under review.

4.4 Capital savings options are shown in **Appendix 2**. These total £2.417m in 2010/11 which exceeds the level of grant reduction by £0.697m. Again, this is proposed to be pooled to assist in meeting any further grant reductions.

4.5 A number of revenue savings options identified in the appendices require policy decisions for them to be taken – these relate to the following which are supported by addition information in **Appendix 4**:-

- A: Children’s Fund (£50,000)
- B: Positive Activities for Young People / Youth Crime (3 options totalling £177,000)
- C: Music Support service (£22,107)
- D: Cease provision of travel advisers (8,160)
- E: Road safety partnership grant (£24,000)
- F: New Art Gallery closure on Mondays (£17,050)
- G: Safer Stronger Communities (£30,000)
- H: Performance reward grant - Integrated Diversion and Offender Management (£144,000)
- I: Working Neighbourhood Fund (£842,000)

Further savings announced by the Department for Education on 5th July 2010

4.6 From relevant correspondence received, the impact of the grant reductions from the Department for Education (DfE) in 2010/11 for Walsall is a further £1.692m - £0.243m revenue and £1.449m capital, summarised in table 2 below. The following sections and **Appendix 3** highlight how the savings proposal is to be implemented, where this is available.

Table 2: Walsall impact of DfE announced grant reductions 2010/11		
	Revenue £m	Capital £m
Harnessing technology grant	0.000	0.550
Support for LA’s not included in early BSF waves	0.000	0.658
Youth Capital Fund	0.000	0.091
Local Delivery Support Grant	0.070	0.000
Workforce Modernisation funding	0.044	0.000
School support staff training	0.111	0.000
Extended schools capital	0.000	0.150
Total impact on Children’s Services	0.225	1.449
Playbuilder programme	0.018	0.000
Total impact on Neighbourhood Services	0.018	0.000
Expected grant reduction - impact on Walsall	0.243	1.449

4.7 Harnessing technology grant – the value has not yet been confirmed, £550k represents an expected 50% reduction in the grant, which allows schools to reconfigure their broadband and IT infrastructure projects onto a more sustainable funding model. The reduction will result in reduced spending by schools for internet investment. The detail of this is currently being discussed and Cabinet are asked to delegate authority to the executive director – children’s services, in consultation with

the portfolio holder, to implement this cut once the grant reduction has been confirmed.

- 4.8 Support for local authorities not included in early BSF waves – this reduces grant allocations to the 76 local authorities which were not included in early BSF waves, and were allocated £8m each to adapt premises for 14-19 diploma provision – this equates to a pro-rata cut of £657,895 per local authority. £7m was given to Healthtec at Alumwell, and £1m to vocational facilities at Elmwood. The reduction will be managed by robust project management across the Healthtec and Elmwood schemes, value engineering to reduce costs wherever possible and robust challenging of cost across both schemes.
- 4.9 BSF - The six schools in wave 6a have been stopped – namely Alumwell Business & Enterprise College, Frank F Harrison PFI, Joseph Leckie Technology College, Pool Hayes Arts & Community College PFI, Shire Oak Science College, and Streetly Sports College. Walsall was due approx £100m funding for these schools. The two academies (Grace Academy Darlaston and Sheffield Community Academy) and the University Technical College (UTC) are “for discussion”.
- 4.10 Youth Capital Fund – Reducing the available funding from the Youth Capital fund by 50%, will result in a £90.800 cut in Walsall’s allocation This funding is allocated by Walsall Youth for specific youth projects. £45,400 has been spent, the remaining funding has not yet been allocated and therefore will remain unallocated and will be reduced by £90.800 to accommodate the grant reduction.
- 4.11 Local Delivery Support Grant – confirmed reduction of £0.070m. A contract variation will be made to the Serco contract to accommodate this.
- 4.12 Workforce Modernisation funding – confirmed reduction of £0.044m. A contract variation will be made to the Serco contract to accommodate this.
- 4.13 School Support Staff Training - confirmed reduction of £0.111m in allocation. A contract variation will be made to the Serco contract to accommodate this.
- 4.14 Extended Schools Capital - confirmed reduction of £0.150m in allocation. This relates to the Barcroft scheme, and remaining extended schools capital funds will be realigned to ensure the Barcroft scheme project can be delivered.
- 4.15 Playbuilder programme – no allocations had been made or planned, therefore there are no service implications, other than a reduction in budget which can be managed. This is separate to the capital grant allocation.
- 4.16 The announcement by Department for Education on Education grant reductions on 5th July also mentioned Surestart grant. The department intends to manage down the capital expenditure from the Sure Start, Early Years and Childcare Grant (SSEYCG), from underspends in the programme and through finding savings in discussions with local authorities. We await confirmation of any impact of Walsall of reductions in this programme

5. Citizen impact

5.1 Demonstration of financial stability and sound financial management promotes public confidence and credibility.

6. Community safety

6.1 None directly associated with this report.

7. Environmental impact

7.1 None directly associated with this report.

8. Performance and risk management issues

8.1 Risk management is embedded in budget preparation, monitoring and forecasting to enable potential budget variances and risks to be identified early and addressed.

9. Equality implications

9.1 None directly associated with this report.

10. Consultation

10.1 The report is prepared in consultation with executive directors and portfolio holders.


Background papers: Various financial working papers.

