

## Cabinet – 7 February 2024

### Corporate Budget Plan 2024/25 to 2027/28, incorporating the Capital Strategy; and the Treasury Management and Investment Strategy 2024/25

**Portfolio:** Councillor Bird – Leader of the Council (Lead Portfolio)

**Related Portfolios:** All

**Service:** Finance – council wide

**Wards:** All

**Key decision:** Yes

**Forward plan:** Yes

#### 1. Aim

- 1.1 To provide the revenue and capital resource envelope for delivery of the council's aims and objectives and ensure that the statutory framework is met by recommending the statutory determinations (gross expenditure and income and council tax requirement for the year) and council tax bands, the capital programme, the Capital Strategy, and the Treasury Management and Investment Strategy to Full Council for approval.

#### 2. Summary

- 2.1 This report contains several sections as follows:

**Section A for Cabinet approval** - Findings from Budget Consultation: Financial Year 2024/25+ and Cabinet Responses. This section is for Cabinet's consideration and approval:

- **Part 1** - Report on findings from Overview and Scrutiny Committees.
- **Part 2** - Report on findings from budget consultation.
- **Part 3** - Report on outcomes of equality impact assessments.

**Section B for Cabinet approval and recommendation to Council consists of:**

- **Part 1** - The Revenue Corporate Budget Plan and Capital Programme; comprising the final revenue and capital budget following consideration of consultation feedback and equality impact assessment by Cabinet. This also includes the Capital Strategy and the Flexible Use of Capital Receipts Strategy.
- **Part 2A** - Treasury Management and Investment Strategy as required by the Treasury Management Code of Practice (2017). It includes details on the Prudential Code Indicators (PCIs) for the next three years and asks Cabinet to

approve them and recommend adoption of these to full Council. The Strategy both complies with the Local Government Act 2003, and also provides an additional framework over and above the statutory minimum for monitoring performance.

- **Part 2B** - Treasury Management Policy Statement as required by the Treasury Management Code of Practice (2017).

### 3. Recommendations

#### 3.1 That Cabinet note:

- a) That at the time of despatch of this report, the final local government settlement for 2024/25 has not been received. Any changes arising from this, including the impact of the additional £600m of funding to Local Authorities announced on 24 January 2024, will be included within the final papers to Council on 22 February 2024.
- b) That at the time of despatch of this report, the precepting authorities (fire and police) had not formally notified the authority of their final council tax precept levels for 2024/25. Draft figures have been included. Final figures will therefore be provided prior to or at the Council meeting of 22 February 2024 should they change.
- c) That at the time of despatch of this report, the levy authorities, (Environment Agency and West Midlands Combined Authority - Transport Levy) had not formally notified the authority of their final demand for 2024/25. Estimates have been used for the Transport Levy based on informal communication. (The final Transport Levy is expected to be approved early February and will be included within the final papers to Council).
- d) That the council tax base, set by the S151 Officer under officer delegations, is 72,932.78 for 2024/25.
- e) The feedback from Overview and Scrutiny Committees on the draft revenue budget and capital programme and responses to recommendations, as set out in **Section A - Part 1** of this report, and general consultation feedback.
- f) The amendments to the revenue budget arising from the provisional settlement, including changes to savings and investment proposals identified since the December Cabinet report, as set out in section 4.27 and table 1.
- g) That Members must have due regard to consultation feedback and the public sector equality duty (Section 149 of the Equality Act 2010) when making budget decisions.

#### 3.2 That Cabinet approve:

- a) The attached report as set out in **Section A - Part 2 and Part 3**: The Findings from Budget Consultation: Financial Year 2024/25+ and Cabinet responses and that Members have had regard to their duties in relation to consultation, and in

relation to the public sector equality duty, in forming their budget recommendations.

- b) That delegated authority be given to the S151 Officer to make any necessary amendments, after consultation with the Leader (Portfolio Holder for Finance - Budget), to take account of the final local government settlement, final levies and precepts, final grant allocations and final technical guidance or legislation on the budget; and to make any necessary amendments to the statutory determinations and council tax bands to take account of those changes and the resulting final analysis of the budget and for these amendments to be submitted and therefore recommended to Council at its meeting on 22 February 2024.
- c) Approve the policy service changes as set out in section 4.28, Table 2 of this report.
- d) That delegated authority be given to the S151 Officer, after consultation with the Leader of the Council and Chief Executive, to agree the council's final contribution to the West Midlands Combined Authority.

3.3 **Cabinet is asked to approve and recommend to Council, subject to receipt of the final local government settlement, final precepts and levies, receipt of and final changes arising from final grant allocations, technical/legislative guidance and final specific grant allocations (*substitute figures and resolution to be provided to Council by the S151 Officer to take account of any changes arising from these*) the following:**

3.3.1 Revenue

- a) The financial envelope of resources for 2024/25 as set out in **Section B - Part 1** "The Revenue Corporate Budget Plan and Capital Programme".
- b) A Walsall Council net council tax requirement for 2024/25 of £152.03m and a 2.99% increase in council tax, plus a further 2% increase for Adult Social Care precept (total council tax increase of 4.99%).
- c) That the recommendations of the S151 Officer in respect of the robustness of the estimates made for the purposes of the budget calculations and the adequacy of reserves **be approved**, including the levels of central contingency and reserves and an opening general reserve of not less than £18.39m, as set out in the S151 Officer Section 25 statement in **Annex 11** of the Budget Plan.
- d) The (estimated) levies below for outside bodies and Cabinet **approve** that the final figures **be substituted** for these provisional ones once they are available at the Council meeting on 22 February 2024. (An estimate has been used within this report based on informal notification from the authorities).

LEVY	AMOUNT (£)
West Midlands Combined Authority Transport Levy	<b>11,907,475</b>
Environment Agency	<b>86,505</b>

- e) The following statutory determinations (references are to the Local Government Finance Act, 1992 as amended), and subject to any final changes arising from

receipt of final precepts and levies, receipt of final grant allocations, technical/legislative guidance and final specific grant allocations, **and Cabinet approve that these will be substituted** at the Council meeting on 22 February 2024 for the final figures once received:

- I. **£777,287,884** being the aggregate gross expenditure, which the council estimates for the items set out in Section 31A(2) (a) to (f) of the Act.
- II. **£625,255,460** being the aggregate income which the council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.
- III. **£152,032,424** being the amount, by which the aggregate at (e) (I) above exceeds the aggregate at (e) (II), calculated by the council in accordance with Section 31A(4) of the Act, as its council tax requirement for the year.
- IV. **£2,084.56** being the amount at (e) (III) above, divided by the council tax base of 72,932.78, calculated by the council in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (average council tax at band D).

V. Valuation bands

Being amounts given by multiplying the amount at (e) (IV) above by the number which, in the proportion set out in Section 5 (1) of the Local Government Act 1992, is applicable to dwellings listed in valuation band D, calculated by the council in accordance with Section 30 and 36 of the Act as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
1,389.70	1,621.32	1,852.94	2,084.56
<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
2,547.79	3,011.02	3,474.26	4,169.11

- f) The draft precept from the Fire and Rescue Authority and the Police and Crime Commissioner, issued to the Council in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwelling shown below and Cabinet **approve** that the final figures **be substituted** once they are available at the Council meeting on 22 February 2024.

<b>PRECEPTING AUTHORITY</b>	<b>VALUATION BANDS</b>			
<b>Police And Crime Commissioner</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	143.70	167.65	191.60	215.55
	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
<b>Fire &amp; Rescue</b>	263.45	311.35	359.25	431.10
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	50.13	58.49	66.84	75.20
	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	91.91	108.62	125.33	150.40

- g) That having calculated the aggregate in each case of the amounts at (e) (v) and (f) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts of council tax for 2024/25 for each of the categories of dwellings shown below and Cabinet **approve** that the final figures **be substituted** once the final precepts are available at the Council meeting on 22 February 2024.

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
1,583.53	1,847.46	2,111.38	2,375.31
<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
2,903.15	3,430.99	3,958.84	4,750.61

- h) That notice **be given** of the council tax within twenty one days of it being set by publishing details of the same in the “Express and Star” newspaper circulating in the Authority’s area.
- i) That the S151 Officer **be instructed** to take all necessary action in relation to council tax, community charge and national non-domestic rates, including, where appropriate, the signing of all documents, billing, the giving of notices and the taking of necessary steps to ensure collection thereof.
- j) That the S151 Officer **be given delegated authority** to make transfers to and from reserves in order to ensure that reserves are maintained as necessary and in particular, adjusted when reserves are no longer required, or need to be replenished.
- k) That, pursuant to Section 52ZB and 52ZC of the Local Government Finance Act 1992, the relevant basic amount of council tax for the Council is not excessive in relation to determining whether a referendum is required.

