

Cabinet – 5 February 2014

Corporate Budget Plan and Treasury Management and Investment Strategy 2014/15

Portfolio: Councillor Towe – Resources

Related Portfolios: All

Service: Finance – council wide

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1. This report presents the revenue and capital budget plan for 2014/15 following consideration of the proposals by scrutiny panels and public consultation, for recommendation to full Council, along with draft precepts.
- 1.2. This report also sets out the treasury management and investment strategy as required by the CIPFA Code of Practice. 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.

2. Recommendations

2.1 Cabinet is asked to note:

Revenue

- a) 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 levels. (The council has been advised that they will both be approved following meetings scheduled for early February, final figures will therefore be provided prior to or at the Council meeting of 27 February 2014).
- b) That at the time of despatch of this report, the levy authorities (Environment Agency and Centro) had not formally notified the authority of their final demand. Current estimates have been used for Centro and Environment Agency based on informal communication, but these are subject to formal approval. (The final levies are expected to be approved early February, and will be included within the final papers to Council).

- c) That the aggregate income includes the council tax freeze grants for 2011/12 and 2014/15.
- d) That Council on 13 January 2014 approved the continuation of the current localised council tax support scheme into 2014/15, which has been reflected in the council tax base of 61,523.32 band D equivalents, and is reflected in this report.

2.2 Cabinet is asked to approve:

Social Care budgetary pressures

- e) The delegated action being taken by the Interim Executive Director for Social Care and Inclusion as set out in section 3.4 to address budgetary overspends arising in 2013/14 to ensure a balanced budget for 2014/15 and beyond.
- f) Actions as set out in section 3.5, subject to appropriate consultation being undertaken and noting that further reports will be brought back to Cabinet for approval.
- g) Actions to be taken as set out in section 3.6, which require an executive approval, subject to any consultation requirements.

Children's Services budgetary pressures

- h) Investment of £512,622 in 2014/15 as set out in section 3.7.

Revenue Budget 2014/15

- i) The Walsall council draft net council tax requirement for 2014/15 of £86.76m – with no increase in council tax.
- j) The budget plan and all the recommendations, proposals and changes to policies and procedures set out in the plan, and further delegates authority to the relevant executive directors to implement the same, subject to Council approving the budget on 27 February.
- k) That delegated authority be given to the Chief Finance Officer to negotiate and finalise employers pension contributions and the financing thereof, in relation to the three year pensions evaluation commencing 2014/15.
- l) That delegated authority be given to the Chief Finance Officer to make any necessary amendments, in consultation with the portfolio holder for finance and personnel and the Leader, to take account of the final levies and precepts which have not yet been notified; any changes arising from 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 for 2014/15 and for amendments to those to be submitted and therefore recommended to Council at its meeting on 27 February 2014.

Capital Programme 2014/15

- m) The capital programme for 2014/15 of £40.67m, comprising mainstream (council funded) capital of £17.04m and externally funded schemes of £23.63m, subject to Council approving the Council's borrowing requirement and capital expenditure on 27 February. Further to this, the leasing programme totals an additional £3.66m of capital expenditure in 2014/15.

2.3 Cabinet is asked to approve and recommend the following to Council, subject to receipt of final precepts and levies, receipt of the final settlement, technical/legislative guidance and final specific grant allocations (*substitute figures and resolution to be provided to Council to take into account these changes*):

2.3.1 Revenue

- a) The recommendations of the Chief Financial Officer (CFO) 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 an opening general reserves of not less than £11.2m, as set out in **Annex 3**.
- b) 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 27 February 2014. (An estimate has been used within this report based on informal notification from the authorities).

LEVY	AMOUNT (£)
West Midlands Passenger Transport Authority	13,598,024
Environment agency	72,406

- c) 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 the final settlement, technical/legislative guidance and final specific grant allocations, and Cabinet approve that these will be **substituted** at the Council meeting on 27 February 2014 for the final figures:

- I. **£635,131,842** 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. **£548,367,965** being the aggregate income which the council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.
- III. **£86,763,877** being the amount, by which the aggregate at (c) (I) above exceeds the aggregate at (c) (II), calculated by the council in accordance with Section 31A(4) of the Act, as its council tax requirement for the year.
- IV. **£1,410.26** being the amount at (c) (III) above, divided by the council tax base of **61,523.32**, 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 (c) (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.

A	B	C	D
£940.17	£1,096.87	£1,253.56	£1,410.26
E	F	G	H
£1,723.65	£2,037.04	£2,350.43	£2,820.51

- d) The precept from the Fire and Rescue Authority and the precept for 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 27 February 2014.

PRECEPTING AUTHORITY	VALUATION BANDS			
	A	B	C	D
Police And Crime Commissioner	£68.29	£79.67	£91.05	£102.43
	E	F	G	H
Fire & Rescue	£125.19	£147.95	£170.72	£204.86
	A	B	C	D
	£35.21	£41.08	£46.95	£52.82
	E	F	G	H
	£64.55	£76.29	£88.03	£105.63

- e) That having calculated the aggregate in each case of the amounts at (c) (v) and (d) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts of council tax for 2014/15 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 27 February 2014.

A	B	C	D
£1,043.67	£1,217.62	£1,391.56	£1,565.51
E	F	G	H
£1,913.39	£2,261.28	£2,609.18	£3,131.00

- f) That notice **be given** of the council tax within twenty one days of it being set by publishing details of the same in the "Walsall Advertiser" newspaper circulating in the Authority's area.
- g) That the Chief Financial 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, the giving of notices and the taking of necessary steps to ensure collection thereof.

- h) The **approval** of the budget plan, including the opening cash limits, savings and investment proposals set out in the annexes.
- i) 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.

2.3.2 Capital

- a) That the draft capital programme set out in the following tables **be approved** bearing in mind the principle that unless affordable from within current resources, specific projects funded by unsupported borrowing will not be commenced until a payback agreement is in place. Schemes funded from grant will commence when final allocations are published. Reserve list items will only commence should funding become available during the financial year.

CAPITAL PROGRAMME 2014/15	
MAINSTREAM (COUNCIL FUNDED) SCHEMES	ESTIMATED VALUE £
<i>Prior Year Approvals</i>	
Walsall Arboretum – Illuminated Park	108,000
Willenhall Memorial Park	60,000
Primark / Coop Development	5,527,113
<i>New Capital Bids</i>	
ICT Essential Maintenance – Virtual Server infrastructure	74,000
Increase Council Internet Security	14,500
ICT Essential Software License changes	46,000
Improvements to ICT security (Protection of council information)	18,000
ICT requirements to cater for blending transitioned services	445,680
Social IT Systems Review & Enhancement	550,000
Replenish Smarter Workplaces capital pot	152,200
New Car Park Provision – Lucknow Road	168,000
Highway Maintenance Programme	1,700,000
Public Lighting ‘Invest to save’ for replacement LED lighting	250,000
Traffic signals infrastructure – conversion to LED signals	45,000
Aids & Adaptations – statutory element	400,000
Supporting Independence & Preventative adaptations	500,000
Health through warmth and related retro-fit schemes	500,000
Shop Maintenance	120,000
Replacement Development Management, Building Control & Land Charge ICT system	98,700
Replace the heating & ventilation system within the First Stop Shop	100,000
Replace the existing heating & ventilation system in link block	100,000
Solar PV Panels for Civic Centre	425,000
Walsall Market – permanent relocation	250,000

MAINSTREAM (COUNCIL FUNDED) SCHEMES (Continued)	ESTIMATED VALUE £
Retained Housing Land Inspection/Maintenance of LSVT sites	50,000
Remodelling of Rushall Primary School and Education Development Centre	3,000,000
Memorial Safety Management in Walsall cemeteries	80,000
Libraries Universal Digital Offer – a 21 st century Public Library service	67,540
Broadway West Playing Fields	75,000
Forest Arts Centre – Renovation of Sports Hall	198,800
<i>Capital Investment Earmarked Reserves</i>	
Funding to support essential works including Health & Safety, and other projects that cannot be guaranteed at start of year	1,000,000
Capital Contingency – provision to manage unforeseen expenditure	669,413
Provision for match funded external schemes	250,000
Total	17,042,946

NON-MAINSTREAM CAPITAL PROGRAMME – SCHEMES FUNDED FROM EXTERNAL SOURCES 2014/15	
NON MAINSTREAM SCHEMES	ESTIMATED VALUE £
Basic Need	1,160,396
Devolved Formula Capital	564,917
Capital Maintenance	2,784,688
Universal Infant Free School Meals Capital	697,816
Highways Maintenance / Additional Local Funding	184,000
LTP Highway Maintenance Programme	1,832,000
A461 Corridor Highway Improvement Scheme / Major Transport Schemes Programme	155,000
Disabled Facilities Grant	1,632,000
Integrated Transport Block / Local Transport Plan 2014/15	2,119,000
Black Country Business Property Investment Programme	4,562,173
Darlaston Strategic Development Area Access	7,144,000
Community Capital Capacity Grant	797,000
Total	23,632,990

LEASING PROGRAMME 2014/15	
PORTFOLIO	EXPENDITURE £
Environment portfolio	3,653,104
Total	3,653,104

CAPITAL PROGRAMME RESERVE LIST ITEMS 2014/15	
NON MAINSTREAM SCHEMES	ESTIMATED VALUE £
Aids & Adaptations	600,000
Supporting Independence & Preventative Adaptations	500,000
Health Through Warmth & Related Retro-Fit Schemes	500,000
Traffic Signals Infrastructure – replace obsolete control equipment	200,000
Promotion of Community Health & Safety	240,000
Retained Housing Land Inspection & Maintenance of LSVT sites	50,000
Residential Parking – Construction of new residential parking facilities (verge parking)	250,000
Carbon Management Programme	280,000
Open Space associated with retained housing land	25,000
Enable the Local History Centre & New Art Gallery to develop their collections	63,000
Funding to support essential works including Health & Safety, and other projects that cannot be guaranteed at start of year	500,000
Total	3,208,000

2.3.3 Treasury Management

- a) The 2014/15 treasury management and investment strategy document set out in **Section 2**, including the council's borrowing requirement and the adoption of the prudential indicators set out in **Annex 6, be approved.**
- b) That decisions to effect movements between conventional borrowing and other long term liabilities, such as leases, **be delegated** to the Chief Finance Officer.
- c) That decisions to use capital receipts or unsupported borrowing within the framework of approved prudential indicators **be delegated** to the Chief Finance Officer.