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**Rory Borealis – Executive Director
(Resources)**
09 July 2010



**Councillor Chris Towe
Finance & Personnel**
09 July 2010



James Walsh - Chief Finance Officer
09 July 2010

PROPOSED SAVINGS OPTIONS 2010/11+ - REVENUE

SERVICE AREA	SAVING	ANNUAL NET SAVING TO BE OFFERED (EXCL REDUNDANCY COSTS)			IMPACT ON STAFF No's	DETAIL
		2010/11	2011/12	2012/13		
		£	£	£	No.	
CHILDREN'S SERVICES						
Education	Savings from Education	(1,000,000)	(1,800,000)	(1,800,000)	0	These savings are from children's services contracts, most notably within education. Savings in year one include £317k of efficiency savings, a price reduction of £200k, reduction in ABG funded services of £87k and a further £396k of savings that are to come from changes in service. these are being managed by our partner Serco to ensure minimal impact on schools. While these figures have been included in year one, in year two further work needs to take place due to the contractual nature of these services.
Universal Services	Young Carers - 24% of funding	(14,000)	(14,000)	(14,000)	0	Discussions with Walsall Carers who manage the young carers project and related staff have indicated they can accommodate this
Universal Services	Connexions	(15,000)	(15,000)	(15,000)	0	The five year Information Advice and Guidance contract with Prospects began April 2010. Related requirements mitigate against any further related savings within this financial year. The 'IAG contract' integrates the delivery of IAG within the wider IYPSS offer and arrangements delivery for the frontline services providing in the main carers information advice and guidance for young people in education, training and in the labour market.
Universal Services	Children's fund: Appendix 4A	(50,000)	(50,000)	(50,000)	0	20 projects are supported by the Childrens Fund, Some have been protected and other services have been downscaled or delayed in the 1st quarter of the year
Universal Services	Teenage Pregnancy	(65,000)	(65,000)	(65,000)	0	Savings have been identified primarily from locating (and distributing) the related leadership cost within IYPSS. The proposed spend plan has been reviewed to prioritise activity. Teenage conception rates are one of three LSP target indicators with current performance RAG rated as Red.
Universal Services	Positive Activities for Young People: Appendix 4B	(103,000)	(103,000)	(103,000)	0	We will reduce but not end previously committed funding to Walkways and the Vine Trust. The ABG component of the current commissioning (competitive grant process) for Young Peoples Positive Activities will be reduced. We will 'commission' fewer providers and fewer activities designed to reduce ASB. The commissioning process has increased partnership working within the 6 Partnership Areas and will improve Value for Money.
Universal Services	Youth Crime action plan - unspent first quarter of year funding: Appendix 4B	(43,000)	(43,000)	(43,000)	0	Activity suspended for first quarter pending grant confirmation, therefore not allcoated therefore saving can be made
Universal Services	Youth Crime action plan - 24% of remaining funding: Appendix 4B	(31,000)	(31,000)	(31,000)	0	Re-prioritise use of remaining funding with Police and other delivery parties
Education	Music service: Appendix 4C	(22,107)	(44,213)	(44,213)	0	Reduction in music service to schools, this relates to the ABG element. There is a separate Standards Fund grant of approx £850k which is administered separately by Leisure in the Council to run a central music service, so this £44k cut is just 5% of the total to be managed. Alternative funding sources being sought.
Education	Committee Administration	(6,500)	(6,500)	(6,500)	0	Administration efficiency
Total Children's Services		(1,349,607)	(2,171,713)	(2,171,713)	0	
NEIGHBOURHOOD SERVICES						

SERVICE AREA	SAVING	ANNUAL NET SAVING TO BE OFFERED (EXCL REDUNDANCY COSTS)			IMPACT ON STAFF No's	DETAIL
		2010/11	2011/12	2012/13		
Waste	Reduction in waste arisings and Green Star gate fee	(232,500)	0	0	0	Contracts up for renewal and retender this year and further efficiencies for future years will be dependent on new tender but no real risks this year unless waste arisings significantly increase in year
Waste	Management and Administration	(6,422)	(6,422)	(6,422)	0	Efficiencies in administration costs
Fleet / Waste	Vehicle Leasing in Waste	(17,085)	(17,085)	(17,085)	0	Reduction in vehicle leasing requirements for waste service
Engineers	Balance Sheet funding - use of unallocated sign post funding	(2,500)	0	0	0	N/A - unallocated
Engineers	Balance Sheet review of S104 funding - unallocated	(20,636)	0	0	0	N/A - unallocated
Engineers	Balance Sheet funding - Use of contribution for mineshaft investigations	(5,000)	0	0	0	Review of existing budgets will be undertaken to accommodate if this is required in future
Engineers	Cease the provision of travel advisors: Appendix 4D	(8,160)	(8,160)	(8,160)	2	Cease school travel plans; stop delivery of PCT funded project
Engineers	Road Safety Partnership Revenue Grant: Appendix 4E	(24,000)	0	0	2	The grant funds pedestrian training in schools and cycle training which will not take place. This was a 1 year grant only.
Street Pride	One off reduction in grounds maintenance training	(10,000)	0	0	0	Non essential training to be ceased for one year only
Street Pride	One off reduction in purchase of general materials for grounds maintenance	(10,000)	0	0	0	Tighter cost control
Street Pride	One off reduction in use of external private contractors for grounds maintenance	(10,000)	0	0	0	More use of in house team, requiring improved performance / efficiency
Street Pride	Delay recruitment to vacant posts within grounds and limit agency staff	(75,000)	0	0	0	Agency staff appointed for less time in the year - robust monitoring and management will be needed
Sports and Leisure	Reduced costs at Willenhall Leisure Centre	(50,000)	0	0	1	Additional saving identified due to reduced staffing establishment and opening hours up to end August. Full year savings already taken in 2010/11+
Sports and Leisure	Fall out of Free Swimming Grant	(34,000)	(108,000)	(108,000)	0	Subject to decision of Cabinet on 14 July 2010
Catering	Reduction in training	(10,000)	0	0	0	Non essential training to cease for one year only. Health and safety training will remain a priority
Catering	Removal of vacant post within offices	(15,000)	(15,000)	(15,000)	0	Post is vacant and so has no effect
General	Balance Sheet funding - review of balance sheet codes	(14,799)	0	0	0	N/A - unallocated
Libraries	Reduce the Media Purchase Fund	(50,000)	0	0	0	This money is used to purchase all library stock including books, DVD's and other materials (annual budget is £664K). The reduction may impact on the ability of the service to purchase new items for loan, renew subscriptions for serials and licences for electronic information. However a review of how we manage our book stock is to be undertaken, therefore this can be accommodated for one year.
Libraries	Freeze on recruitment - Libraries	(10,000)	0	0	0	Non essential freeze for one year only. There are currently 6 Saturday Assistants' posts in the recruitment process.
New Art Gallery	Closure on Mondays : Appendix 4F	(17,050)	(32,050)	(32,050)	0	Reinstatement of Monday closures (6 months in 2010/11).
Museums	Freeze on recruitment of Education Officer at Walsall Museum	(10,000)	0	0	0	Post of Education Officer at Walsall Museum is vacant. The role is a requirement of accreditation from the Museum, Libraries and Archives Council but officers are exploring the scope for joining up similar roles in other council facilities.
Museums	Additional staff savings at Museum	(8,000)	(8,000)	(8,000)	0	Savings from voluntary reduced time posts
Safer Walsall	Safer Stronger Communities Fund Revenue Allocation : Appendix 4G	(30,000)	0	0	0	See Appendix 4g for detail
Walsall Partnership	PRG Revenue - Effective Integrated Diversion and Offender Management (IDOM) Co-ordinator across the borough: Appendix 4H	(144,000)	0	0	0	See Appendix 4h for detail