### 3.3.2 Capital

- a) The allocation of capital expenditure plans as set out in **Section B - Part 1** “The Revenue Corporate Budget Plan and Capital Programme” and that the capital and leasing programme as set out in **Annex 9 be approved** bearing in mind the principle that unless affordable from within current resources, specific projects funded by borrowing will not be commenced until a payback agreement is in place. Schemes funded from grant will commence when final allocations are published.
- b) That the S151 Officer be **given delegated authority** to determine how each source of finance is used to fund the overall capital programme and to alter the overall mix of financing as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the council.
- c) That the S151 Officer, after consultation with the Leader (Portfolio Holder for Finance - Budget), be **given delegated authority** to release capital resources held back for any contingent items that may arise (earmarked capital receipts for essential or emergency spend), and also for any match funding requirements that may be required of the council in order to secure additional external capital funding (e.g. bids for government or other funding).
- d) The Capital and Investment Strategy set out in **Annex 8** of the Budget Plan **be**

**approved.**

- e) The Flexible Use of Capital Receipts Strategy set out in **Annex 10** of the Budget Plan **be approved.**

### 3.3.3 Treasury Management

1. **Section B – Part 2A** – The Treasury Management and Investment Strategy 2024/25 onwards, including the council's borrowing requirement, borrowing limits, and the adoption of prudential indicators, **be approved.**
2. That decisions to effect movements between conventional borrowing and other long term liabilities, such as leases, **be delegated** to the S151 Officer.
3. That decisions to use capital receipts or borrowing within the framework of approved prudential indicators **be delegated** to the S151 Officer.
4. **Section B – Part 2B** – Treasury Management Policies, **be approved.**

## 4. Report detail - Know

- 4.1 The council's budget is a financial representation of the organisation's plans. It is constructed as an integral part of the council's planning processes and aligned to its priorities and objectives. The attached Budget Plan at **Section B Part 1** sets out the revenue and capital plans for service delivery for 2024/25 and beyond.

### **Council Corporate Plan priorities**

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

### **Risk management**

- 4.3 Budget Plan: The council reviews corporate financial planning and budget principles in accordance with the medium-term financial framework (MTFF). The budget setting process includes a comprehensive financial risk assessment to determine key risks and their potential impact on the budget. Services undertake risk assessments of their services and budgets by identifying risk factors, potential changes to service delivery and funding streams. This ensures that adequate budgetary provision is available to cover unforeseen future events. This successful approach is now embedded and is used to inform the level of earmarked and general reserves.
- 4.4 The identification of risks, and recommended level of reserves, is referred to in the Chief Finance Officer (S151 Officer) **Section 25 statement** at **Annex 11** of the Budget Plan. The Council continues to operate in a challenging financial environment with uncertainty over funding beyond 2024/25. It is critical to ensure long term

financial sustainability that the Council has an appropriate level of earmarked reserves and general reserve working balance to be able to mitigate any risks that appear in year which cannot be contained within Directorate budgets. It is unlikely that all risks identified will arise, however new risks are likely to emerge. Managers are required to deliver services within their approved budget. Any known changes in service demand or costs arising from legislative or government demands are identified and dealt with within the overall revenue budget. The level of reserves should be sufficient to cover all but the most unusual of events. Any in-year use of general reserves may require replenishment to ensure the opening level of reserves is as recommended by the MTFF.

- 4.5 A number of our programmes and projects are heavily influenced and dependent upon process and governance at the West Midlands Combined Authority (WMCA), for example our named projects in the City Region Sustainable Transport Settlement (CRSTS) and UK Shared Prosperity Fund (UKSPF). Such risk will be continually monitored by transport officers and via the WMCA S151 Finance Director group.

### **Financial implications**

- 4.6 The council must set a balanced budget to meet its legal requirements as set out under 'legal implications'. This report fulfils that duty and proposes cash limits for services to enable them to deliver the council's key priorities.

### **Legal implications**

- 4.7 The legal duty for a council's finances falls within S151 of the Local Government Act 1972. Arrangements for the proper administration of the council's affairs are secured by the S151 Officer.
- 4.8 Cabinet recommend the revenue budget and capital programme envelope to Council. Councils are responsible for making a calculation in accordance with sections 31A to 37 of the Local Government Finance Act 1992 (as amended). This includes the statutory determinations (aggregate gross expenditure, gross income, council tax requirement for the year) and setting the council tax for a financial year.
- 4.9 Under the Local Government Act 2003 (s25), 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 Section 25 statement that deals with the robustness of the budget estimates and the adequacy of the reserves for which the budget provides, together with an assessment of risk. This is provided at **Annex 11** of the Budget Plan. The Council must have regard to this in setting the budget envelope.
- 4.10 The Local Government Act 2003 and supporting Regulations require the Council to have regard to the Prudential Code and to set prudential indicators for the next three years to ensure that the council's capital investment plans are affordable, prudent and sustainable. The Act requires the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy (as required by investment guidance issued subsequent to the Act); this sets out the council's policies for managing its investments and for giving priority to the security and liquidity of those investments. This is provided at **Part 2** of the Budget Plan.

- 4.11 In recent years Central Government has capped the level of council tax rises. For 2024/25, the Government have announced that local authorities will again need to seek approval of their electorate via a local referendum if they propose to increase council tax levels by 5% or above as confirmed as part of the provisional local government settlement on 18 December 2023, inclusive of the 2% ring-fenced for Adult Social Care. This report proposes a 4.99% increase.
- 4.12 Section 138 of the Local Government and Public Involvement in Health Act 2007 placed 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 duty to consult that is imposed on councils comes from two other sources:
- Specific legislation, such as the education act duties to consult on certain services etc., and,
  - The common law duty, which is well established in law.
- 4.13 An update on the approach to consultation was reported to Cabinet on 13 December 2023 and full details and feedback is provided in **Section A - Part 2** of this report.
- 4.14 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. As a public body, the council is required to comply with the Public Sector Equality Duty (PSED), as set out in the Equality Act, 2010. The PSED requires the council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. Failure to meet these requirements may result in the council being exposed to costly, time-consuming and reputation-damaging legal challenges.
- 4.15 An Equality Impact Assessment (EqIA) is the chosen procedure, by the council, for checking the lawfulness of decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. Equality Impact Assessment analysis is contained in **Section A - Part 3** of this report.
- 4.16 Saving plans, prior to implementation, will include consideration of equality impact, legislative and other requirements, duties or obligations imposed by statute, secondary legislation or guidance upon the council, specifically in the context of proposals which involve changes to service provision.

### **Procurement Implications / Social Value**

- 4.17 There are no direct implications arising from this report. Any procurement implications as a result of the budget and the development of service redesign benefits will be set out within the relevant redesign proposals as they are developed.

### **Property implications**

- 4.18 There are no direct implications arising from this report. Any direct property implications as a result of service redesign will be set out within the relevant redesign proposals as they are developed.

### **Health and Wellbeing implications**

- 4.19 There are no direct implications arising from this report. Any direct health and wellbeing implications as a result of service redesign will be set out within the service redesign proposal as they are developed.

### **Staffing implications**

- 4.20 There will be some staffing implications arising from this report. The contribution of the trade unions is important to the council achieving its key aims and objectives, particularly in these challenging times. Officers will consult widely with them on the employee implications of service redesign and delivery.
- 4.21 Staff affected by proposals arising from identified Proud benefits will be supported as appropriate throughout the process and the number of redundancies will be minimised wherever possible.

### **Reducing Inequalities**

- 4.22 Equality Impact Assessment (EqIAs) are undertaken on proposals as they are developed and reported to Cabinet to allow them to consider any revisions required to the final budget for recommendation to Council. Assessing the impact of proposed changes to policies, procedures, services and organisational change is not just something the law requires; it is a positive opportunity for the council to ensure it makes better decisions, based on robust evidence. Equality Impact Assessment analysis is contained in **Section A - Part 3** of this report.

### **Climate Change**

- 4.23 This report is prepared with consideration of the council's Climate Change Action Plan where applicable. Directors are required to ensure proposals are assessed, as appropriate, against the six key areas of the plan: strategy, energy, waste, transport, nature, resilience and adaptation.