3. Report detail

3.1 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 sets out the revenue and capital plans for service delivery for 2014/15 and beyond.

3.2 Corporate Financial Performance 2013/14

In addition to the need to bring in a balanced budget for 2014/15, Cabinet are mindful of the necessity for directorates to balance their budgets for 2013/14. The currently predicted forecast revenue position for 2013/14 is an overspend of just under £2m. Actions are being taken to address the position, and there are signs that these actions are working, with a currently reported forecast overspend of just under £2m, which is a reduction of £1m from the £3m overspend position reported to October Cabinet.

An area of particular pressure is in Adult Social Care and the sections below set out the action being taken to address these, some of which require Cabinet approval.

Adult Social Care and inclusion – balancing the budget

- 3.3 The Adult Social Care and Inclusion directorate is currently working on ways that it can replace previous undelivered savings and in-year budget pressures with actions that can ensure they move to a balanced budget for both 2013/14 and for 2014/15. In the current financial year, Adult Social Care and Inclusion will be looking to balance its budget with the use of one-off reserves. This will still leave some underlying budgetary problems that require action in 2014/15. A separate report is on the agenda for Corporate Financial Performance, which summarises the third quarter financial monitoring position for 2013/14, and sets out in more detail the pressures Social Care and Inclusion is facing. This budget report will address these on a permanent basis to ensure a balanced budget.
- 3.4 The following actions have been taken or are being planned by the Interim Director under delegated authority, delivering savings of £3.441m:
- Delivering £2.416m part of the savings that had not been delivered from previous year's targets in mental health services and for adults with complex needs. These will be delivered through the continuation of bringing some people from out of borough placements back to the borough, and in both service areas, making less use of residential care and reducing some contracts. This comprises the review of base budgets and realignments to ensure all posts / projects are funded, the review of care packages, mental health board, for Complex care board, and telecare.
 - A proposal to assist care homes with reclaiming VAT which will be used as part of the fee negotiations for next year.
 - To secure a reduced overall average cost for domiciliary care through the current procurement process (£500k).
 - Reduction in management and support posts within the directorate and the use of vacancies to make permanent deletions of four additional posts (£75k).
 - Reduction in spend on training in the directorate including reduced staffing (3-4 posts) of £200k.
- 3.5 The following actions, which will require reports being brought back to Cabinet once work and consultation has been completed: Work towards reviewing the current management and arrangements for the Swift Ward and other services currently managed by the council.
- 3.6 In addition to these proposals which are now being developed by officers, the Interim Executive Director is seeking approval from Cabinet to procure an efficiency partner who can assist the directorate in finding further efficiency savings with a strong focus on improving the business processes and the operation of the directorate. The aim would be to appoint a partner early in the new financial year with an initial savings target of £1 million for next year. Approval is sought from Cabinet to proceed with the process to procure such a partner.

Children's Services – balancing the budget

3.7 Children's Services have identified a number of budgetary pressures in 2013/14, which will impact on the 2014/15 budget. A temporary budget increase of £512,622 has been included within the 2014/15 budget process to strengthen the children's social care workforce through the addition of 12 social worker posts. Placement costs are driven principally by a budget based on looked after children (LAC) numbers of 541, current numbers are 610. There is ongoing work to reduce the number of LAC where appropriate and also work is ongoing to reduce the cost of placements through more effective and efficient purchasing arrangements.

4. Council priorities

4.1 The budget process follows council priorities, including the agreement to use a value for money strategy to drive through savings proposals linked to working smarter and service redesign.

5. Risk management

5.1 Budget Plan: The council reviews corporate financial planning and budget principles in accordance with the medium term financial strategy (MTFS). The budget setting process includes a comprehensive financial risk assessment to determine key risks and their impact on the budget. Services also undertake risk assessments of their 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.

5.2 The identification of risks, and level of reserves, is referred to in the CFO statement at **Annex 3**. It is, however, unlikely that all risks identified will arise. Managers are required to deliver services within the available budget. Any known changes in service demand or costs arising from legislative or government demands are identified and dealt with, within the overall draft revenue budget, as an investment bid. The level of reserves is sufficient to cover the high and medium risk items. Any in-year use of general reserves may require replenishment to ensure the opening level of reserves is as required by the MTFS.

6. Financial implications

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

7. Legal implications

7.1 Councils must set and maintain a budget sufficient to cover known expenditure and deal with unknown contingencies. CFOs are required to report to members on the robustness of the estimates used for the purpose of calculating the budget and the adequacy of the proposed reserves. This is provided at **Annex 3** of the budget plan.

7.2 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 **Annexes 4 to 6** of the budget plan.

7.3 In recent years central Government has capped the level of council tax rises. For 2014/15, 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 above a pre-defined limit (now including levies). Capping principles are determined on a year by year basis and are yet to be advised by the Secretary of State.

8. Property implications

8.1 There are direct implications from this report as part of the draft capital programme, with the earmarking of some capital receipts, and investment into council assets.

9. Staffing implications

9.1 There are some staffing implications arising from this report, and consultation with employees and unions is undertaken in accordance with required procedures.

10. Equality implications

10.1 Equality impact assessments have been undertaken on the impact of proposed budget savings and on capital projects. Impact assessments have been updated as the budget has progressed and action implemented where applicable.

11. Consultation

11.1 The council is statutorily obliged to consult with representatives of non-domestic ratepayers before setting the budget for the following financial year. Businesses were asked to comment on the council's draft budget proposals to conform with this requirement.

11.2 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.

11.3 Comprehensive public consultation was conducted in three phases, as detailed below.

Phase one (early September to end October) saw thousands of 'Budget have your say' postcards and posters distributed. An online form and email were used to capture feedback from the public on where they think savings can and cannot be made. As well as the staff briefings, budget information was shared via the Intranet and core brief, on pay slips and posters in offices.

Phase two (end October to mid November) focused on the draft budget policy proposals, allowing for a more informed and meaningful conversation with the public and staff. Staff from phase one have held 38 face to face consultation events at various locations in the borough. These varied in times and covered various council buildings (e.g. libraries, leisure centres, First Stop Shop) along with town centre locations with support from the First Stop Express, and sessions at supermarkets. Specific meetings were also held with young people and other user groups including those with disabilities.

Phase three (November 2013 to January 2014) gave residents, businesses and the voluntary sector the opportunity to comment further on draft proposals.

In addition, JNCC's consulted with employee representatives and discussed budget options, and schools are consulted on school budgets. Scrutiny panels also received draft budget proposals for consideration and made recommendations.

11.4 A detailed report was presented to Cabinet on 23 October 2013 on the first draft budget proposals, with an update and feedback from public consultation and scrutiny panel recommendations to Cabinet on 11 December 2013. Draft savings proposals with a direct impact on services were integral to the second phase of public consultation and findings are reported at **Annex 9**. Cabinet have used this to inform their budget recommendations to Council and the following adjustments have been made to the original draft budget proposals:

- Removal of the £110,000 saving for the ceasing of Social Care recruitability payments.
- Removal of the £160,000 saving for the reduction in community satellite bases for Day Services.
- Reduction of the £75,000 saving for 10% reduction in youth contracts to £45,000 and replaced with £30,000 with vacancy management efficiencies within Children's Services.
- Retention of Bereavement Services element as part of the review of preventative low priority services within Social Care and Inclusion of £57,000, and to replace by the review of Social Care contracts.
- Remove subsidy to sports users for maintenance of grassed sports facilities, increasing income by £90,000 – agreed to review and defer removal of subsidy by one year.
- Cease council operated print and design service – service now to be downsized to achieve the saving of £150,000. Service to continue whilst options are sourced for future service delivery.
- Removal of the £61,906 saving for the ceasing of the time recording system, to be replaced by additional vacancy management targets within the Resources directorate.