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		2010/11	2011/12	2012/13		
Walsall Partnership	PRG Revenue - Local Neighbourhood Partnership staffing	(153,563)	0	0	0	Additional provision was made to cover costs of LNP staffing but the carry forward of this into 2010/11 is no longer required.
Walsall Partnership	PRG Revenue - referral hub	(30,000)	0	0	0	Project is underway - only require £8k in total so balance offered as savings. Supports one off activity.
Walsall Partnership	PVE - reduction in events	(75,000)	0	0	0	Budget for current year not fully committed enabling this saving to be made.
Total Neighbourhood Services		(1,072,715)	(194,717)	(194,717)	5	
REGENERATION						
For All WNF below, refer to Appendix 41						
Regeneration	WNF Potential savings - business crime support pilot	(96,000)	0	0	0	Finish pilot early and remove from WP website. Take up was limited.
Regeneration	WNF Potential savings VAT registration reduced programme (Assists businesses to register for VAT)	(50,000)	0	0	0	Reduce events and corresponding outcomes and outputs
Regeneration	WNF Potential savings - Walsall.com	(30,000)	0	0	0	Reduce updates and consider alternative approaches
Regeneration	WNF Potential savings Schools Enterprise Commission	(25,000)	0	0	0	Reduce service and corresponding outcomes and outputs
Regeneration	WNF Potential savings Social Enterprise Programme	(77,000)	0	0	0	Reduce service and corresponding outcomes and outputs
Regeneration	WNF Potential savings Support for small business (unallocated project funding)	(100,000)	0	0	0	Project not commenced so no impact
Regeneration	WNF Potential savings Pilot benefit advice	(35,000)	0	0	0	Budget not allocated so no impact
Regeneration	WNF Potential savings Employment practices in the public sector	(60,000)	0	0	0	Project under spent and thus no impact
Regeneration	WNF Potential savings Redundancy Support	(6,000)	0	0	0	Budget not allocated so no impact
Regeneration	WNF Potential savings Graduate and professional Workers	(50,000)	0	0	0	Project now ended so not required
Regeneration	WNF Potential savings Mental Health ILM	(30,000)	0	0	0	Project under spent and thus no impact
Regeneration	WNF Potential savings NVQ level 3 & 4 Retail	(150,000)	0	0	0	Project Reduced in size from £250k - will have minor impact on training and development but retains a meaningful programme of activity.
Regeneration	WNF Potential savings NVQ Accreditation Project	(65,000)	0	0	0	Project not commenced so no impact
Regeneration	WNF Potential savings NVQ Accreditation Project (2)	(18,000)	0	0	0	Project will now end
Regeneration	WNF Potential savings Community Experts - Skills Focus part B	(30,000)	0	0	0	Project slippage taken due to late start, reducing spend profile
Regeneration	WNF Potential savings IAG Network	(20,000)	0	0	0	Reduced scope and scale of programme
Property Services	Option 1 - Reduction in planned and reactive maintenance	(25,000)	0	0	0	Responses will be more reactive
Property Services	Option 2 - Reduction in planned and reactive maintenance	(50,000)	0	0	0	Reduced level of maintenance - the risks will increase in the occurrence of severe weather conditions and will need close management
Housing Standards & Improvements	External Training	(7,000)	(7,000)	(7,000)	0	Non essential training to cease, alternative ways of addressing training needs
Housing Standards & Improvements	Recruitment Expenses	(2,673)	(2,673)	(2,673)	0	Recruitment costs will be met from within existing budgets
Housing Standards & Improvements	Furniture & Equipment	(2,000)	(2,000)	(2,000)	0	No impact
Housing Standards & Improvements	Payment to contractor external work	(4,240)	(4,240)	(4,240)	0	May be required for urgent work which may require some re-prioritisation of activity
Housing Standards & Improvements	Course Conferences Expenses	(2,662)	(2,662)	(2,662)	0	Alternative learning approaches to be pursued