### **Consultation**

- 4.24 For our services to meet the needs of local residents, and of the community at large, it is essential that our plans and policies take into account the views of local people and others who use our services. We use a broad range of consultation methods to ensure as far as possible that people have sufficient information to comment, as well as the time and any necessary support they require to enable them to have their say. All feedback gathered is collated and carefully considered, along with other information, as part of the decision making process.
- 4.25 Stakeholder consultation has been undertaken with elected councillors through Overview and Scrutiny Committees, with trade unions via the council's Employee Relations Forum (ERF), national non-domestic ratepayers and voluntary and community organisations on the budget and draft council tax increases. Budget consultation has also been undertaken with residents and other stakeholders. Full details of the consultation process and findings is presented in **Section A – Parts 1 and 2** of this report.

### **Amendments to the Revenue Budget**

4.26 Since the draft revenue budget was presented to Cabinet on 18 October 2023, with an update reported to Cabinet on 13 December 2023, there have been a number of funding announcements and technical and other changes to the budget; these can be summarised as follows:

- The provisional 2024/25 Settlement was received on 18 December 2023. This confirmed referendum principles for the increase in council tax of 2.99% along with a further 2% precept for social care authorities in 2024/25. A council tax increase of 4.99% is included in the proposed budget for 2024/25.
- The Settlement also confirmed changes to other specific grants. The net impact of the settlement was a £830k reduction in funding compared to 2024/25 MTFO assumptions.
- Additional investment in services, including; additional investment to support demand within adult social care following a review of existing and future forecasts; investment to fund shortfalls in income projections, and new grant allocations.
- Identification of new savings in relation to third party spend and digital opportunities.
- Finalisation and approval by the S151 Officer, under delegations, of the council tax base and NNDR1 (business rates) return in January 2024;
- A number of transfers to/from reserves to smooth financing of one-off /short term costs.
- Details on the above are found within the Budget Plan.

4.27 The budget update report to Cabinet on 13 December 2023 outlined a number of changes to the original proposals, reducing the initial financial gap from £18.06m to £12.35m in 2024/25. The MTFO has been further reviewed and updated, resulting in a balanced budget for 2024/25, subject to the successful delivery of £20.10m of identified benefits for 2024/25, as referred to in **Annex 6** of the Budget Plan. **Table 1** summarises the changes made to the MTFO previously reported.

4.28 The draft revenue budget contains 6 policy proposals in respect of 2024/25, and 77 operational savings. Feedback from consultation and equality impact assessment has been considered by Cabinet as set out within this report (**Section A - Parts 1, 2 and 3**). Cabinet are asked to approve the policy decisions as set out in **Table 2** overleaf (under the heading Executive (Cabinet) Decision) and instruct Executive Directors to implement the resulting decision.

**Table 1: Movement in MTFO since draft budget update report to Cabinet on 13 December 2023**

	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	Total £m
<b>Gap as per report to Cabinet 13 December 2023</b>	<b>12.35</b>	<b>17.56</b>	<b>8.41</b>	<b>8.70</b>	<b>47.02</b>
<b>Changes to investments</b>					
Inv. 6 - New posts within planning & land registry reduced	(0.05)	(0.05)	0.10	0.00	0.00
Inv. 8 - Charge developers for travel plans - reinstate removal of saving	(0.03)	0.00	0.00	0.00	(0.03)
Inv. 9 - Crisis Support - reinstatement of reduction	0.20	0.00	0.00	0.00	0.20
Inv. 10 - Social Care increases in demand based updated profile	(2.45)	0.00	0.00	0.00	(2.45)
Inv. 11 - Contract price uplifts based on updated profile	2.45	0.00	0.00	0.00	2.45
Inv. 12 - Adult Social Care affordability model - Housing 21	(0.11)	(0.00)	(0.00)	(0.02)	(0.14)
Inv. 38 - Coroners contractual inflation	(0.03)	0.00	0.00	0.00	(0.03)
Inv. 43 - Increase in bed and breakfast costs	0.19	0.01	0.01	0.01	0.22
Inv. 54 - Capital financing / borrowing rescheduling	0.00	0.00	2.50	(2.50)	0.00
Inv. 58 - Transport Levy	0.06	0.12	0.13	0.13	0.43
Inv. 59 - Cost of living / demand	1.36	(1.36)	0.00	0.00	0.00
Inv. 84 – Revised Agency for domestic and garden waste	(0.03)	0.00	0.00	0.00	(0.03)
Inv. 92 - Rewilding of urban grassed areas - reinstate part saving removal	(0.05)	0.00	0.00	0.00	(0.05)
Inv. 95 - Other contractual implications in Economy, Environment & Communities	(0.24)	0.00	0.00	0.00	(0.24)
Inv. 101 - Reduction in direct payment refunds - NEW	1.10	0.00	0.00	0.00	1.10
Inv. 102 - Local Stop Smoking Services & Support Grant - NEW	0.37	0.00	0.00	0.00	0.37
Inv. 103 - Household Support Fund grant now ceasing - NEW	0.28	0.00	0.00	0.00	0.28
<b>Total changes to investments</b>	<b>3.02</b>	<b>(1.28)</b>	<b>2.73</b>	<b>(2.38)</b>	<b>2.08</b>
<b>Changes to savings proposals</b>					
OP34 - Fees and charges reduced within Economy, Environment & Communities	(0.03)	0.00	0.00	0.00	(0.03)
OP45 - Review of courier costs of equipment to new starters removed	0.05	0.00	0.00	0.00	0.05
OP73 - Recovery of provider overpayment through payment audit - NEW	(1.10)	0.00	0.00	0.00	(1.10)
OP74 - Additional income generation in Communications - NEW	0.00	(0.07)	(0.09)	0.00	(0.16)
OP76 - Additional Third Party spend (TPS) savings – NEW (council wide)	(3.00)	0.00	0.00	0.00	(3.00)
OP77 – Digital Opportunities – NEW (council wide)	(2.70)	0.00	0.00	0.00	(2.70)
<b>Total changes to savings proposals</b>	<b>(6.78)</b>	<b>(0.07)</b>	<b>(0.09)</b>	<b>0.00</b>	<b>(6.94)</b>

	2024/25 £	2025/26 £	2026/27 £	2027/28 £	Total £
<b>Other changes / service adjustments</b>					
Use of reserves - Crisis Support	(0.50)	0.00	0.00	0.00	(0.50)
Use of reserves – staffing in ASC and Children's (2 years transitional funding) *	(2.93)	0.00	2.93	0.00	0.00
Use of reserves - ASC demand (1-year transitional funding) *	(3.86)	3.86	0.00	0.00	0.00
Use of reserves - home to school transport (1-year transitional funding) *	(0.99)	0.99	0.00	0.00	0.00
Use of reserves - Public Health (1-year transitional funding) *	(0.30)	0.30	0.00	0.00	0.00
Use of reserves - Cost of living	(1.36)	1.36	0.00	0.00	0.00
Release of central budgets	(1.38)	0.00	0.00	0.00	(1.38)
Base budget adjustment - Local Stop Smoking Services & Support s31 grant income (Adult Social Care)	(0.37)	0.00	0.00	0.00	(0.37)
Removal of undeliverable saving (CAM)	1.54	0.00	0.00	0.00	1.54
Democratic Services increased provision	0.06	0.00	0.00	0.00	0.06
Changes in council tax base	0.37	0.01	0.01	0.01	0.40
Changes to Council tax surplus	0.30	(0.30)	0.00	0.00	0.00
Net movement in Provisional Settlement 18/12/23	0.83	0.76	(0.02)	(0.03)	1.54
<b>Total other changes / service adjustments</b>	<b>(8.59)</b>	<b>6.98</b>	<b>2.92</b>	<b>(0.01)</b>	<b>1.29</b>
<b>Revised savings to be identified (Current gap)</b>	<b>(0.00)</b>	<b>23.19</b>	<b>13.97</b>	<b>6.30</b>	<b>43.45</b>

Note:

- \* Transitional funding through the use of earmarked reserves has been provided to allow time for development of revised demand management and transformation plans for adults and children's social care and public health and to agree next stages of this work.
- Figures in brackets refers to a reduction in expenditure; increase in savings or grant; or use of reserves.

**Table 2: Summary of revised policy savings and the Executive (Cabinet) decision**

<b>Saving ref</b>	<b>Policy Saving Consulted on</b>	<b>2024/25 £</b>	<b>Decision required</b>	<b>Executive (Cabinet) Decision</b>
<b><i>Economy, Environment and Communities</i></b>				
<b>P1</b>	Leisure health checks (new charge)	(5,125)	Y	Approve the proposal.
<b>P2</b>	Registrars – introduction of charges for change of name deeds	(3,000)	Y	Approve the proposal.
<b>P3</b>	Arts and Events income - to introduce new online shop sales and ticketing	(15,000)	Y	Approve the proposal.
<b>P4</b>	Street lighting dimming and trimming during the evening	(160,000)	Y	Approve the proposal.
<b>P5</b>	Cease provision of Festive lights	(40,000)	Y	<i>Approve an amended proposal “Seek Sponsorship for Festive Lights”.</i>  Further to consultation and equality impact assessment feedback, this saving has been amended from Christmas to Festive lights and further amended to reflect that sponsorship is being sought to continue provision.
<b>P6</b>	Closure of Fryers Road and Merchants Way Household Waste Recycling Centres for 1 day (7 to 6) - saving on contract spend	(150,000)	Y	Approve the proposal.