In total, £658,906 of savings proposals have been removed (£270,000) or amended proposals have been substituted in their place (£388,906). This has been funded as follows:

- Use of one-off reserves - £90,000
- Substitute proposals (as set out above) - £298,906
- Additional unringfenced grant - £270,000

- 11.5 Service managers of all levels are responsible for delivering targets and service outputs on time, to standard and within budget. With their teams, they are involved in budget construction, bidding for investment and working up savings proposals. The corporate management team and Cabinet have continuously reviewed the evolving budget. All scrutiny panels received the draft revenue and capital budget proposals in November 2013. The second draft budget report including the feedback from the second round of public consultation, was referred on to scrutiny panels in December 2013 / January 2014, with no proposed recommendations. Health scrutiny requested a further report on the proposal to remove the Quality Improvement team, which will be provided. Cabinet, in considering this further, have decided to implement the full proposal.
- 11.6 The treasury management strategy has been approved by the finance Treasury Management Panel (an internal governance arrangement comprising the Chief Financial Officer, Head of Finance and Corporate Financial Systems and Treasury Manager) and Audit Committee. All officers involved in treasury management follow approved treasury management policies and procedures.

Background papers

- Various financial working papers.
- Financial Plan 2014/15 to 2018/19 - Draft Revenue Budget and Capital Programme for consultation – Cabinet 23 October 2013
- Financial Plan 2014/15 to 2018/19 – Update on Draft Revenue Budget and Capital Programme, and outcome of budget consultation to date – Cabinet 11 December 2013
- Budget Consultation Feedback 2014/15
- Council Tax Base 2014/15
- Medium Term Financial Strategy
- Equality Impact Assessments
- Council and service risk assessments

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29 January 2014



Councillor C Towe
Portfolio Holder - Resources
29 January 2014

Corporate Budget Plan and Treasury Management and Investment Strategy

2014/15

February 2014

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1. Purpose of this document

The council's budget is a financial representation of the organisation's plans for the forthcoming financial year and beyond. Therefore, the budget is constructed as an integral part of the council's planning processes and aligned to its priorities and objectives:

- the performance management framework
- the council's vision, aims, objectives, policies and strategies
- portfolio plans for future service delivery
- the medium term financial strategy

In general terms the Walsall Performance Management Framework serves as a support or guide for the delivery and improvement of services to ensure the appropriate level of governance is maintained.

The Council exists to benefit the public, responding to their needs to ensure the delivery of effective local services. We do this with limited resources and so must always work to ensure that public money is targeted to where it is most needed and used in the most efficient way possible. This means we need to listen to the demand coming from local people and build up a thorough understanding of how we can better serve them by equipping our staff with the skills, knowledge and freedom to respond. It also means we need to look outside our own organisation and work with partners in the public, private and voluntary sectors.

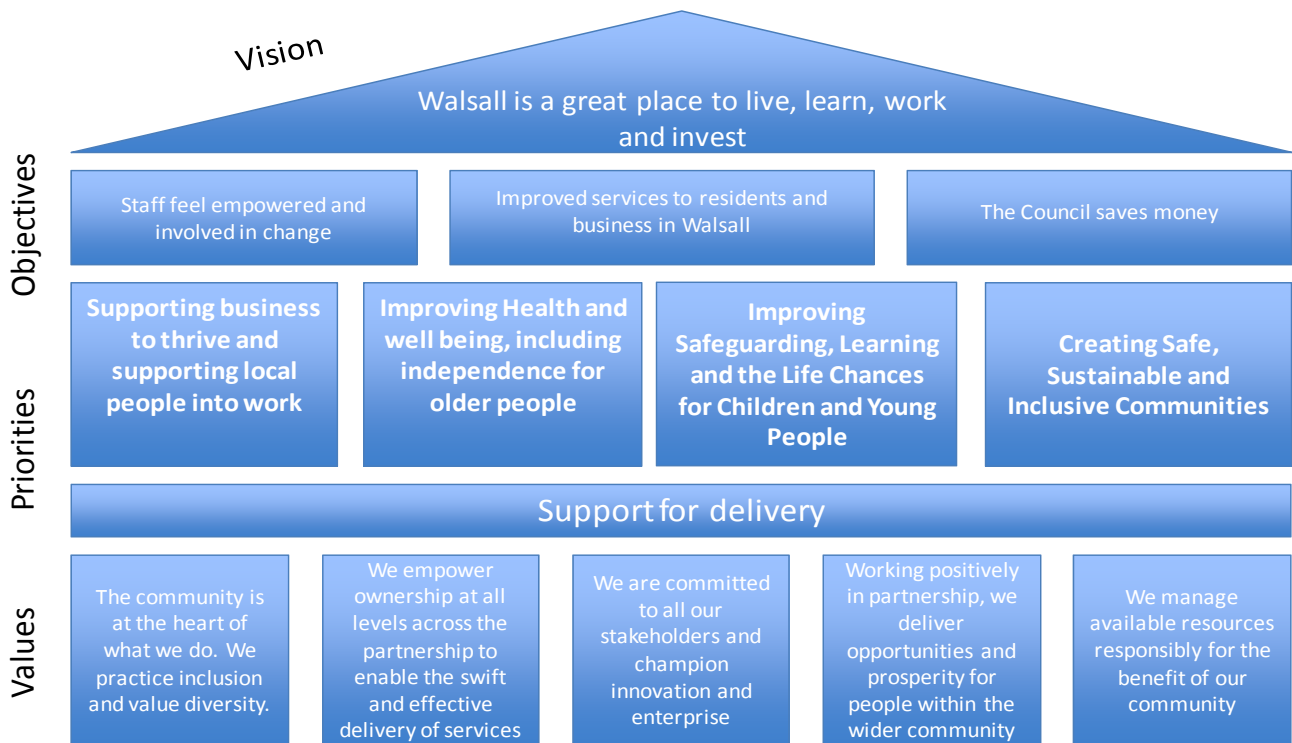
The plan will be achieved through the Council working more smartly in the way it operates. Working Smarter is an ambitious change programme that attempts to bring this about through taking out waste and spending less, improving customer service and changing the way we do our business. The way the council does its business will be underpinned by good governance and upholding high standards of conduct. But as well as a specific programme of change, Working Smarter is also a culture that will become embedded within the council, underpinned by three key objectives:



2. Our Vision, Priorities and Values

Our vision, objectives and priorities, underpinned by our values are expressed in the Corporate Plan 2013 and summarised in **figure 1** below.

Figure 1- vision, priorities and values



Our approach is one of ‘outside-in’, we put ourselves in our customers shoes to understand things from their perspective, recognising that failure to meet what they value leads to poorer services and pushes up costs through an increase in repeat demand. Priorities are developed based on understanding the needs of customers and communities.

Our objectives have been developed as part of our application of systems thinking and the development of our approach to change. It is recognised that staff that feel empowered and recognise how they contribute to achievement of priorities are more motivated which leads to improvements in services for local people and will ultimately save the council money as processes and systems are streamlined and efficiency increases.

The Vision, Priorities and Values have been developed in partnership with other organisations in the borough that have a role in meeting the needs of local people. We work collaboratively on a day to day basis with our partners to provide vital services to residents. Our partners include WM Police; Walsall CCG; Walsall Healthcare Trust; Walsall College; Walsall Housing Group; WM Fire Service; and Walsall Voluntary Action.