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		2010/11	2011/12	2012/13		
Housing Directorate	Furniture & Equipment	(2,809)	(3,109)	(3,109)	0	Not committed.
Total Regeneration		(938,384)	(21,684)	(21,684)	0	
RESOURCES						
Business Change						
Human Resources & Development	Deletion of one post in payroll & pension team from 1 July 2010	(18,000)	(56,000)	(56,000)	1	Already planned for
Human Resources & Development	Temporary reduction in hours by staff in the development team	(23,000)	0	0	0	Reduction in hours of existing 2 part time posts
Human Resources & Development	Saving from maternity leave extension not being backfilled in strategic recruitment team	(17,341)	0	0	0	Post holder due back 19.12.10
Business Solutions	Reconfiguration of funding model for customer service improvements provided that £500K allocation from performance reward grant is retained	(145,000)	0	0		No impact
Performance Management	Salary saving arising from post being vacant until August 2010	(9,000)	0	0	1	Resource continues to be stretched resulting in increased levels of pressure on other team members and preventing progress of some development work with social care & inclusion
Finance						
Benefits	Reduce budget for bad debt provision (£179K is annual budget)	(50,000)	(25,000)	(25,000)	0	£50k in 2010/11 £25k ongoing because more write offs will be processed
Benefits	Subsidy maximisation through more efficient claiming of income.	(100,000)	(100,000)	(100,000)	0	This assumes that the housing benefits subsidy structure remains the same
Benefits	Increase in overpayment recovery income as a result of improved processes	(25,000)	(25,000)	(25,000)	0	N/A
Benefits	Removal of growth item for reduction in admin grant. Grant confirmed now and there is no reduction	(180,000)	0	0	0	Reduction in admin grant delayed by one year. 5% reduction year on year expected but DWP confirmed that grant will not be affected this year.
Benefits	Claiming additional incentive grant for keeping local authority errors below the required threshold	(50,000)	0	0	0	This is a one-off grant that was introduced three years ago but is not likely to be available from next year.
Benefits	Implementation of benefits restructure from 1 July 2010 (rather than assumed 1 April 2010)	(10,000)	0	0	0	£40k reserve is available this year for implementation of restructure. This will be delayed for a few months so only £30k is required.
Revenues	Amount of charitable relief expected to be given projected to reduce as a result of impact of the revaluation of business rates	(10,000)	(10,000)	(10,000)	0	N/A
Revenues	Reduced projected costs of potential integration for debt recovery work within other teams	(5,000)	0	0	0	One-off saving can be made by delaying the restructure of the enforcement team within the revenues service as discussions are yet to be held with other teams responsible for recovery of debt. A carry forward of £40k is available for this but £5k can be achieved as the rest is earmarked for relocation costs.
Revenues	Additional income for welfare rights team from Beechdale Housing Association	(17,000)	0	0	0	The team can deliver external income from Beechdale Housing Association to carry out a survey on social inclusion and welfare benefits advice
Total Resources		(659,341)	(216,000)	(216,000)	2	
SOCIAL CARE & INCLUSION						
Consultancy costs	Small budget of £111k to fund specialist consultancy for SC&I transformation projects. Included in SC&I 2010/11 Action Plan. Could be offered up as saving in future years.	0	(111,000)	(111,000)	0	Management reconfiguration means that the directorate can dispense of expensive external consultancy.
Aids/HIV balance sheet balance	Balance sheet funding - £102k currently on the balance sheet from underspend in previous years - planned to be spent in 2010/11. £100k could be offered as a saving, if project delayed/reduced/abandoned.	(100,000)	0	0	0	Revised demand management forecasts for the service enable this saving to be released.
Housing 21	Balance Sheet funding - Number of risks built in to the Hsg21 Affordability Model which this balance sheet item is funding. However overall level of risks can be managed through revising the risk management action plan, and effective risk management. Potential to hand back £200k.	(200,000)	0	0	0	As these monies are kept on the balance sheet for risk based events within the project, there would be no immediate impact on service in 2010/11, however review of the risk management action plan and revised actions would be required.

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		2010/11	2011/12	2012/13		
Supporting People	Balance Sheet funding - Carry forward of underspend on 2009/10 grant to offset pressures in future years. Full amount not required in 2010/11, but needed in 2011/12.	(67,000)	0	0	0	Possibility to hand back £270k in 2010/11, however this funding is required in 2011/12 to balance the overall programme, otherwise alternative savings / reduction in preventative services will have to be identified, which could result in increased costs for statutory services.
LD Campus Closures grant	Diversion of unringfenced grant. Potential to hand back £200k of the unringfenced grant - reduction in overall level of funding required now that former NHS Campus residents have been moved to community care placements.	(200,000)	0	0	0	Joint Commissioning Unit procurement plan incorporates needs of Learning Disability clients enabling placements to be commissioned more efficiently, therefore full budget not required.
Total Social Care & Inclusion		(567,000)	(111,000)	(111,000)	0	
CENTRAL ITEMS						
Central	LABGI	(169,000)	0	0		Supports one off activity
Central	Corporate Feasibility pot	(195,000)	(225,000)	(225,000)	0	Proposal to delete central budget earmarked for feasibility works, and create a reserve in year from any windfalls for CMT to approve the use of.
Total Central Items		(364,000)	(225,000)	(225,000)	0	
TOTAL REVENUE		(4,951,047)	(2,940,114)	(2,940,114)	7	