## **Amendments to the Capital Programme**

4.29 The revised draft capital programme was set out in the report to Cabinet on 13 December 2023, totalling £121.99m for 2024/25. The programme has increased by **£44.58m** to £166.57m in 2024/25 with the following additions:

- Inclusion of a number of proposed carry forward schemes from 2023/24 totalling £31.77m (£26.27m council funded and £5.50m external funded), now shown in a separate column on the capital programme at Annex 9 of the budget plan. All carry forwards will be reported to Cabinet for approval alongside the outturn position for 2023/24 once finalised.
- Rephrasing of a number of externally funded schemes of £12.81m as follows:
  - Walsall Towns Deal (£1m);
  - Bloxwich Towns Deal (£1m);
  - Basic Need (£5.7m);
  - Future High Streets Fund (£3.63m);
  - Willenhall Levelling Up Fund (£500k);
  - Yorks Bridge (£978k).

## **Treasury Management and Investment Strategy for 2024/25 Onwards, and Capital Strategy**

4.30 The Treasury Management Code of Practice requires regular reporting of treasury management performance and practice, with the minimum reporting requirements set out.

This report provides two of these requirements, in the form of the annual Treasury Management and Investment Strategy at Part 2A and Treasury Management Policies at Part 2B. It also meets the requirement for the authority to produce and publish a Capital Strategy each year, which demonstrates how capital expenditure, capital financing and treasury management activity contribute to the provision of desired outcomes and takes account of stewardship, value for money, prudence, sustainability and affordability.

Borrowing and investment objectives have been updated to reflect both the current interest rate environment, with significant increases to the Bank of England Base Rate during the year due to an increase in inflation, and also the projected financial position for each year that the strategy covers.

## **5. Decide**

5.1 As set out in the legal section, Councils are required to set a legal budget. This report is the final stage in that process and Cabinet are asked to approve the recommendations as set out and recommend the budget to Council on 22 February 2024 for formal approval of the 2024/25 statutory determinations and council tax bands.

## **6. Respond**

6.1 Following recommendation by Cabinet, this budget report and plan will be forwarded on for formal approval by Council on 22 February 2024.

## 7. Review

7.1 Following approval by Council on 22 February 2024, the 2024/25 budget will be formally set and monitored throughout the year. Council tax bandings will be set and bills formally produced and distributed in accordance with approved guidance.

### Background papers

- Various financial and working papers.
- Corporate Budget Plan 2023/24 to 2026/27, incorporating the Capital Strategy; and the Treasury Management and Investment Strategy 2023/24 – Council 23 February 2023.
- Corporate Financial Performance 2023/24 and approach to Budget Setting for 2024/25 - Cabinet 19 July 2023
- Draft Revenue Budget and Draft Capital Programme 2024/25 to 2027/28 - Cabinet 18 October 2023.
- Draft Revenue Budget and Draft Capital Programme 2024/25 to 2027/28 Update - Cabinet 13 December 2023.
- Local Government Finance Settlement data.
- Equality Impact Assessments.

### Authors:

Vicky Buckley, Head of Finance and Assurance, ☎ 07983 604698,  
✉ [Vicky.Buckley@walsall.gov.uk](mailto:Vicky.Buckley@walsall.gov.uk)

Stuart Wootton, Financial Planning Manager, [Stuart.Wootton@walsall.gov.uk](mailto:Stuart.Wootton@walsall.gov.uk)



**Judith Greenhalgh**  
Executive Director – Resources &  
Transformation

7 February 2024



**Shaun Darcy**  
Director – Finance, Corporate  
Landlord & Assurance / S151 Officer

7 February 2024



**Councillor M Bird**  
Leader of the Council

7 February 2024

## **Section A - Part 1 - Report on findings from Overview and Scrutiny Committees**

1. Overview and Scrutiny Committees received the draft revenue and capital proposals in November / December 2023, with feedback considered by Cabinet as part of finalising proposals within this report.

This section summarises the comments and recommendations from each Committee and, where applicable, Cabinet's consideration of these.

### **2. Scrutiny Overview Committee – 11 December 2023**

The Leader of the Council introduced the report and outlined that it was still a time of budgetary pressures. He highlighted that many Councils across the country were facing financial pressures. The Council was committed to balance the budget for 2024/25 and the Cabinet were due to consider revised proposals and provisional statement on 13 December 2023.

The Committee considered a supplementary paper, which provided an updated snapshot of the medium-term financial outlook. This paper identified that the financial gap had been reduced from £18.06m to 12.35m from the period between October 2023 and December 2023.

#### ***Supporting a dynamic, resilient, and diverse economy where businesses invest, and everyone has the right jobs and the right housing in the right place***

A Member sought clarification of the capital development investment scheme. In response, the Leader of the Council confirmed that there were a number of capital pipeline schemes which were subject to business case approval. Majority of the schemes related to regeneration activity such as the Walsall Gateway project. The pipeline schemes enabled the Council to be ready and perceptive to Government funding allocations as and when announced.

#### ***We get things right, first time and make all services accessible and easy to use***

##### ***Ref: OP36 – 50% mitigation of Bed and Breakfast costs – increase of temporary accommodation provision***

There were concerns that the increase of bed and breakfast costs were a result of an increase of Section 21 notices. In response, the Director of Customer Engagement confirmed that the Council had seen an increase of demand of temporary homelessness. This was a national trend, and Walsall was not unique in this respect. She concluded that a breakdown of temporary accommodation numbers would be circulated to the Committee.

##### ***Ref: 40 - Increase in volume of Bank Charges for receiving online payments***

The Chair sought clarification on the increases of bank charges. In response, the Director of Customer Engagement confirmed that the increase was a result of an expiration of a payment contract and had looked to renegotiate the contract. Due to inflationary pressures, the new contract and cost associated had resulted in higher costs overall.

***The Council will deliver trusted, customer focused, and enabling services, which are recognised by customers and our partners for the value they bring***

*Ref: Other schemes carried forward from previous years requiring completion.*

There was a discussion about the prior year approval schemes in respect of Civic Centre and Council House heating works. In response, the Director of Finance confirmed that Council had received a significant grant from the Midland Energy Hub for works to improve energy efficiency across both sites. The Leader of the Council welcomed the scheme and stated that the buildings were inefficient and suffered from substantial heat loss especially over the winter period. It was noted that building consent had been given to majority of the works.

*Ref: Low Carbon Heating Project – Civic Centre/Town Hall/Council House*

A Member queried whether community organisations were eligible for funding in respect of Solar PV. In response, the Director of Finance confirmed that the Council was preparing a project assessment to maximise the effectiveness of Solar PV and renewable investment. Initial bid for funding had been prepared for the Council's total estate and subject to funding further analysis prior to approval.

*Ref: Chip & Pin Devices*

Concerns were raised about the reduction of cash payment options in respect of Council payments. In response, the Leader of the Council gave assurance that cash payments would always be available for Council service payments. In addition, the Director of Customer Engagement reiterated that the Council had cash payment options and worked with a number of local shops to offer 'PayPoint' to provide cash payment options locally for services such as Council Tax.

*Ref: Information Governance – Shortfall in income from Schools.*

A Member queried whether there had been a reduction in schools undertaking information governance training or whether schools were procuring training options from alternative providers. In response, it was confirmed that a number of academies had chosen to procure their own training packages which had resulted in a reduction of schools using Council services.

There was a lengthy discussion on the competitiveness of Council traded services. The Leader of the Council confirmed that Portfolio Holders had been requested to review statutory and non-statutory services to enable best use of Council funds. There was a view that circular funding could enable community organisations to run services more efficiently.

*Ref: Council Tax*

There was a discussion about incentives relating to Council Tax. Officers confirmed that a study would be carried out on whether it would be feasible for the Council to incentivise one-off annual Council Tax payments. This would be subject to whether the Council achieved better investment returns and cashflow as a result.

*Ref: 58 – WM Combined Authority contribution for Metro*

The Chair sought clarification on the Council's contribution to the metro and funding associated. The Leader of the Council confirmed that there were historical proposals for the metro to be extended to Walsall. Funding was included as part of the transport levy at the West Midlands Combined Authority.