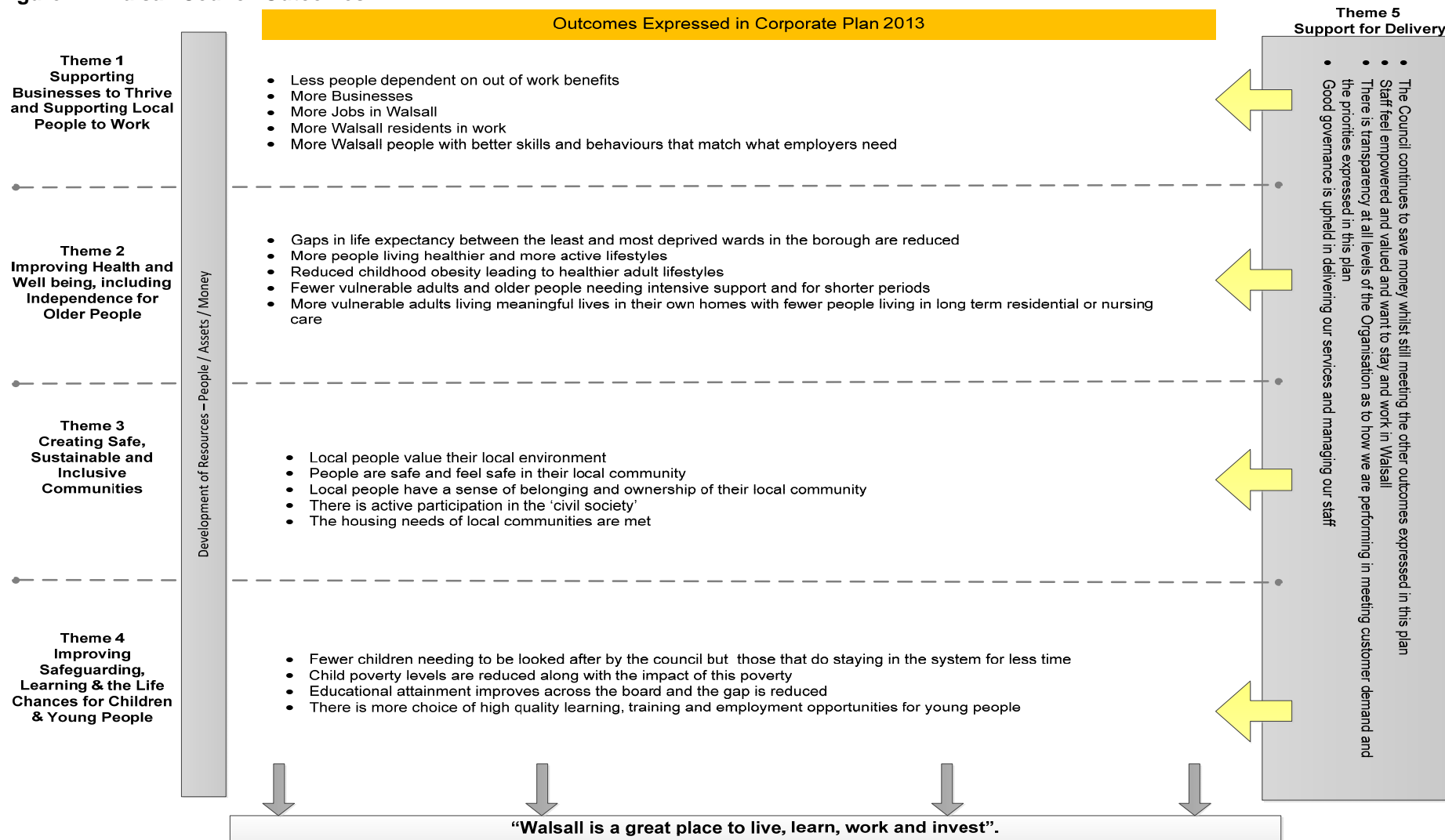
3. Outcomes

For each priority a set of outcomes have been developed which describe the difference that it is hoped will be made. Measuring against these outcomes will provide an overview of how successful delivery of the corporate plan has been and will be reported publically. The outcomes are depicted in **Figure 2**.

Tracking and measuring the delivery of outcomes is underpinned by measures monitored by services that will focus on the quality and timeliness of service delivery from a customer perspective. These measures enable services to understand and improve systems and processes so that performance improves.

To track the delivery of outcomes it is necessary to ensure there are sufficient amounts of service data and information that is of robust quality to provide assurance that activity is addressing the challenging areas (priorities) of the borough and services are as efficient as possible to ensure resources aren't being wasted and customers are receiving the services they need. To achieve both an operational and a strategic view of delivery there is a need to develop measures at different reporting levels that connect frontline services with the strategic direction set by the organisation's leadership.

Figure 2 – Walsall Council Outcomes.



The Walsall Change Approach

The Walsall Change Approach provides a set of tools, resources and techniques for services to apply to help to improve the likelihood of successful delivery and alignment to the vision and priorities.

To support successful business change, activity will:

- Be aligned to the Council's vision, priorities and objectives and be based on the purpose (from a customer perspective) of the service being changed
- Be based on clear and robust intelligence
- Identify and manage the risks associated with change
- Allocate appropriate resources including skills and expertise
- Identify interdependencies with other activity to avoid silo working
- Create ownership by communicating, involving and enabling staff, as early and openly and as fully as is possible to ensure they feel they can influence and shape the change and feel empowered throughout the process.

All business change initiatives, aligned to the priority Themes contained in the Corporate Plan come under the umbrella of the Council's Working Smarter Programme.

The Working Smarter Programme Board provides governance and direction of the Programme. The Board comprises of the Chief Executive, Executive Directors along with assurance from the Heads of Finance and Programme Delivery and Governance. Executive Directors lead on the achievement of outcomes for each Theme and officers will be invited to the Board as and when required.

Consideration of significant change initiatives and their approval to proceed rests with the respective Theme Lead in the first instance, where the Theme Lead will gain assurance of the purpose, measures and methods being proposed and will report to the Board details of the proposals and how it will support the agreed priorities and outcomes.

The decision to proceed will rest with the Working Smarter Programme Board based on overall priorities and resources and in conjunction with advice and guidance from the Executive Director responsible for Working Smarter and the Business Change team.

4. Understanding our community

Using data and feedback

The Walsall Performance Framework is underpinned by the use of primary data, analysis and stakeholder feedback to undertake needs analysis to support the design and delivery of services. Assessments of Community Safety, Children and Young people, Economic and Health and Well-Being datasets together help provide this understanding, and the framework drives shared partnership priorities. Key socio-demographic headlines taken from the Key Statistics for Walsall Borough Summary¹ Census 2011 report and the Joint Strategic Needs Assessment (JSNA) Refresh 2013² illustrate the wider context in which the council works and are summarised below.

Population

Walsall has an estimated resident population of 269,323. This is an increase of around 15,800 residents, or 6.2%, in the ten years since the previous census. This rate of growth is lower than nationally (7.8% increase) but in line with the West Midlands regional growth of 6.4%.

Walsall's population structure has become increasingly 'dependent' since 2001, with an above average proportion of the resident population made up of children and older people, and a correspondingly lower proportion of working age people.

Figure 3 overleaf clearly shows the higher than national average numbers of children in Walsall. At around age 18 the pattern reverses, with Walsall having fewer residents than nationally in most years throughout the working age group up to age 65.

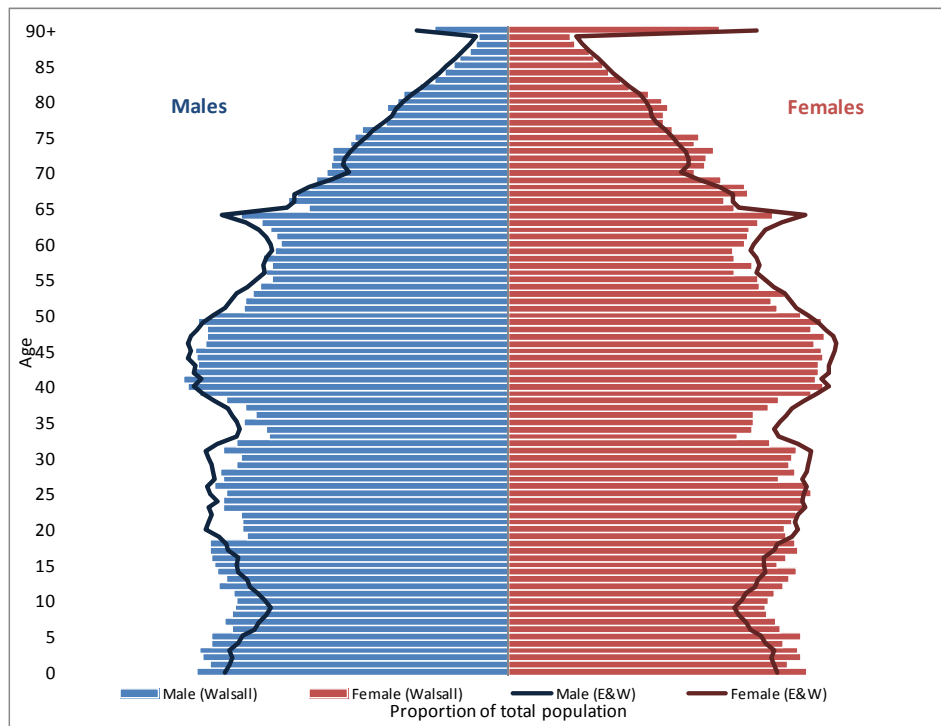
This age structure has implications for Walsall's future, particularly due to the changing size of the potential workforce and the number of older and younger people that will be dependent on the rest of the population for support. Having fewer people of working age is likely to increase the demand on council services.

¹ 2001 Census Reports, Key statistics for Walsall

http://cms.walsall.gov.uk/walsall_census_2011_summary_report_v1.0.pdf

² Walsall JSNA Refresh 2013 Version 10 http://cms.walsall.gov.uk/walsall_jsna_refresh_draft_10.pdf

Figure 3 - Population structure pyramid, Walsall and England & Wales



Economy, employment and education

Walsall continues to suffer from severe economic hardship, with too few active businesses, low new business survival rates and high numbers of people who are economically inactive, suffer from ill health, together with job seekers who are poorly equipped to take up work opportunities. This weak local economy has a massive impact on the services provided by all aspects of the local authority, its partners, and existing and new employers, not least on health services.

Between 1998 and 2008, while the national economy grew strongly and employment increased by 9%, Walsall's economy experienced a 2.5% decline in employment and lost over 2,500 jobs³. The recession just served to further emphasise Walsall's economic vulnerability, with almost 10,000 full time jobs lost between 2008 and 2009 and an unemployment rate that increased more sharply than the national average⁴.

The number of available jobs is an obvious consideration in the strength of Walsall's economy, but this is further compounded by the inability of the borough's working age population to meet the skills requirements of those employers who do have positions to fill.

Census results highlight qualification levels as a particular area of concern in Walsall; low levels of qualifications, combined with few highly qualified people – reflects an under-skilled workforce that could weaken the borough's ability for economic growth and residents who are ill-equipped to take advantage of employment opportunities.