PROPOSED SAVINGS OPTIONS 2010/11+ - CAPITAL

01+000APPENDIX 2

SERVICE AREA	SAVING	ANNUAL NET SAVING TO BE OFFERED (EXCL REDUNDANCY COSTS)			IMPACT ON STAFF No's	DETAIL
		2010/11	2011/12	2012/13	No.	
		£	£	£	No.	
NEIGHBOURHOOD SERVICES						
Green spaces	DDA Greenspaces	(8,948)	0	0	0	Reserved for spend on palfrey park
Engineering & Transportation	CENTRO Road Safety Partnership Grant	(50,000)	0	0	0	Grant withdrawn from CENTRO so work will be delayed / stopped
Walsall Partnership	Redhouse Community Centre	(300,000)	0	0	0	Potential saving from not proceeding with this scheme
Walsall Partnership	PRG Capital - referral hub	(42,000)	0	0	0	Project is underway - only require £8k in total so balance offered as savings
Walsall Partnership	PRG Capital - Iris White Centre	(350,000)	0	0	0	This project is for the refurbishment of a WM fire service unit in Bloxwich to be used as an initial response/first stop shop service for residents suffering domestic violence. Discussions between the applicant and WMFS are continuing over long term maintenance responsibilities. There is no contractual commitment and the applicant organisation is aware that the project is dependent on PRG grant being available - which is now no longer the case.
Total Neighbourhood Services		(750,948)	0	0	0	
REGENERATION						
Development & Delivery	Darlaston Framework Implementation	(31,000)	0	0	0	Initial investment to deliver priority investment identified in the Darlaston SRF initiative
Development & Delivery	Darlaston Framework Implementation	(30,000)	0	0	0	Further cuts to initial investment to deliver priority investment identified in the Darlaston SRF initiative
Development & Delivery	Birchills Canalside Communities (Planning)	(80,000)	0	0	0	Delivery of outline planning consent for former Reedswood Golf Course and Birch Street site in order to maximise capital receipt, considering RHP options
Development & Delivery	Support to AM2010	(30,000)	0	0	0	Technical, feasibility and professional fees utilised to support the disposal of council owned sites as part of AM2010
Development & Delivery	Willenhall Townscape Heritage Initiative	(75,000)	0	0	0	The THI is a five year programme attracting £1.450m of external grant which will be put at risk.
Regeneration	Integrated Transport Block (LTP) - 25% reduction of allocated grant	(770,000)	0	0	4	Suspending some or all work to following schemes: Bradford Place, A461 Walsall Wood Lorry Park and Shire Oak Junction, A34 Bloxwich High St Toilets and Public Realm, A454 Wolverhampton Rd pedestrian crossing, A4148 scaled down, Powered 2 wheeler programme, Willenhall sports college, Community Area Partnerships, Clayhanger Cycle Link, Support for Workbase Travel Plans, Cannock Rd - Locklow Rd Safety Scheme, Reduction in facilities for the disabled programmes. These reductions will reduce the number of staff required and it must be noted that potential redundancy impact which cannot be funded by capital. Impact on staff shown as 4, but could be up to 6.
Total Regeneration		(1,016,000)	0	0	4	
SOCIAL CARE & INCLUSION						
Hollybank and Goscote Refurbishment	Reduction in £900k originally intended for refurbishment of Hollybank and Goscote.	(200,000)	0	0	0	Incorporating improved specialist LD services at Fallings Heath would facilitate the return of Out Of Borough placements to Walsall.
Total Social Care & Inclusion		(200,000)	0	0	0	
CENTRAL ITEMS						
Central	Strategic Acquisitions	(450,000)	0	0	0	
Total Central Items		(450,000)	0	0	0	
TOTAL CAPITAL		(2,416,948)	0	0	4	

Appendix 3

Walsall impact of DfE announced grant reductions 2010/11				
	Revenue £m	Capital £m	Confirmed Yes/No	Saving Proposal for Cabinet / Council Approval
Harnessing technology grant	0.000	0.550	No	Reduced spending by schools for internet investment, exact details not yet confirmed, request for approval to delegate detail of implementation to Executive Director, Children's Services and Portfolio Holder
Support for LA's not included in early BSF waves	0.000	0.658	Yes	Reduce budget: the reduction will be managed by robust project management across the Healthtec and Elmwood schemes, value engineering to reduce costs wherever possible and robust challenging of cost across both schemes.
Youth Capital Fund	0.000	0.091	Yes	Reduce Budget available for allocation – this can be managed as the full allocation had not been made.
Local Delivery Support Grant	0.070	0.000	Yes	Serco contract variation
Workforce Modernisation funding	0.044	0.000	Yes	Serco contract variation
School support staff training	0.111	0.000	Yes	Serco contract variation
Extended schools capital	0.000	0.150	Yes	Realignment of existing budgets to accommodate reduction
Total impact on Children's	0.225	1.449		
Playbuilder programme	0.018	0.000	Yes	Reduce Budget available for allocation – this can be managed as the allocation had not been made.
Total impact on Neighbourhood	0.018	0.000		
Expected grant reduction - impact on Walsall	0.243	1.449		

Saving : Children's Fund

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£50,000	£50,000	£50,000	£0

1. Description of the Savings Proposal

- 1.1 Children's fund supports 20 voluntary, council, Children Area Partnerships and NHS Walsall projects covering a wide range of services, while some have been protected (eg; Domestic Violence reduction service) a number have had their grant reduced by 24% this year. In some cases the service has not yet commenced so the only impact is a short delay. In other cases alternative funding is being secured and in others services will need to be downscaled. The average grant reduction is £3,000 per project this year. All projects were aware that their grants would cease on 31st March 2011. The table below shows the projects which account for this £50k reduction, other projects funded by the Children's Fund, which is not ring-fenced, have also had some funding reductions and this has been accounted for elsewhere to assist with pressures faced by Walsall Children's Services.

Project	Provider	Descriptor	Budget reduction 10-11	Impact
External Fundraiser	Walsall Voluntary Action	Postholder located in WVA resigned	£31,000.00	Alternative funding is being identified
Active Travel to School Project	NHS Walsall	Work with primary schools in deprived areas to promote walking and cycling as modes of travel to and from school	£3,600.00	The project has been contacted and they have confirmed they will continue with some scaling back
Fun for Life	Sports and Leisure Development, Walsall Council	A treatment programme for overweight children through weight management clinics and sports activities	£4,800.00	The project has been contacted and they have confirmed they will continue with some scaling back
Improve percentage of 7 years olds achieving L2+ at KS1 writing	Pelsall Village School (Children Area Partnership project)	Improving writing and literacy at KS1 in a cluster of 6 primary schools through storytelling	£2,294.40	The project has been contacted and they have confirmed they will continue with some scaling back
Stepping Stones drop in support group for victims of DV	Walsall Domestic Violence Forum (Children Area Partnership project)	Weekly drop in group for women experiencing domestic abuse	£1,200.00	The project has been contacted and they have confirmed they will continue with some scaling back

Drugs awareness raising	Blue Coat Chuckery CAP / Chuckery Primary School Extended Services (Children Area Partnership project)	Raise awareness of drug use for children aged 7-10 years and their parents through interactive 1 day programmes, after school events and peer trainers	£3,297.60	The project has been contacted and they have confirmed they will continue with some scaling back
Aldridge passport	Aldridge School: A Science College (Children Area Partnership project)	Programme of activities to raise aspirations of students aged 12-19 in key areas of income deprivation	£1,363.20	The project has been contacted and they have confirmed they will continue with some scaling back
Me, my future, my job	Leighswood School (Children Area Partnership project)	Programme of careers education guidance and employability skills for pupils in year 6	£1,200.00	The project has been contacted and they have confirmed they will continue with some scaling back
Health & Wellbeing project	Pool Hayes Community Association (Children Area Partnership project)	2 week project in July to deliver health and wellbeing advice, information and activities for children, young people and families	£1,152.00	The project has been contacted and they have confirmed they will continue with some scaling back

Total £49,907.2
0

2. **Implications Associated With Savings Proposal**

2.1 **Customers**

There will be a reduction in some service to some users; the impact varies across projects and most have indicated that the variation will have marginal consequences.