*Ref: OP48 – Early Payment Supplier Programme*

A general point was raised in respect of supplier payments, the Council offered an incentive for suppliers by way of shortened payment terms if a discount was provided for services.

***People can access support in their community to keep safe and well and remain independent at home.***

*Ref: General Savings by directorate for 2024/25*

There were concerns about the proposed savings of £4.59m in Adult Social Care, Public Health and Hub. A Member queried whether savings were as a result of a reduction of services or making services much more efficient. In response, the Leader of the Council confirmed that the Council was working to make services more efficient, such as keeping individuals in their own homes for care services and treatment. In addition, the Council had also reviewed care assessment procedures to optimise referral processes.

The Council had procured Impower to undertake a review of Children and Adult Social Care to review procedures to improve practices and identify best practice.

A Member welcomed and commended the investment of £28.61m and £14.09m into Adult Social Care and Children's Services.

***The people of Walsall feel safe in a cleaner, greener Borough.***

*Ref: 90, 91 and 96 – Increase of Community Protection Enforcement Officers, Town Centre Guardians and Reintroduce a youth team into the community*

A Member sought clarification on the lack of investment into services for 2025/26 and onwards. In response, the Director of Finance confirmed that the investment in 2024/25 had been positioned and would be reoccurring in future years unless stated. The Leader of the Council committed to the provision of delivering youth services in the Borough for the current administration and should be invested in year on year.

A Member sought clarification on the number of recruited community enforcement officers. In response, it was confirmed that 3 officers would be recruited.

The Committee Resolved that:

1. The Committee considered and noted the draft revenue budget proposals 2024/25 – 2027/28 to date that related to the remit of the Scrutiny Overview Committee.

2. The Committee considered and noted the draft capital schemes 2024/25 – 2027/28 included in the draft capital programme that relate to the remit of the Scrutiny Overview Committee.
3. The Committee noted that the revenue budget for 2024/25 is currently not balanced, with a gap of c£18m, and requested that a further report be considered by the Scrutiny Overview Committee if there any significant changes to draft proposals outlined relating to services within the committee's remit.
4. The Committee welcomed investment put forward in respect of youth service provision and request that consideration be given to any further investment needed in the base budget subject to satisfactory feedback data.

### **3. Children's Services Overview and Scrutiny Committee – 2 November 2023**

Members considered the budget proposals presented and sought further information and assurances on a number of the proposals contained within the draft revenue budget and draft capital programme 2024/25 – 2027/28.

During a period of questioning, detail was provided to the Committee on the reasons for an increased demand for services, which had led to increasing cost pressures. The Committee was informed that this included a serious incident resulting in the arrest of several children within the Borough. It was noted that there has been an increase in large sibling groups and teenagers accessing services – although Walsall was comparable to neighbouring authorities. It was noted that there had been an increase in serious youth violence in Walsall and adolescents presenting with complex needs. This alongside the cost-of-living crisis, the covid-19 pandemic and a change in legislation had impacted on demand and cost to Council services. A discussion ensued on the rise in more complex cases, with societal issues as a driving factor in this, it was stressed that as such issues emerged social work adapted to respond to the need presenting.

Challenge was provided by the Committee in relation to the mitigation of risks and levels of inflation, it was acknowledged that the increase in foster carers fees and allowances set by the Department of Education had been significant, finance officers were only able to make an assumption however it was expected that this would not continue to rise at the elevated rate. Members challenged the savings outlined in appendix 2, and the level of confidence in the Council's ability to deliver them.

The capital investment and development of residential children's homes was welcomed as an investment which would produce savings, and most importantly, better outcomes for children and young people.

The Committee Resolved that:

1. The Children's Services Overview and Scrutiny Committee request that the investments in children's services continue to receive Cabinet support, as they are considered essential to delivering future savings within this service area.
2. The work to recruit foster carers in the Borough was noted as positive and the Children's Services Overview Scrutiny Committee hopes to see continued success in this area.

#### **4. Education Overview and Scrutiny Committee – 21 November 2023**

The Portfolio Holder (Education and Skills) introduced the report to the Committee, and the Finance Manager presented further detail of the proposals. Members considered the budget proposals presented and sought further information and assurances on a number of the proposals contained within the draft revenue budget and draft capital programme 2024/25 – 2027/28.

In response to a question, the Portfolio Holder clarified that any further savings proposals would not be divided equally amongst service areas but would be based on the demand to and needs of the service. Further challenge was provided in relation to staffing costs, and the reasons why this figure was different for each year. The Director (Access and Inclusion) stated that the figures were set according to demand which were profiled and modelled for each year accordingly.

Clarification was provided by Officers in relation to the capital investment in school buildings, the Committee was informed that this investment was aimed at maintaining the school estate and was based on the school estate survey.

The Committee Resolved that:

1. The Committee considered and noted the draft revenue budget proposals 2024/25 – 2027/28 to date that related to the remit of the Education Overview and Scrutiny Committee.
2. The Committee considered and noted the draft capital schemes 2024/25 – 2027/28 included in the draft capital programme that relate to the remit of the Education Overview and Scrutiny Committee.
3. The Committee noted that the revenue budget for 2024/25 is currently not balanced, with a gap of c£18m, and requested that a further report be considered by the Education Overview and Scrutiny Committee if there any significant changes to draft proposals outlined relating to services within the committee's remit.

#### **5. Economy and Environment Overview and Scrutiny Committee – 23 November 2023**

The Leader of the Council introduced the report and underlined that it was still a time of budgetary pressures. He highlighted that many Councils across the country were facing financial pressures and Walsall was not unique in this respect. The Council was committed to balance the budget for 2024/25 and the Cabinet were due to consider revised proposals and provisional statement on 13 December 2023.

##### ***The people of Walsall feel safe in a cleaner, greener borough***

A lengthy discussion occurred in relation to the breakdown of statutory and non-statutory services in respect of the budget. A Member sought clarification on whether the Council would have to cut back on free garden waste collection like many Councils across the country. The Leader of the Council responded that the Council was committed to free garden waste collections and was investigating proposals to turn garden waste into energy.

*Ref:93 – Removal of 2023/24 saving – increase recycling rates and reduce contamination*

A Member sought clarification on recycling rates and how to improve rates in the Borough. In response, the Portfolio Holder for Street Pride confirmed that the Council was committed to educating residents and businesses about the placement of refuse to avoid cross contamination of recycling objects. It was noted that only 7% of rubbish in Walsall proceeds to landfill sites with the remainder being recycled (including energy from waste).

*Ref: P4 – Street lighting dimming and trimming during the evening*

A Member sought clarification on whether street light dimming would make Walsall safer. In response, the Portfolio Holder for Street Pride confirmed that the Council was working with the contractor Amey on a pilot scheme. It was suggested that dimming street lighting by 50% would save the Council £160k during 2024/25 and would not result in a direct noticeable impact by the public. The Director of Place and Environment highlighted the Council was investigating the use of phased dimming which involved a gradual reduction of lighting as peak traffic reduces. She concluded that further investigation was required prior to finalisation of the scheme, and the saving proposed was based on a specific proportion of street lighting and not the entire Borough.

*Ref: P5 – Cease provision of Christmas lights*

There were concerns about proposed cessation of Christmas lights in the Borough. The Portfolio Holder for Street Pride confirmed the Council's contractor Amey had agreed to provide a social value contribution to the Borough's Christmas lights. Therefore, the Committee were assured that Christmas lighting would still go ahead as planned.

*Ref: OP69 – Other waste disposal – (e.g., grey bin, plasterboard, textiles)*

A Member queried whether the Council collected medical waste as the NHS provided a similar medical waste collection service. In response, the Portfolio for Street Pride confirmed the Council collected medical waste, which was paramount for individuals requiring long term medical intervention and treatment. In this respect, it was confirmed that Council's medical collections were a non-chargeable service.

*Ref: 89 – Enforcement of fly tipping, litter dropping, cigarette dropping etc*

There was a discussion about preventative measures and enforcement of fly tipping and littering. The Portfolio for Street Pride confirmed that penalties associated with fly tipping and littering were fixed and could only be adjusted by a Magistrates' Court.

In respect of CCTV enforcement, the Council utilised covert cameras and were consistently rotated around the Borough on a regular basis. In addition, there were several preventative signage to deter criminality. A Member commented on whether there had been a cost benefit to the Council due to the implementation of preventative measure compared to 2022. It was confirmed that this information would be made available to the Committee at a future meeting.

A Member sought clarification on whether the Council could recover costs associated with fly tipping from a Magistrates' or Small Claims Court. In response, the Leader of the Council confirmed that this would be a responsibility for the Magistrates' Court. However, in respect of recovery from Small Claims' Court, he confirmed that officers would investigate, and a response would be provided.