³ DWP benefit claimants - working age client group, Feb 13

⁴ ONS Claimant Count

With around 1 in 6 working age residents out of work and dependent on benefits, Walsall faces a major challenge to increase the employment rate of local residents to a level which matches the averages for West Midlands and England.⁵

Walsall has a resident working age population of 167,300 people aged 16-64⁶. Of these, 26,580 people are not working and are claiming an 'out of work' benefit⁷, which includes:

- 12,030 people claiming Employment Support Allowance (ESA)/Incapacity Benefit (IB)
- 10,340 unemployed people on Jobseeker's Allowance (JSA)
- 3,210 lone parents on Income Support
- 1,000 others on income-related benefits

This equates to 15.9% of the working age population, although the borough has seen improvements over the past few years, the gap between Walsall and England (11.3%) continues to be a concern.

Deprivation

Deprivation is deeply entrenched in Walsall and worsening in the current economic climate. In 2010, Walsall was ranked as the 30th most deprived of the 326 Local Authorities in England. This position has worsened since the last data release in 2007, when Walsall ranked 45th out of 354. The borough fares particularly badly in terms of education, income and employment deprivation. Central and western parts of the borough are typically more deprived than the east. However, while some parts of the borough such as Blakenall are among the most deprived in the borough, others rank within the very least deprived.

Ethnicity

There has been a significant increase in the level of ethnic diversity in Walsall over the past decade. While 'White British' remains the largest single group at 76.9%, the number of residents from a minority ethnic group has risen to almost one in four. This figure of 23.1% residents is an increase on the 14.8% in 2001 (and higher than the 19.5% in England and Wales in 2011). The largest increase is in people of Asian background, with a rise from 10.4% in 2001 to 15.2% in 2011. Within this group, those of Pakistani background have increased the most to 5.3% of all residents (although Asian Indian remains the largest minority ethnic group at 6.1%).

Health

The Census results confirm that overall health is poorer in Walsall than in England and Wales. One in five residents have a health condition that limits their day to day activities: 10.4% are limited a lot, and a further 10.3% limited a little. 77.3% of residents say their health is good or very good – lower than the 81.2% nationally – with 7.3% experiencing bad or very bad health (5.6% nationally).

⁵ DWP benefit claimants - working age client group, Feb 13

⁶ ONS Mid-2011 Population Estimates

⁷ ONS Mid-2011 Population Estimates

Households

The 2011 Census estimated that there are 107,822 households (with at least one usual resident) in Walsall. This is an increase of 6,500, or 6.4% since 2001. As with the population increase, this is lower than nationally but in line with the increase regionally.

There are 12,900 lone parent households in Walsall, accounting for 12.0% of the total – a slightly higher proportion than the 10.7% across England and Wales. Walsall has a similar proportion of older people living alone as nationally, but there are fewer other single person households in the borough. Overall, there are 23,730 households in Walsall consisting solely of residents aged 65 and over; this represents 22.0% of all households in the borough.

Almost two thirds of households in Walsall are owner occupied (either owned outright or with a mortgage), which is similar to national levels. In terms of rented accommodation, the socially rented sector in Walsall is particularly strong, with a lower than average number of private rented properties. A quarter of households (24.1%) are socially rented, compared with just 17.6% across England and Wales. Conversely, privately-rented households account for 11.7% in Walsall but 15.3% nationally.

Almost three in ten Walsall households have no car or van, which is higher than the 25.6% found nationally. This equates to over 31,000 households who are dependent on local facilities or public transport to access employment, education and recreation opportunities.

Priorities for improving quality of life

Results from the 2012 'Your place, Your Well-being' borough wide survey⁸ highlight that the relative order of residents' priorities for improvement has changed, as a reflection of the current economic climate with recession related concerns becoming more salient. Whilst road and pavement repairs, clean streets and low crime levels continue to feature as key priorities, job prospects has now also become a key priority for residents. Also now one third of respondents state that affordable decent housing (33%) is an important factor in their local quality of life (their fourth in the list of quality of life importance). These concerns are exemplified amongst younger respondents, the unemployed, families by ethnicity and geographically. For example young people in Walsall are considerably more likely to say they would like to see improvements in local job prospects (54%), wages and the cost of living (27%) and affordable decent housing (30%) than corresponding borough averages (35%, 21% and 17%).

Overall, two-thirds (68%) of Walsall residents are satisfied with their local area as a place to live, though there are notable geographic differences, with the more affluent wards generally more positive about their local areas than more deprived wards. Almost half (48%) of residents are satisfied with the way Walsall council runs things and this has improved significantly (+15 percentage points) since the Place Survey in 2008.

⁸ Ipsos MORI <http://www.yourplace-yourwellbeing.walsall.org.uk/>

Fair, accessible and equitable service delivery

The council endeavours to make sound financial decisions that lead to excellent services and value for our communities. It makes sure that decisions taken are in line with the general public sector equality duty in having due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- advance equality of opportunity between people from different groups; and
- foster good relations between people from different groups.

To these ends:

- Information to customers about services is provided in accessible formats, based on their particular needs as far as reasonable and within resources available.
- Staff are competent to serve diverse groups of customers and receive training to understand barriers experienced by people with protected characteristics under the Equality Act 2010.
- Managers are competent to and actively demonstrate their commitment to equality in all aspects of employment, including recruitment, career development, pay, training, promotion and welfare.
- Managers are responsible for ensuring that their staff are competent in equality and diversity and that Walsall council's workforce, as far as reasonable, reflects the make-up of the local population.
- Managers are responsible for assessing equality impact on key decisions and initiatives affecting customers and staff. This is to ensure that there is no detrimental impact on people with protected characteristics. This assessment is done by carrying out equality impact assessments.

Equality Impact Assessment on 2014/15 Budget process

Under the remit of the Corporate Equality Group, the Finance and Equality, Safety and Wellbeing team made an initial assessment of the 2014/15 revenue and capital budget proposals. All managers responsible for proposals were required to submit an Equality Impact Assessment (EqIA) or provide justification as to why one was not necessary. The EqIAs and justifications were considered and advisory feedback provided by Equality, Safety and Wellbeing.

For every assessment there were four possible outcomes:

1. No major change required - When no 'any potential for discrimination or adverse impact' is identified and all opportunities to promote equality have been taken.
2. Adjustments were needed to remove barriers or to better promote equality.
3. Continue despite possible adverse impact - For important relevant proposals, compelling reasons were needed.
4. Stop and rethink the proposal - Actual or potential unlawful discrimination is identified, the proposal was reviewed

An action plan was produced if outcomes 2, 3 or 4 applied. For proposals where adjustments were needed to remove barriers these have been identified and will be monitored and managed following implementation. For proposals that identified possible adverse impact these will also will be monitored and managed following implementation.

The Council considers the budget proposals for 2014/15 are fair and fit for purpose.

Budget Consultation

Listening to local people

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 aim to be a listening organisation and we use a wide range of consultation methods to better understand what matters most to residents. As a result, we have amassed a great deal of information which has been used to inform both the service planning and budget processes.

2014/15 budget consultation process

For many years we have undertaken specific consultation to inform our budget setting processes. The budget plan has been informed by a broad range of consultation findings, undertaken in line with the Walsall Partnership Consultation and Engagement strategy and principles of the Local Compact.

This year budget consultation has sought the views of residents, service users, community and voluntary organisations and businesses. Feedback on the draft budget proposals was gathered online, in writing, over the phone, in face to face discussions and via special meetings.

The council is statutorily obliged to consult with representatives of non-domestic ratepayers before setting the budget for the following financial year, therefore business representatives and the community and voluntary sector were invited to comment on the draft budget proposals.

Consultation was undertaken in two core phases:

- Phase one (early September to October 23rd) saw thousands of 'Budget have your say' postcards and posters distributed. An online form and email were used to capture feedback from the public and staff on where they think savings can and cannot be made.
- Phase two (24th October to 14th November) focused on the draft budget policy proposals, allowing for a more informed and meaningful conversation with the public and staff. Much of this consultation was undertaken face to face.

Overall 1,371 individual comments were received. Comments were gathered from a broad sample of the population. The non random approach means the response is not statistically representative; however it does provide a wide and useful snapshot of opinion. Findings were reported in full to Cabinet on 11 December 2013.

A third and final phase of consultation took place between December 2013 and January 2014 and gathered views from businesses and the community and voluntary sector, as well as some service specific consultation.

Findings from consultation have been reported to Cabinet and Scrutiny throughout the process. As far as possible, and in response to findings from consultation and other information, the budget focuses on protecting front line services.

Section 1 – Revenue and Capital Budget Plan

5. Financial planning and management: matching resources to the vision

The Medium Term Financial Strategy (MTFS)

The MTFS is a strategic framework and policy document within which the council's finances are constructed and managed. It is part of a suite of policy documents that together comprise the council's approach to effecting sound governance and good practice (i.e. the Walsall Performance Framework). It is the translation of our vision, aims and objectives into a financial plan, which thereby facilitates delivery of these through the service planning process.

The MTFS is a key document in bringing together the level of available resources with the demands for service delivery and investment, facilitating sound financial and service risk and opportunity management. It also links to the impact on the council's capital resources and external funding opportunities.

Figure 4 shows the relationship between the various components of the financial framework. The MTFS is the overarching corporate financial policy sitting below the Corporate Plan and above the other elements of the financial cycle. It is the driver for all other financial activity, which is aligned with service planning and performance management activities within the Walsall Performance Framework. Below the MTFS sit the other financial strategies; the capital strategy and the treasury management strategy.