2.2 **Employees**

No impact notified for council staff.

2.3 **Partners**

Partners will have to manage a downscaling of activity; this will vary from project to project – from reducing staffing hours to reducing scope of the service.

2.4 **Corporate Plan/Priorities**

Support children and young people will be reduced but only at an overall marginal level.

2.5 **Other Council Services**

Main impact is on reduction funding for the External Fundraiser who was working to support schools in bids for funds. Alternative funding for this post is being sought.

3. **Associated Risks**

3.1 None identified

4. **Consultation**

4.1 Projects were contacted to discuss impact of grant reduction

5. **Legal Implication**

5.1 None

6. **Equal Opportunities and Environmental Implications**

6.1 None

7. **Equality Impact Assessment**

7.1 Services are varied and address the needs of diverse communities; the downscaling is not specific to any particular community

Saving: Positive Activities for Young People (PAYP) and Youth Crime Action Plan (YCAP)

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£177,000	£177,000	£177,000	£0

1. Description of the Savings Proposal

- 1.1 The proposal is to reduce the spend from the Positive Activities for Young People (PAYP) element of the Area Based Grant by £103k and from the Youth Crime Action Plan (YCAP) grant by £43k and £31k.

Project	Provider	Descriptor	Budget reduction 10-11	Impact
Counselling Support for Young People	The Walkways	Provides counselling to people and a range of 1-2-1 support	£12,500.00	Walkways have been informed of the proposed reduction in counselling and 1-2-1 support
Counselling Support for Young People	The Vine Trust	Provides counselling to people and a range of 1-2-1 support	£7,500.00	The Vine Trust have been informed of the proposed reduction in counselling and 1-2-1 support
Positive Activities for Young People (PAYP)	A range of providers will deliver contracts until the end September 2010 as previously agreed	The current competitive grant giving process will award new contracts to successful bidders from 1st October 2010. The process began in January 2010 and will fund providers to deliver activities for young people that support reduction in ASB and crime.	£83,000.00	The competitive grant giving process has continued with a reduction of £83,000 available to contract positive activities for young people
Operation Stay Safe, Reparation, Triage and Custody, Street Based teams and Cyber bus, after school patrols	Youth Crime Action Plan, Integrated Young peoples support services, police, fire service.	The YCAP is designed to tackle youth crime using three complimentary strategies. Prevention, non negotiable support, tough enforcement	£74,000.00	Cyber Bus, Reparation Work and Triage and Custody activity is continuing

Total

£177,000.00

2. **Implications Associated With Savings Proposal**

2.1 **Customers**

Expected reduction in services for some young people engaged in anti-social behaviour or at risk of crime and some young people wanting to access counselling services and one to one support from across Walsall.

2.2 **Employees**

There are no direct employment implications for existing employees.

2.3 **Partners**

2.3. A direct impact on funding previously allocated to Walkways, The Vine Trust and the Police and a reduction on the monies available to the range of bidders within the Young Peoples Positive Activities competitive grant giving process.

2.4 **Corporate Plan/Priorities**

Actions and priorities in corporate and Children and Young People's Plan will still be addressed.

2.5 **Other Council Services**

There are no direct implications for any other council services.

3. **Associated Risks**

3.1 Any budget reduction will limit the opportunity to engage partner agencies in the development of service provision.

4. **Consultation**

4.1 There is on-going consultation with partner agencies on Integrated Young Peoples Support Services (IYPSS) delivery and priorities.

5. **Legal Implication**

5.1 There are no legal implications.

6. **Equal Opportunities and Environmental Implications**

6.1 The need to reflect the needs of Children and Young People from all communities remains a service priority and will not be affected by any budget reduction. There are no environmental implications.

7. **Equality Impact Assessment**

7.1 A formal EIA has not been undertaken however the need to reflect the needs of CYP from all communities remains a service priority and will not be affected by any budget reduction.

Saving : Music Support Service

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£22,107	£44,213	£44,213	£0

1. Description of the Savings Proposal

- 1.1 Walsall Council supply the music support service to schools. The bulk of this is financed through a Standards Fund grant which in 2010/11 is valued at c£848,000. Previously Walsall council has provided additional funding of c£40k per year to enhance the service. This funding is now being reduced by 50% in 2010/11 and totally in 2011/12. To achieve this saving the service can either be reduced, schools can be charged for utilising the service or schools may wish to contribute from retained Dedicated Schools Grant.

2. Implications Associated With Savings Proposal**2.1 Customers**

Implications for customers are either a potential increase in charge or a potential reduction in service.

2.2 Employees

Potential impact on staff in 2011/12 if alternate funding cannot be found.

2.3 Partners

None.

2.4 Corporate Plan/Priorities

None.

2.5 Other Council Services

None.

3. Associated Risks

- 3.1 Risk of reduced service if alternate funding cannot be found.

4. Consultation

- 4.1 None.

5. Legal Implication

- 5.1 None.