***Education, training, and skills enable people to contribute to their community and our economy***

*Ref: OP10 – Libraries partnership with voluntary sector*

A Member queried whether the Council was looking to make redundancies in library services or increase number of volunteers in the service. The Leader of the Council confirmed that whilst the Council could not guarantee there would not be any compulsory redundancies, there would be a commitment to ensure redeployment or early retirement opportunities were considered before any redundancy decisions.

***Supporting a dynamic, resilient, and diverse economy where businesses invest, and everyone has the right jobs and the right housing in the right place***

*Ref: Capital Scheme – Other schemes carried forward from previous years – car park resurfacing works*

A Member requested that the Council examine the option for parent and child bays for Council owned car parks. In response, the Director for Place and Environment confirmed that parent and child spaces had an adverse impact on car parking capacity and were possibly unenforceable. There was a discussion about abuses of car parking spaces in particular, disabled bays. In this respect, it was confirmed that the Council enforces disabled bays and was looking to increase awareness of these types of spaces in communities.

The Committee Resolved that:

The Committee noted the draft revenue budget proposals and draft revenue capital scheme.

**6. Social Care and Health Overview and Scrutiny Committee – 7 December 2023**

The Finance Manager for Adult Social Care introduced the report and underlined that currently the proposed draft budget had not been balanced but some progress had been made to rectify this.

Due to a lack of the clarity within the report, Members queried whether savings as identified in Table B of the report were invest to save proposals or were a result of reduced funding. The Finance Manager clarified that the majority of savings outlined were due to investments being made which were predicted to lead to savings in the subsequent financial years.

The Executive Director for Adult Social Care in absence of the Portfolio Holder, explained the planned savings outlined in Table B and proposed invest to save measures.

A brief discussion took place between officers and Members.

Some members would be supportive of an expansion of the number of Shared Lives placements within the Borough on top of the existing provision. In response, it was noted, the Council were considering placement increases in the future. However, the shared lives model wasn't a widely used and the attraction of shared lives carers remained challenging.

Members were concerned that the proposed savings would reduce service delivery and if not achieved would place further budgetary pressure on the Council's finances in the future. Officers stressed that the investments made would improve services and increase early intervention, thus reducing future costs.

Several recommendations were made at the end of the item through the Chair. These recommendations were as follows:

- That the Committee express its concern that the proposed savings of £4,544,392 for 2024/25 could potentially be detrimental to those receiving care within the Borough.
- The Committee expresses its concern that the predicted additional income for 2024/25 may not be achieved and this would lead to further budgetary pressures.
- That the planned investments in relation to investment reference 24, 'Community Reablement Service', would be difficult to implement quickly and therefore challenge the deliverability of the planned savings of £1.14 million (OP 24) in the financial year 2024/25.
- That the Committee request that the Cabinet write to the Secretary of State for Health and Social Care to ask for additional funding for social care and a long-term funding model.

These recommendations were not adopted by the Committee when put to the vote.

The Committee Resolved that:

1. The Committee considered the draft revenue budget proposals to date as attached that related to its remit as shown in Appendices 1 and 2, and that feedback would be presented to Cabinet on 13 December 2023.
2. That the Committee noted that the revenue budget for 2024/25 was currently not balanced, with a gap of c£18m, and therefore a further report would be required if any changes to draft proposals outlined related to services within the committee's remit.
3. That the Committee considered the draft capital schemes included in the draft capital programme attached that related to its remit as shown in Appendices 3 and 4, and that feedback would be presented to Cabinet on 13 December 2023.

## **Section A - Part 2 - Report on findings from Budget Consultation**

### **1. Background**

- 1.1 Each year Walsall Council undertakes public consultation in preparation for the budget setting process. Residents, partners and other key stakeholders were invited to have their say on draft budget proposals for 2024/25 to 2027/28 where applicable.
- 1.2 Section 138 of the Local Government and Public Involvement in Health Act 2007 placed 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.

### **Approach to consultation**

- 1.3 Information on the draft proposals were published on 11 October 2023 (18 October Cabinet report) and on the council's website at:  
[www.walsall.gov.uk/budgethaveyoursay](http://www.walsall.gov.uk/budgethaveyoursay)
- 1.4 Consultation with a range of stakeholders, including residents, Non-Domestic Rate Payers, voluntary and community organisations, trades unions, Councillors and other key stakeholders took place between 19 October 2023 and 10 December 2023.

### **Communications and promotion**

- 1.5 The consultation was announced in a news item on the council's website and was promoted on social media on the corporate 'X' and Facebook accounts. 4,530 impressions (the total number of times a post has been displayed in a social feed) were achieved, 81 engagements (comments, likes or shares).
- 1.6 Information about the proposals was provided and further information could be sought on request.

### **Methodology**

- 1.7 Consultation has, as far as possible, been designed to be appropriate to the audience and to facilitate informed comment. In doing so the needs of particular groups and communities have been considered, alternative formats and support to respond were made available on request. A dedicated budget email address and phone line was available for people to call for further information or to make a comment.
- 1.8 3,500 leaflets promoting budget consultation were distributed throughout all public facing council buildings including libraries, leisure centres, the Art Gallery and the Leather Museum.
- 1.9 Staff at Walsall Connected centres all over the borough were sent a briefing note and leaflets to enable them to promote the consultation and support people to have their say online.

- 1.10 Businesses and voluntary organisations were also sent the information and invited to have their say (see section 2.18).
- 1.11 The 18 October Cabinet report - Draft Revenue Budget and Draft Capital Programme 2024/25 – 2027/28 included 6 policy proposals and 72 operational proposals for consultation.
- 1.12 The majority of operational proposals tend not to impact directly on the public as the changes are 'behind the scenes'. While operational proposals are savings that do not require Cabinet approval or formal consultation, public comments and feedback were sought as part of consultation on the wider budget.
- 1.13 Central to the consultation is to understand how the draft proposals, if approved, may impact on people / communities and to seek alternative suggestions for how the savings could be made. Feedback on all proposals was gathered via a short generic online questionnaire. Each proposal had a reference number allowing respondents to identify the proposal(s) they wished to comment on. Where appropriate respondents were asked about their use of the service followed by 3 key questions:
- What is your overall opinion on this operational proposal? (support, support but with concerns / amendments, do not support)
  - How if at all, might this proposal affect you?
  - Do you have any alternative suggestions for how this saving could be made or income generated?
- 1.14 By the closing date 29 responses had been received via the online survey. Two emails were received.

### **Petitions**

- 1.15 No petitions have been received.

## **2. Summary of feedback – policy proposals, operational proposals, capital investment, increases in council tax (All respondents)**

- 2.1 An online survey was made available on the Council's website from 19 October 2023 until 10 December 2023.
- 2.2 By the closing date 29 responses had been received. 26 people were residents of Walsall, 1 was a community and voluntary sector representative and 1 council employee responded. The remaining 1 was unknown.
- 2.3 Results are reported on the basis of the number of people who answered the specific question. Note that not all questions were mandatory and the number of respondents to each question varies.
- 2.4 Respondent demographics were collected on a voluntary basis and have been shared as part of the equality impact assessment (EqIA) process.

## **Draft policy proposals P1 to P6**

- 2.5 All 6 draft policy proposals were consulted on via the online survey. Paper copies were available on request. Detailed summaries of feedback from consultation plus EqlA information is provided on the council's budget consultation webpages.

<https://go.walsall.gov.uk/your-council/consultations/budget-consultation/have-your-say-budget>

A quick reference table is provided on the next page.

## 2.6 Table 1. Quick reference summary table of consultation and EqIAs

Proposal Ref	Savings Proposal (number of responses – all low)	Saving / new income 2024/25 £	Overall opinion	Support	Support with concerns / amendments	Do not support	PPS EqIA
P1	Leisure health checks based on 5% forecast take up One off investment of £40,000 in 2024/25. Additional saving of £20,125 in 2025/26. (3 respondents)	(5,125)	Divided	33%	33%	33%	A
P2	Registrars – introduction of charges for change of name deeds (3 respondents)	(3,000)	Support	100%	0%	0%	A
P3	Arts and Events income - to introduce new online shop sales and ticketing. Additional savings of £10,000 in 2025/26, £25,000 in 2026/27, £25,000 in 2027/28 (4 respondents)	(15,000)	Support	75%	25%	0%	A
P4	Street lighting dimming and trimming during the evening (11 respondents)	(160,000)	Support with concerns	27%	64%	9%	B
P5	Cease provision of Christmas lights (11 respondents)	(40,000)	Against	18%	27%	55%	A
P6	Closure of Fryers Road and Merchants Way Household Waste Recycling Centres for 1 day (7 to 6) - saving on contract spend (8 respondents)	(150,000)	Against	38%	0%	63%	A

- **P4 concerns / amendments:** Concern about darker streets, crime, and personal safety.
- **P5 Against:** General disappointment. Seen as important for lifting the mood and linked to faith. Highlighted that all ‘festive’ lights should be stopped not just Christmas lights.
- **Against P6:** Concern about increase in incidents of fly tipping.