The main objectives for the council relate to maintaining good underlying financial health, adoption of a longer-term perspective, a desire to deliver good quality, value for money services which are modern, efficient, effective, and fit for purpose and to ensure this approach facilitates delivery of the council's vision, aims and objectives.

For a number of years the council has adopted a policy-led, medium term approach to financial planning. We seek to ensure our budgets are clearly linked to our vision, aims and objectives. We are committed to maintaining financial stability and delivering value for money through effective and efficient services.

The main objective for the council is to maintain good long-term financial health. Achieving this allows us to deliver good quality, value for money services, shaped by our customer demand. Services that are modern, efficient, effective, and fit for purpose. This requires a framework that delivers both continuous, adaptive improvement and core strength.

How we will achieve this is through:

1. Financial Governance and Leadership
2. Financial Planning
3. Finance for Decision making
4. Financial Forecasting and Monitoring
5. Financial Reporting

Figure 4: Financial Framework

THE FINANCIAL FRAMEWORK					
CATEGORY	OVERALL	REVENUE	CAPITAL	TREASURY MANAGEMENT	RISK MANAGEMENT
Strategies	Medium Term Financial Strategy				
			Capital Strategy	Treasury Management (TM) Strategy	Risk Management Strategy
Guidance	CIPFA and technical guidance	Budget Guidelines	Capital Guidelines	CIPFA Code of Practice for TM	Risk Management Toolkit
Plans	MTFP	Annual Budget	Capital Programme and Asset Management Plan	Treasury Policy Statements	Risk Management Action Plans
Governance	Constitution	Budget Management and Control Manual And the Annual Governance Statement		Prudential Indicators & Annual Report	Risk Register reporting and regular review
	Contract and Finance Rules				Audit Committee Reports and Annual Report
	Internal and External Audit Plans and our response to inspection and audit				

Financial Governance and Leadership

1. Our top management will be financially literate and able to understand fully the financial environment in which the council operates.

Financial Planning

1. Our financial planning will be inextricably linked to the council's strategic and corporate planning process. Our financial plans will reflect the councils key strategic priorities.
2. An annual medium term financial plan, covering a five year time horizon, will integrate current expenditure plans and investment programmes, with cash-flow and balance sheet projections, developed in the context of a longer-term strategy, which supports the council's strategic plan.

Finance for decision making

1. In developing our strategic and Corporate Plan we will consider the value for money achieved by allocating resources to different activities.
2. We will understand the financial implications of current and potential alternative policies and, programmes, and activities.
3. We will analyse our cost profiles and cost drivers and how they will behave under different circumstances
4. We will understand the whole-life costs associated with capital investment.

Financial Monitoring and Forecasting

1. Top management will assure itself that financial performance to date and forecast financial outturns are in line with the plan, including cash-flow and balance sheet projections.
2. Variances will be identified as soon as possible, so that management can either take corrective action to manage unfavourable variances or apply any favourable variances to corporate priorities.
3. The underlying costs of the organisation's key activities and how these are profiled over time will be monitored and reviewed.
4. Financial information will be integrated with non-financial performance and activity information. Together, such information forms the basis for financial forecasts and enables value for money to be monitored.
5. The financial information used both for setting the budget and internal accountability, monitoring and forecasting throughout the year is derived from the same systems that are used to generate the results reported externally in the organisation's statutory financial statements.

Financial Reporting

1. To run the organisation effectively, top management will have up-to-date financial and non-financial performance information on a timely basis.
2. Reports will be presented in a form that is tailored to user needs, is easy to understand and highlights the key financial issues that they need to be aware of.
3. For its part, top management needs to provide timely, accurate and balanced information about its stewardship and use of resources and its non-financial performance to the organisation's different stakeholders. Such information will be presented in a form tailored to meet their needs.

The Budget Process and Financial Arrangements

The budget process is a continuous annual cycle. Budgets are prepared using approved budget guidelines and updated as required. The draft budget provides for inflationary pressures (i.e. contractual inflation).

Process and timetable

A robust budget process is used within the overall context of the MTFS using comprehensive budget guidelines and a detailed project timetable. The process starts annually in the spring/summer and the revised draft budget is complete by November/December to coincide with the draft government settlement. This enables budget meetings to take place with Cabinet, and formal scrutiny and public consultation. The final budget is set by full Council in February.

Member involvement

Both informal and formal member involvement is extensive, particularly through the cabinet portfolio holder for resources, individual portfolio holders in conjunction with executive directors, and budget meetings with scrutiny panels. Cabinet consider budget reports and have special meetings as required. Presentations and briefings are also made to political groups.

Consultation

Internal and external consultation is extensive using focus groups, face to face discussions, on line budget consultation, presentations and reports. Consultation with residents and stakeholders is internally facilitated, with views being reflected in the final budget. The consultation process includes feedback from the public on line and face to face, tailored user groups, and feedback from the business and voluntary sectors.

Scrutiny

All scrutiny panels have the opportunity to scrutinise the draft budget. In addition, the corporate services panel scrutinises financial monitoring, budget and general finance related Cabinet reports.

Challenge

The draft budget is challenged many times; including at meetings of various directorate management teams, by the corporate management team, during budget meetings and during the scrutiny process itself.

Budget monitoring

Services finances are frequently and regularly reported to directorate management teams. Corporate finance reports are considered by the corporate management team on a regular basis, and by Cabinet on a quarterly basis. Scrutiny panels and Audit Committee also receive a quarterly monitoring report. Reports are open, transparent and written in plain English. The employee performance assessment process also requires review of financial performance for individual managers.

Ownership and accountability

The budget progresses through various filters during construction including endorsement by services and the corporate management team. Managers are accountable for delivering services within budget and implementing investment and savings proposals.

Current financial position

This is reviewed and reported consistently throughout the year to services, corporate management team, Cabinet, Scrutiny Panels and Audit Committee.

Key assumptions

The estimates used in the budget are derived from current intelligence, and prevailing trends. Demand changes are identified and are reflected in budget increases, where applicable. Fees and charges are reviewed annually and changes are reflected in the overall budget. The capital receipts used to fund the capital programme are based on professional estimates both of timing and value and are considered adequate to fund the programme. .

Financial risks

The budget setting process includes a corporate financial risk assessment to determine key risks and their impact on the budget. Services undertake comprehensive risk assessments of their budgets by identifying risk factors, potential changes to service delivery and funding streams. This ensures that adequate corporate budgetary provision is available to cover unforeseen future events. This successful approach has been in place for several years and is used to inform the level of earmarked and general reserves.

Managers are also required to deliver services within the available budget. Any known changes in service demand or costs arising from legislative or Government demands are identified and dealt with within the overall draft revenue budget as investment bids. The budgeted opening level of reserves is sufficient to cover the assessed financial exposure to the council. Any use of reserves in-year would require replenishment to ensure an opening general reserve required by the MTFS.

Included in the risk assessment is an analysis of the economy and pressures going forward. The economy has been subject to significant and rapid change. Funding remains uncertain beyond 2015/16 (see section 8: medium term financial outlook for more detail). Inflation has been low, however we are already seeing an increase and some sectors are predicting a sharp increase. Bank rates are expected to remain low at 0.5%, until September 2016 when they are expected to be 1.0%.

The budget in context

The budget reflects the vision, aims, objectives and policies of the council and is constructed with that in mind. The budget has been constructed in accordance with the principles and direction of the MTFS. Specific allocations are made to fund particular priorities. All efficiencies are appraised to ensure accuracy of costings and deliverability. Individual officers are identified as accountable for their implementation. The council is working to improve performance outcomes on a range of activities. Plans link budget provision with corporate, portfolio and service priorities and budget provision is identified for the priorities outlined in the council's vision document.

Internal Audit

The council maintains a properly resourced internal audit function, and works with a private sector partner in delivering the annual audit plan. The annual audit plan is devised using a modern and comprehensive risk assessment approach. The service examines on a cyclical basis the adequacy of various systems, processes and arrangements within the council to ensure our financial management arrangements are sound

Staff

Staff engaged in financial management activity are recruited using a robust process which tests abilities, experience and competence. Each person has access to both general training and development and specific tailored training according to the needs of their jobs. Relevant financial and accountancy qualifications are required for senior finance posts, and all qualified staff are required to participate in the official continuing professional development schemes of their professional institutes.

6. Summary of the 2014/15 Revenue Budget

2014/15 Revenue Budget Headlines

The revenue budget has been constructed in accordance with the MTFS and all relevant corporate financial protocols and presents a balanced budget, resulting in:

- A focus on a policy-led, medium term, risk assessed budget setting approach using corporate portfolio priorities established by Cabinet
- A total net council tax requirement of **£86.76m**
- No council tax increase, equivalent to a Band D Council Tax of **£1,410.26** (excluding precepts) and **£1,565.51** (including precepts) subject to confirmation of final precepts
- Provision for inflationary pressures of **£2.22m**
- Provision for other known budget pressures, including demographic and cost pressures, and reduced levels of income or grant, of **£7.69m**
- New savings of **£18.70m**
- Full year impact of savings approved in previous years of **£2.20m**
- Appropriate use of prudential borrowing to support capital investment where affordable and sustainable with revenue costs being reflected in this report
- Opening general reserves of **£11.2m**, in line with the Council's MTFS requirement

The financial implications arising from the draft capital programme 2014/15 are contained within the draft revenue budget.