6. **Equal Opportunities and Environmental Implications**

6.1 None.

7. **Equality Impact Assessment**

7.1 None.

Saving : Cease provision of Travel Advisers

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£8,160	£8,160	£8,160	£8,600

1. Description of the Savings Proposal

- 1.1 Due to reduction in grant income, this affects the service provision for supporting and reviewing School Travel Plans (STP) and support in delivery of PCT projects related to health for children e.g. A Stars. National Indicator NI198 relates to the mode of travel to school.

There will be a reduction in our capacity to carry out and review school travel plans and revise and promote these. Priority will be given to matters relating to statutory planning requirements.

2. Implications Associated With Savings Proposal**2.6 Customers**

Support to 13 schools signed up to the A Stars will be significantly reduced. This is delivered via collaborative working and there are no contract arrangements.

2.7 Employees

Two employees are currently employed in this activity.

2.8 Partners

There is some potential impact on partnership working with PCT and Children's Trust.

2.9 Corporate Plan/Priorities

Potentially reduced ability to meet Safe and Healthy priority.

2.10 Other Council Services

Reduction in support to Walsall Children's Services – Serco.

3. Associated Risks

- 3.1 Management of relationship with PCT in relation to other funding sources.

4. Consultation

- 4.1 Notification to affected staff, children's services and Serco.

5. **Legal Implication**

- 5.1 Statutory requirement to write and review Sustainable Mode of travel to School Strategy – Education Act 2006. There is a requirement to review annually and this can be complied with but there is need to manage this with Serco.

6. **Equal Opportunities and Environmental Implications**

- 6.1 Impact on achieving target to reduce congestion because 20% of all traffic is school related.

7. **Equality Impact Assessment**

- 7.1 The impact will be on schools signed up to A stars across the Borough.

Saving : Road Safety Partnership Grant

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£24,000	£0	£0	£26,000

1. Description of the Savings Proposal

- 1.1 Due to DfT reduction of grant and lack of clarity concerning future funding, this may lead to a reduction in ability to deliver Road Safety Education Service predominantly serving schools.

2. Implications Associated With Savings Proposal**2.1 Customers**

Loss of pedestrian training programme for educational establishments. Cycling and general education in road safety aspects delivered at a reduced and prioritised level.

2.2 Employees

Two employees within this service.

2.3 Partners

Road Safety Forum – Schools, Education, Youth Support Trust, Fire Service, Police, PCT, College.

2.4 Corporate Plan/Priorities

Potential reduced ability to meet Health, Safe and Well Being priority.

2.5 Other Council Services

Reduction in support to Walsall Children's Services - Serco

3. Associated Risks

- 3.1 Any change in child road accident casualty figures may be attributed to reduced road safety programmes.

4. Consultation

- 4.1 Advised staff. DfT/ Regional fully aware.

5. Legal Implication

- 5.1 Statutory duty to gather road accident data, and implement road safety programme. Service will be delivered at reduced level, so no significant legal impact.

6. **Equal Opportunities and Environmental Implications**

6.1 Detrimental impact on vulnerable sectors.

7. **Equality Impact Assessment**

7.1 DfT reports identify that the majority of child accidents occur in high deprivation areas – reference to Google and report by Council Road Safety Team.

Saving : Closure of New Art Gallery on Mondays

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£17,050	£32,050	£32,050	£0

1. Description of the Savings Proposal

- 1.1 To reintroduce Monday closing at the New Art Gallery, Walsall. (The New Art Gallery began opening on Monday in September 2008 to match the hours offered by Costa Coffee and attract additional visitors).

2. Implications Associated With Savings Proposal**2.1 Customers**

The New Art Gallery will be closed to the public on Monday and offer no access to its collections on that day. Indications are that attendance figures may drop by approx. 20,000 and this may be reflected in a reduction of shop and retail income.

2.2 Employees

Staff will require 3 months notice for this change in their working patterns. Weekend casual staff will lose hours, but this will not pose any contractual problems as they are paid for the hours they work.

2.3 Partners

No impact.

2.4 Corporate Plan/Priorities

No impact.

2.5 Other Council Services

No direct impact.

3. Associated Risks

- 3.1 None.

4. Consultation

- 4.1 Consultation will begin as soon as Cabinet agree to this proposal. Staff will be given 90 days notice of the change

5. Legal Implication

- 5.1 None. There is no agreement with Costa on the opening hours of the New Art Gallery.

6. **Equal Opportunities and Environmental Implications**

6.1 There are no direct equal opportunities or environmental implications.

7. **Equality Impact Assessment**

7.1 This is a minor revision to the structure and no EqIA has been completed.

Saving : Safer Stronger Communities Fund Revenue Allocation

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£30,000	£0	£0	£0

1. Description of the Savings Proposal

1.1 The Safer Stronger Communities Fund Revenue Allocation of £297,000 delivered through the Area Based Grant has been targeted across a range of crime and disorder projects, following a target action planning process.

1.2 The Safer Walsall Board has approved the allocation of the following expenditure:

- o Crime and Disorder Analyst £33,500
- o Walsall Domestic Violence Forum £90,000
- o Walsall Alcohol Arrest Referral Scheme £60,000
- o Be Safe £50,000
- o Drug and Alcohol Action Team (DAAT) Partnership Fund £50,000

leaving a sum of £13,611 un–allocated as a contingency to tackle matters arising during the year.

1.3 It is proposed to meet the required saving of £30,000 by offering the un-allocated funds of £13,611, and by deducting the balance of £16,369 from the sum allocated to Be-Safe. In discussion with partners it is proposed to make up the shortfall in Be-Safe funding by top slicing the £220,000 BCU allocation of funding made by the police for partnership working through the Borough Tasking Group. This will enable continuation of Be – Safe at the expense of cutting back on some of the other projects to be funded through the Borough Tasking Group which are currently under consideration.

2. Implications Associated With Savings Proposal**2.1 Customers**

There will be no direct implications for customers.

2.2 Employees

There are no staffing implications.

2.3 Partners

There is an impact on partner agencies and this has been discussed at the previous Safer Walsall Board meeting, when the above proposal was mooted. Accordingly partners are aware of the potential impact of the shortfall in funding and that a decision on the final allocation is subject to considerations by the council's Cabinet and subsequently full Council.