## **Operational proposals**

- 2.7 7 respondents commented on a handful of operational proposals. Feedback has been shared with the relevant services.

## **Capital Investment**

- 2.8 When asked for thoughts on the capital programme, the following comments were made;

*"You're spending a lot of money on bed and breakfasts. Build more council properties, offer to buy back ex-council properties".*

*"There is a lot of money being made available for the town centre and Bloxwich, it should be reviewed on a cost per resident basis compared to other services available across the borough."*

## **Thoughts on paying more council tax to help protect services**

- 2.9 The online survey also sought feedback on paying a bit more council tax, in particular an increase of 2.99% in general council tax and a further 2% Adult Social Care Precept. Details and figures for the Walsall Council element of council tax were provided.

- 2.10 Most respondents who answered the question do not want to see council tax increased by 2.99%. Results show that 17 people (out of 28 who answered the question) do not support a general council tax increase of 2.99%. However, 11 people did support a 2.99% increase.

- 2.11 Comments from respondents who did not favour an increase in general council tax focus on it continuing to be unaffordable especially as the cost-of-living crisis remains. Concern is expressed about the most vulnerable households being impacted.

- 2.12 Comments include;

*"We had an increase in the last financial year. The council cannot keep putting pressure on residence through a cost-of-living crisis. With families this winter already not putting on the heating and choosing to eat."*

*"Residents are struggling enough with bills, council's shortfall on funding should not be made at the expense of residents."*

*"The extra cost will put a strain on household expenses and will hard for families to justify with the loss of services."*

*"Increasing council tax will affect the most vulnerable and families with low-income households who already struggling financially."*

- 2.13 The 11 respondents in favour of a 2.99% increase tend to feel it is justified given reduced funding and the need to maintain services.

*"We as residents need to contribute to our council's funding if we need decent, and relevant services. Given that wage inflation is more than 6% and the increase to state*

*pensions and other benefits is likely to be in the order of 8% a 2.99% increase in council tax is not unreasonable.*

*"I know times are tough but we need to pay for our public services."*

*"If it is the only way to save services then do it."*

2.14 In terms of applying a 2% adult social care precept views are divided:

- 7 respondents say yes apply it in addition to general increase;
- 6 respondents say do not apply precept, general increase only;
- 4 respondents say apply 2% precept only;
- 10 respondents say do not increase council tax at all ;
- 2 said don't know.

2.15 A 2% precept for adult social care, on top of a 2.99% general increase, generates greater concern around affordability particularly for families and vulnerable people who are perceived to be already struggling. Some believe central government should be footing the bill instead.

*"Families don't have the money and will push households into the red."*

*"Residents are struggling enough with high bills for food, fuel, gas and electric."*

*"The extra cost will put a strain on already stretched household incomes and cannot be justified with the loss of services."*

*"Council tax for Walsall is the 13th highest in the country, 11 of those are in the south-east and incomes are considerably higher. I would have to move out of the county [borough] to afford to survive."*

2.16 Some who wanted the precept applied, highlighted the importance of supporting vulnerable, elderly people and to support independence.

*"Desperately need to raise additional money for ASC."*

*"The care of our elderly and vulnerable is important they shouldn't suffer through lack of government funding requiring ourselves to foot the bill."*

*"Yes, if it helps to keep people getting help in to stay in their own homes."*

2.17 Most respondents (18 people) say paying more council tax will have a big impact on them, 9 people say some impact and 1 said no impact.

### **Statutory consultation on the draft budget and council tax (NDRP) and community and voluntary sector**

2.18 As part of the council's statutory duty to consult<sup>1</sup> with representatives of local non-domestic ratepayers (NDRP), businesses and community and voluntary organisations were invited to have their say on the current and preceding years' expenditure proposals, as well as the proposed council tax increase for 2024/25.

- 2.19 On 8 November 2023 emails outlining the draft budget and explaining the adult social care precept were distributed electronically to 1,236 businesses and to approx. Over 400 community partners and community organisations were contacted via existing networks including North, South, East and West localities and via One Walsall. As well as providing a link where further information could be found the communication invited these businesses and organisations to have their say via the online survey.
- 2.20 By the final closing date of 10 December 2023, 0 responses from business representatives were received and 1 from a community / vol sector organisation.
- 2.21 The only policy proposal commented on was P4 street lighting dimming and trimming, which the organisation supported but with concerns / amendments. They did not expand on why.

### **Trade Union Consultation (via ERF)**

- 2.22 The trades unions were briefed on the budget on 19 October 2023 and were asked to provide any feedback. ERF noted the investments, savings identified to date and key risk to the forecasts. ERF commented on the pay award provision beyond 2025/26 reducing to 2% and whether this would be sufficient. It was advised that assumptions would be under continual review. ERF welcomed further updates once the budget is recommended to Council by Cabinet. A further update is planned for 6 February 2024.

# Section A - Part 3 - Report on findings from Equality Impact Assessment

## Introduction

- 1.1 All managers responsible for savings proposals outlined in the draft budget reports to Cabinet on 18 October and 13 December 2023 were requested to carry out an assessment of each proposal.
- 1.2 An Equality Impact Assessment (EqIA) is Walsall Council's chosen procedure for checking lawfulness of decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. These are:
- Age
  - Disability
  - Gender reassignment
  - Marriage and civil partnership
  - Pregnancy and maternity
  - Race
  - Religion and belief
  - Sex
  - Sexual orientation

Since 2021, Walsall Council introduced 3 further categories to reflect the new legislation (Armed Forces Act 2021) and other benchmarked best practice. These are:

- Armed Forces
- Care Responsibilities
- Health, Social and Economic inequalities

### 1.3 Information required in the EqIA

EqIA must contain relevant data and sufficient analysis to enable members to understand the equality implications of a proposal and any alternative options. It must have satisfactory and appropriate information and be presented to decision makers in time for them to understand the effects of the proposal on people with protected characteristics. It must also;

- Consider whether action can be taken to mitigate any identified potential adverse impacts. Some proposals will affect everyone, but others will affect people from different equality groups;
- Consider whether action can be taken to enable the policy or decision to advance equality of opportunity for people who share a relevant protected characteristic;
- Request further research, consultation, or action is necessary.

### 1.4 What course of action does the EqIA suggest?

An EqIA should clearly identify the option(s) chosen and their potential impacts as well as 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. To make this judgement, concrete evidence must be provided that people with protected equality characteristics (all groups) will not be affected adversely.

### **B - Adjustments are needed to mitigate adverse impact and to better promote equality**

A plan is required which must include specific deadlines for actions to be completed in order for the decision to be implemented, e.g. alternative ways of providing the service, signposting to other providers and ongoing monitoring of the impact. If there are further concerns following adjustments, the decision must be reviewed, and action taken.

### **C - Continue despite possible adverse impact**

Compelling reasons will be needed, and mitigating actions are required to minimise adverse impact. An action plan is required which must include specific deadlines by which mitigating actions need to be completed in order for the decision to be implemented, e.g. alternative ways of providing the service, signposting to other providers and ongoing monitoring of the impact. If there are further concerns following adjustments, the decision must be reviewed, and action taken.

### **D - Stop and rethink the proposal**

When an EqlA shows actual or potential unlawful discrimination and needs to be reviewed immediately.

## **2. Evaluation of EqlAs**

2.1 Cabinet on 18 October and 13 December 2023 agreed a summary of revenue savings for consultation. All managers responsible for policy proposals and operational proposals with the confirmed requirement for EqlAs, were requested to carry out an assessment. 6 policy proposals and 72 operational proposals were considered for their impact on protected characteristic groups. Each of the proposals had an equality screening and 6 policy proposals and 4 operational proposals were considered necessary or having the potential to undergo an impact assessment process.