Net Council Tax Requirement

The gross revenue expenditure budget for 2014/15 will be **£635.13m**, and gross income will be **£548.37m**, resulting in a net council tax requirement of **£86.76m**.

It has been possible to commit to £9.91m (**Table 1 and 4**) to address key priorities and funding of essential cost pressures. This includes changes to discretionary housing payments and housing benefits. It also covers a provision to fund inflationary pressures (i.e. contractual), and corporate cost pressures to fund for example, the revenue implications of the capital programme, pay and grading and pension realignments. Income targets have also been corrected in some areas and to address the impact from reduced levels of grant.

This commitment has been made possible by planned improvements in efficiencies and other savings. The Council is transforming the way it undertakes its business, with a view to reducing overhead and transactional costs.

The change in council tax requirement from 2013/14 to 2014/15 is shown in **Table 1**.

Table 1 : Net council tax requirement 2014/15		
	£m	Reference
2013/14 Approved by Council on 21 February 2013:	85.55	
<i>Cash Limit Changes :</i>		
Inflationary pressures	2.22	Table 4
Corporate cost pressures	4.52	Table 4
Financing Options / Service cost pressures	3.17	Table 4
Full year effect of previous years approved savings	(2.20)	Table 5
New savings 2014/15	(18.70)	Table 5
Reduction in central Government funding	16.62	
Other funding changes / fall out of grant funding / new grant allocations	(3.75)	
Forecast Collection Fund surplus	(0.67)	
2014/15 Net Council Tax Requirement	86.76	Annex 1
Council Tax Increase	0%	

Figure 5 below provides a breakdown of the net spending by portfolio and **figure 6** by directorate.

Figure 5 – Net council tax requirement by portfolio

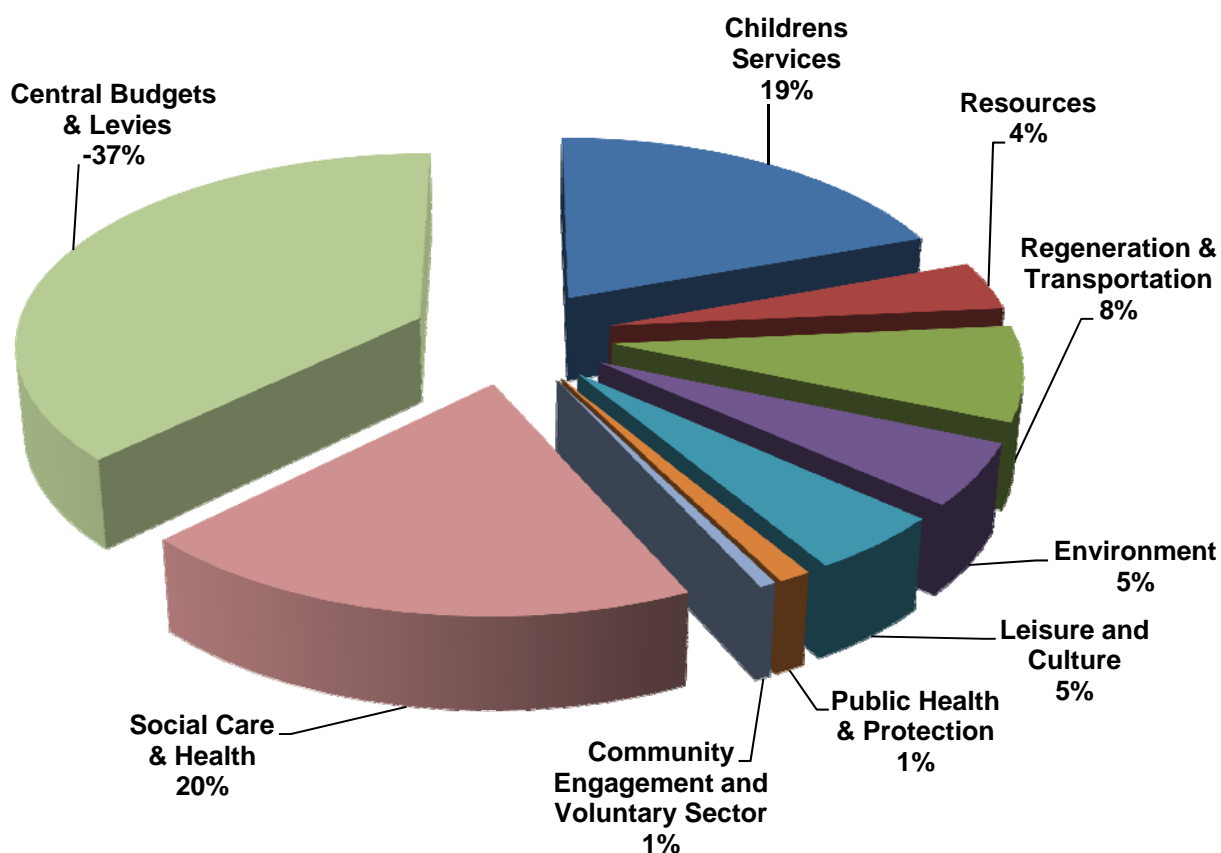
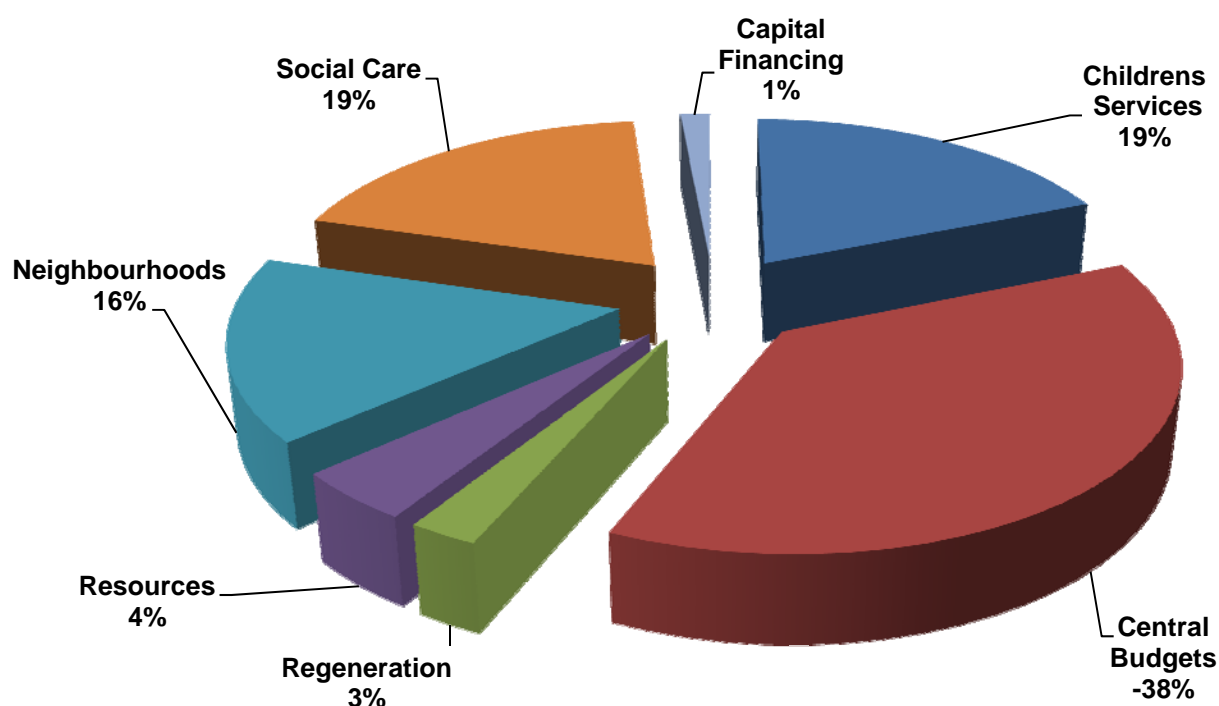


Figure 6 – Net council tax requirement by directorate



Note: the central budgets is shown as net income as it includes Revenue Support Grant, Business Rates (local share) income and top up grant totalling £146.90m.

This would result in a band D council tax for the Walsall Council element only of £1,410.26, representing no increase from 2013/14 levels. Most properties in Walsall (67.71%) are in bands A or B. (**Annex 2**). **Table 2** shows the calculation at Band D.