2.4 **Corporate Plan/Priorities**

The potential impact of the funding shortfall on crime and disorder priorities has been minimised through the savings measures proposed.

2.5 **Other Council Services**

There is no direct impact on other council services,

3. **Associated Risks**

3.1 The savings proposal minimises the risks in not delivering the crime and disorder agenda and meeting local targets. It does not require review of existing commissioning arrangements.

4. **Consultation**

4.1 Partners have been consulted on the potential impact of the funding shortfall and the savings proposals outlined.

5. **Legal Implication**

5.1 There are no direct legal implications arising from this saving proposal.

6. **Equal Opportunities and Environmental Implications**

6.1 There are no direct equal opportunities or environmental implications.

7. **Equality Impact Assessment**

7.1 There are no direct equality issues arising from the savings proposals.

Saving : PRG Revenue Effective Integrated Diversion and Offender Management (IDOM) Co-ordinator across the Borough

Estimate Net Saving in £'000			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£144,000	£0	£0	£0

1. Description of the Savings Proposal

- 1.1 Following the re-submission of an earlier application, a proposal was approved by the Walsall Partnership Board on 12 April 2010 to use the Performance Rewards Grant (Revenue) to appoint a post of Coordinator and Administrative Assistant through a two year secondment, reporting to the Offender Manager Inspector and based at Walsall Police Station Green Lane for the two year period. This was intended to involve the multi agency supervision of Prolific Priority Offenders, High Crime Cause Users, Deter Young Offenders and the Local Diversionary Management cohort and act as a direct link with the Offender Management Unit, Neighbourhood Policing Teams, Probation, Prisons, NHS, Integrated Young People's Support Services and other partners.
- 1.2 The two posts were duly advertised and partnership interviews were held on 21 June 2010 to select the secondees for each post. The saving proposal is not to proceed with these appointments and cease this project.

2. Implications Associated With Savings Proposal

2.1 Customers

This project was intended to introduce early intervention measures around offender management and there may be an indirect impact on customers if the project does not continue.

2.2 Employees

A partnership recruitment process has been undertaken to second employees from partner organisations into the Police service and conditional offers have been made to the IDOM Coordinator and Administrative Assistant pending funding approval. Both candidates are aware that the recruitment exercise was carried out against an uncertain financial background with unknown spending pressures to be met, and that confirmation of the secondment opportunities is subject to a decision by Cabinet and subsequently full Council.

2.3 Partners

Partner agencies are aware of the financial uncertainties facing the council, and the possibility that the performance reward grant projects will not be able to proceed. Accordingly partners are aware of the potential impact of the shortfall in funding and that a decision on the final allocation is subject to considerations by the council's Cabinet and subsequently full Council.

2.4 **Corporate Plan/Priorities**

This is a preventative programme intended to improve on partner support to offenders and will have an indirect impact on crime and disorder priorities.

2.5 **Other Council Services**

There is no direct impact on other council services,

3. **Associated Risks**

- 3.1 There is a potential risk in not delivering the crime and disorder agenda and meeting local targets. It does not require review of existing commissioning arrangements.

4. **Consultation**

- 4.1 Partners are aware of the potential impact of the funding shortfall.

5. **Legal Implication**

- 5.1 There are no direct legal implications arising from this saving proposal.

6. **Equal Opportunities and Environmental Implications**

- 6.1 There are no direct equal opportunities or environmental implications.

7. **Equality Impact Assessment**

- 7.1 There are no direct equality issues arising from the savings proposals.

Saving : Reductions in the Working Neighbourhoods Fund (WNF) Programme

Estimate Net Saving in £'000's			
2010 / 2011	2011 / 2012	2012 / 2013	Implementation cost
£842,000	£0	£0	£0

1. Description of the Savings Proposal

- 1.1 As a result of central government cut backs, one of the programmes reduced in size was the Working Neighbourhoods Fund (WNF) programme, as a response to this we have reduced the scale of our programme by £842k.
- 1.2 This reduction in activity has been handled through a negotiation process with key partners and contractors, reducing where possible existing activities and cutting those not fully contracted. This approach aims to meet the spending cut target required, whilst retaining the programmes overall integrity and deliverability.

2. Implications Associated With Savings Proposal**2.1 Customers**

Reducing any programme by some £842k leads to implications, for both customers and the contractors involved in delivering the services. The reduced participant numbers and corresponding activity is still being calculated, and is yet to be agreed with each contractor.

2.2 Employees

We do not anticipate any implications for current staff arising from this change.

2.3 Partners

The implications for partners are still being calculated and will be finally known once the cuts to the WNF programme are approved by the Council and detailed negotiations commence with partners. We will include / capture all subsequent changes in programme outcomes and outputs within the revised grant agreements between the council and all contracted provision.

2.4 Corporate Plan/Priorities

The WNF programme contributes towards a range of corporate priorities and the Sustainable Community Strategy, notably: Developing our economy, creating jobs and increasing prosperity.

2.5 Other Council Services

None.

3. **Associated Risks**

- 3.1 Loss of reputation for the council as a result of reducing activity and the levels of support available .etc.

4. **Consultation**

- 4.1 This has been achieved through the Walsall Partnership structures and reported to the variety of sub groups, at which the suppliers and contractors attend, with the aims of maximising the exposure of the problems and to minimise the negative impact on the council and indeed the WNF programme itself. This consultation is on-going and will continue to ensure that the integrity of the revised WNF programme is assured.

5. **Legal Implication**

- 5.1 Amendments to current grant agreements will need to be negotiated and agreed with the contractors to reflect the changes to the programme as a result of the government cuts. This will process will be completed by the council and partnership staff involved in the process, to establish the new grant levels available to each contractor and the revised outcomes and outputs, this work is on-going. .

6. **Equal Opportunities and Environmental Implications**

- 6.1 None

7. **Equality Impact Assessment**

- 7.1 None.