2.2 The table below shows the outcomes for the policy proposals.

<b>Ref</b>	<b>Decision</b>	<b>2024/25 EqlAs</b>
A	No major change required	5
B	Adjustments are needed to mitigate adverse impact and to better promote equality (Includes initial EqlAs submitted and in progress)	1
C	Continue despite possible adverse impact	0
D	Stop and rethink the proposal	0
	No EqlA required	0
	Awaiting confirmation of commencement to EqlA	0
	<b>Total (Policy)</b>	<b>6</b>

2.3 The tables below provide further detail on those assessed as B, C or D. Where the outcomes showed B or C, the action plan is required to show the adjustments needed, how to reduce the impact or justify why it should continue despite the impact.

2.4 All EqlAs that result in initial B or C outcomes are further reviewed by the Strategy and Policy Unit and considered by Cabinet members, giving an opportunity to comment and, where applicable, amend the budget in terms of its fairness, equality duties and objectives, as well as future shaping of the services. Proposals continue to be monitored and managed following implementation. There were no C outcomes.

2.5 The 6 policy proposals included within the draft budget for 2024/25 were reviewed as follows:

Ref Number	Proposal	EqlA outcome	Update / Comments
P1	Leisure Health Checks	A	No major change required.
P2	Registrars change of name deeds	A	No major change required.
P3	Arts & Events income - To introduce new online shop sales and ticketing	A	No major change required.
P4	Streetlight dimming and trimming	B	Adjustments are needed to mitigate adverse impact and to better promote equality.  The service will monitor the impact of the dimming and trimming of streetlights on the experiences and perceptions of safety and in vulnerable locations for different protected characteristics, including age, gender, disabilities and others.
P5	Cease provision of Christmas lights	A	No major change required.  In terms of equality for all race and religious groups, this proposal should not disproportionately impact any particular one and therefore all festive and seasonal lights which include Christmas and Diwali lights should cease. Opportunities for sponsorship funding can be explored.
P6	Closure of Fryers Road and Merchants Way Household Waste Recycling Centres for 1 day (7 to 6)	A	No major change required.

2.6 There are 4 operational proposals requiring an EqlA for implementation in 2024/25 period of which 2 are under review as they are either in progress and subject to ongoing consultation and engagement activities or are about to be assessed due to timing reasons (i.e. a later than April 2024 implementation date).

2.7 The 4 operational ones were reviewed as follows:

Ref Number	Proposal	EqIA outcome	Update / Comments
OP3	Arena restructure	A (Organisational Change)	No major change required
OP10	Libraries partnership with voluntary sector	B (Policy, Procedure, Strategy) TBC (OC)	<p>Subject to continued consultation and engagement. Both EqIAs are linked, and any impact will be reviewed by the end of February after the consultation and engagement phase and adjustments will be reported through corporate equality group monitoring.</p> <p>To remove any potential barriers the following adjustments are proposed in the Action and Monitoring Plan:</p> <ul style="list-style-type: none"> <li>• VCS partnership agreements will be created for: <ul style="list-style-type: none"> <li>- Provision volunteers at times where libraries require support in future (e.g. Saturdays)</li> <li>- Home and mobile library transport based on demand</li> </ul> </li> <li>• Rationalisation of opening hours based on demand.</li> <li>• Take advantage of new systems, like self-management of volunteers' time (database they fill out themselves about their availability and match with location).</li> <li>• Developing 'library hub/s'(similar to locality model in some community libraries).</li> <li>• Tri-party agreement with Team Walsall about volunteering resource.</li> <li>• Extending the current offer for supported internships.</li> <li>• Developing a number of apprenticeships.</li> </ul>

Ref Number	Proposal	EqlA outcome	Update / Comments
OP12	Non-Statutory Training in Community and Partnerships	TBC (PPS)	Subject to consultation and engagement. The survey ends on 31 January 2024.
OP16	Community reablement service	B (PPS)	<p>This is a pilot service for community reablement which will support the re-commissioning of reablement in the community and home care effective from 1<sup>st</sup> April 2025. The service is available to any Walsall person who meets the agreed criteria for accessing this support. The development of the associated service specifications will actively consider how protected characteristics are incorporated into service delivery through actioning wider EqlAs that are associated with the recommissions/pilot.</p> <p>To remove any potential barriers the following adjustments are proposed in the Action and Monitoring Plan:</p> <ul style="list-style-type: none"> <li>• To ensure EqlAs for re-commissions includes considerations linked to the community reablement business case/pilot. An individual EqlA will be done for each specific service specification.</li> <li>• To action the assessment process to ensure that the assessment and care/support planning processes adequately identify protected characteristics and outline an approach to meeting these associated requirements.</li> </ul>

### 3. Emerging findings from the Review of EqlA

3.1 Walsall Council Corporate Plan states as its overarching priority **to reduce inequalities and make the most of potential**. To this aim, our services, partners and voluntary and community sector are committed to developing a healthier, cleaner and safer borough enabling residents, communities and businesses to fulfil their potential and thrive. We annually publish our achievements against the Public Sector Equality Duty objectives and these reports can be accessed at [Equality documents | Walsall Council](#).

- 3.2 A rigorous and transparent equality impact assessment process, with special emphasis on those Council services and functions that are subject to reductions and changes has always been at the core of the budget setting process. Here is the summary of the key areas of impact on people with 'protected characteristics' arising from the 2024/25 budget:

### **AGE - Older and vulnerable people and carers**

- 3.3 During our assessment of the proposed 2024/25 budget we have identified that the proposal for Street lighting dimming and trimming will proceed with careful consideration given to the locations where it would not be appropriate to implement reduced lighting which could cause potential adverse impact to older and vulnerable people in relation to the perceptions of personal safety. Therefore, the Council will work with partners to identify locations and facilities where it may not be appropriate to implement dimming and trimming of lighting. Further consideration will also be given to the impact of this service on the experiences and perceptions of safety on different protected characteristics, including age, gender, disabilities and others. A dimming and trimming trial with engagement from the public will help determine the appropriate percentage of reduction in light output for implementation.

### **PEOPLE WITH DISABILITIES**

- 3.4 We want to ensure that Street lighting dimming and trimming does not pose adverse impact to people with disabilities including older people and those with a mobility or sight impairment. This will be mitigated through the actions specified above.

### **RACE AND RELIGION**

- 3.5 The proposal to Cease provision of Christmas lights does not pose any adverse impact on people with protected characteristics. However, this proposal does have a potential cumulative impact across the borough. It is important to recognise that in terms of equality for all race and religious groups, it should not disproportionately impact any particular one. Therefore, we are minded to cease provision of all festive and seasonal lights which include Christmas and Diwali lights. Opportunities for sponsorship funding can be explored and if obtained, the festive lights could be retained in the near future.

### **SEX**

- 3.6 In relation to the proposal for Street lighting dimming and trimming (as explained above), careful consideration is being given to the potential adverse impact that reduced lighting could have on certain groups. For example, the impact this could have on the safety of females in particular locations where services used predominantly by females and children are based. This will be considered and mitigated through the actions specified above whilst taking into account any vulnerable locations that this decision may adversely impact by making it unsafe when considering the dimming and trimming of street lighting.

### **OTHER – COUNCIL TAX & FEES AND CHARGES**

- 3.7 As every financial year, the Budget plan includes the council's position statement on council tax affecting all our residents. In order to mitigate the impact, the council

administers a council tax reduction scheme and hardship fund, and a crisis support fund to support our most vulnerable residents. For further details of the proposed council tax levels, please refer to the tables within the recommendations of this report and the Budget Plan Annexe.

- 3.8 There are other fees and charges for services that will be increased to generate the savings proposed. These increases are in line with inflation with the aim of minimising the impact; however, any increase in fees and charges will inevitably affect all those in and out of the borough who pay to use a specific service(s). Any potential negative impacts will be mitigated for generally by the council's response to the cost-of-living crisis and any support that is put in place to help residents deal with this. Where concessionary rates on fees or charges are offered to certain groups (e.g. for children or older people), this will continue to be the case.

#### **4. Ongoing EqlAs and implementation**

- 4.1 EqlAs are live assessments, continuing through the budget considerations as well as during the implementation. Some will not have completed consultation and engagement on operational proposals by the time Cabinet and Council meet and certainly not in time for this report. The Strategy and Policy Unit has engaged with proposal holders, working with them and their proposals to ensure that equality is being considered throughout the process.

#### **5. Equalities Monitoring Process**

- 5.1 Findings from the cumulative impact assessment and corrective actions are monitored quarterly by Equality Champions, directorate management teams and Corporate Management Team (CMT), where updates will be provided as appropriate.
- 5.2 The Strategy and Policy Unit carefully consider the full impact of all EqlAs, with the support of CMT and Equality Champions. Emphasis will be placed on managing and mitigating any adverse impact to the services, and in consultation with their service users with protected characteristics. Managers implementing the service changes where potential impact has been identified will be responsible for any mitigating actions outlined.