Table 2: Net Council Tax Requirement and Council Tax Levels 2014/15		
Element of budget	2014/15 budget and grants £	Council Tax Band D £
WMBC element - required from council tax	86,763,877	1,410.26
Police & Crime Commissioner precept (estimated)	6,213,812	102.43
Fire & Rescue precept (estimated)	3,204,023	52.82
Total from council tax	96,181,712	1,565.51

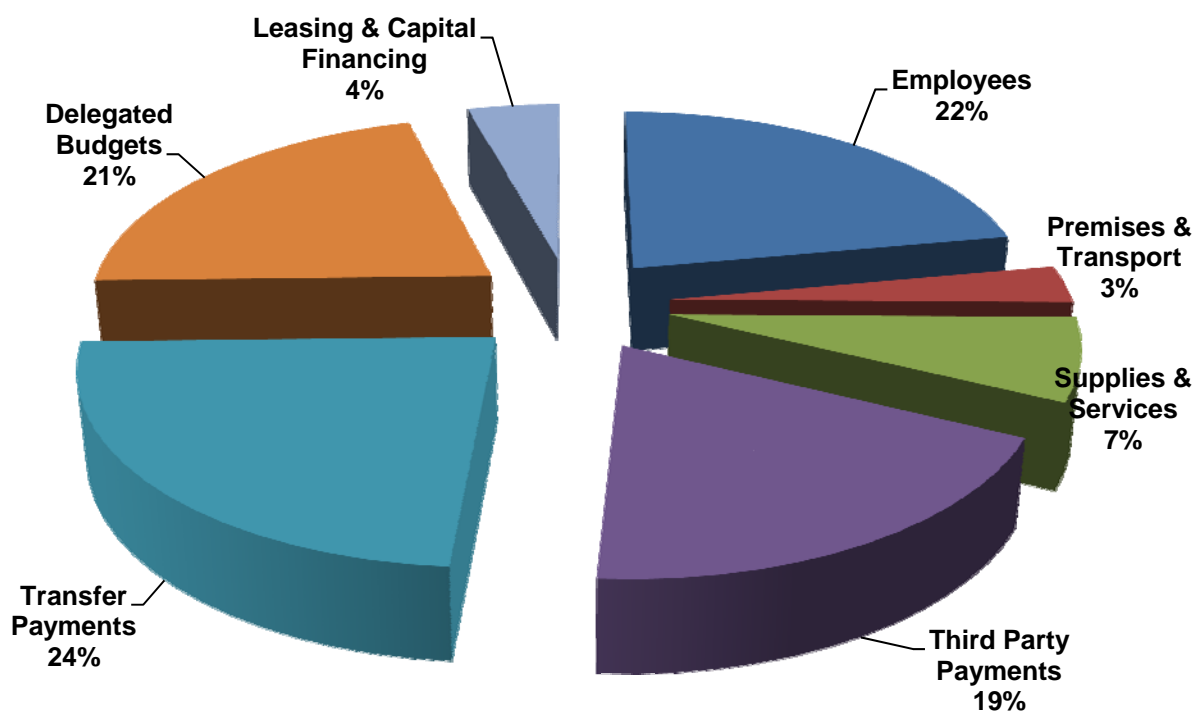
NB: based on an approved council tax base of 61,523.32 band D equivalents.

Expenditure analysis

Table 3 details gross expenditure by category of spend and **figure 7** by type of expenditure.

Table 3: Expenditure by Category of Spend	
Type of Expenditure	£ million
Employees	140.34
Premises and Transport	19.83
Supplies and services	44.09
Third Party Payments	120.40
Delegated Budgets	134.12
Leasing and Capital Financing	27.03
Transfer Payments	149.32
Total Expenditure (excluding Internal Recharges)	635.13

Figure 7 – Spend by Type of Expenditure



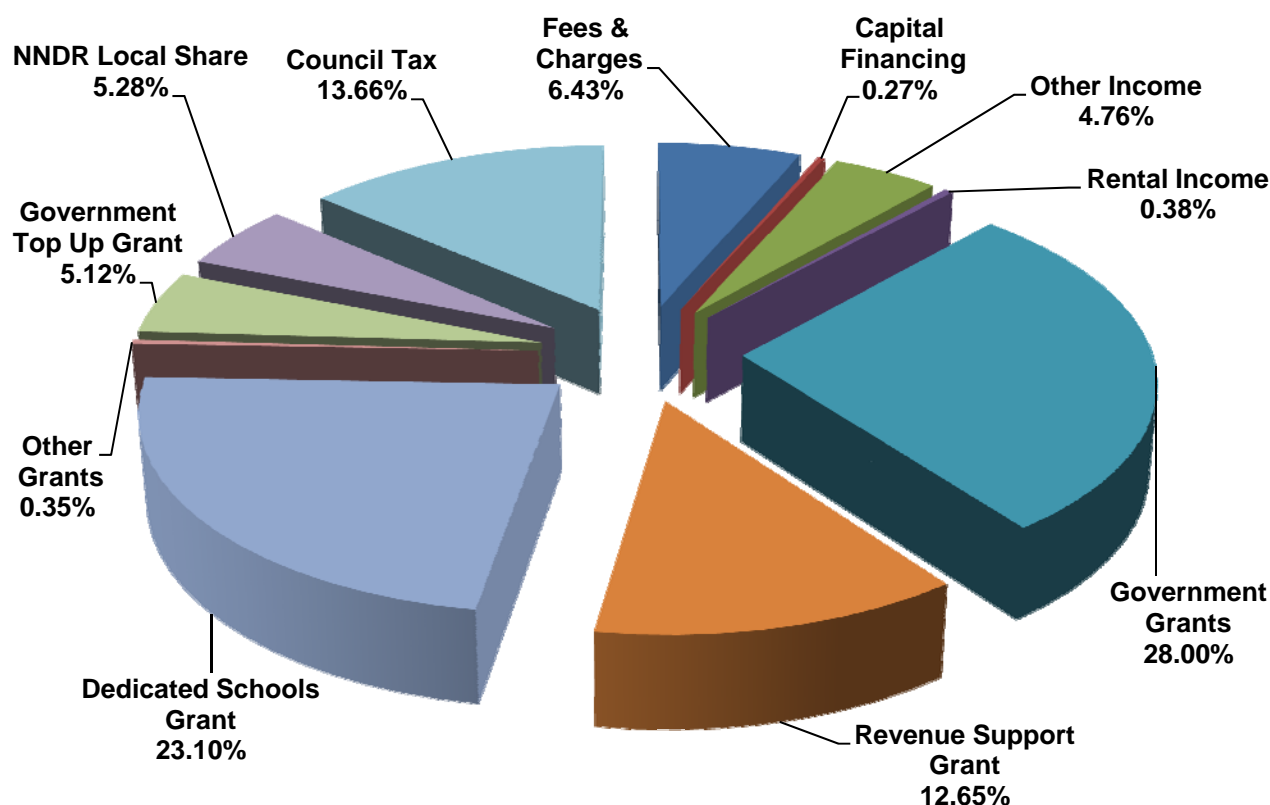
Notes

- *Transfer payments include expenditure such as special education needs, rent allowances and social services direct payments – for example payments for which no goods or services are received in return by the local authority.*
- *Delegated budgets include budgets for schools, community associations and allotments.*

Income analysis

The council receives income from a number of sources including council tax, central Government grant and specific grants to help pay for certain services including schools and social care. The council also charges for parking, use of leisure facilities and other services. In 2014/15 the council tax will account for 13.66% of total income. **Figure 8** shows all the main sources of income.

Figure 8 – Sources of funding



Inflationary Pressures / Financing Options / Service Cost Pressures

The 2014/15 revenue budget includes £2.22m of inflationary (contractual) pressures.

In addition further growth totalling £3.17m have been identified as a very high priority by Cabinet as being essential to meeting service cost pressures and reduced levels of income and grant, with £4.52m to cover corporate cost pressures. This includes provision to fund pay awards and pensions costs and to address the impact from reduced levels of grant. These are summarised in **Table 4** below. The budget assumes that any education-related pressures are accommodated from schools budgets.

Table 4 : Cost Pressures				
Portfolio	Inflationary Cost Pressures £'000	Corporate Cost Pressures £'000	Service Cost Pressures £'000	Total Pressures £'000
Children's Services	0.10	0	1.90	2.00
Community Engagement	0	0	0	0
Leisure and Culture	0	0	0	0
Public Health and Protection	0	0	0.10	0.10
Regeneration and Transport	0.36	0	0.25	0.61
Environment	0.58	0	0.06	0.64
Resources	0.01	0	0.71	0.72
Social Care and Health	1.17	0	0.15	1.32
Central budgets	0	4.52	0	4.52
Total Cost Pressures	2.22	4.52	3.17	9.91

Savings and efficiencies

In order to set a balanced budget, and after a review of available resources from central Government grant and council tax, and taking into account additional known and likely pressures, new savings of £18.70m are included in the revenue budget. Those savings requiring Executive approval to proceed were approved for consultation purposes by Cabinet on 23 October 2013. Further full year effect savings of £2.20m are included relating to decisions taken in relation to previous years savings. Details can be found in each portfolio cash limit in **Annex 10**, and are summarised in **Table 5** below. The savings have enabled Cabinet to use available resources to target and protect priority services.

Table 5: Savings / efficiencies by Portfolio			
Portfolio	New Savings £'000	FYE of Previous years £'000	Total Savings £'000
Children's Services	(4.47)	(0.64)	(5.11)
Community Engagement	(0.05)	0.00	(0.05)
Leisure and Culture	(1.39)	(0.19)	(1.58)
Public Health and Protection	(0.27)	0.00	(0.27)
Regeneration and Transport	(1.37)	(0.32)	(1.69)
Environment	(0.87)	(0.79)	(1.66)
Resources	(2.21)	(0.10)	(2.31)
Social Care and Health	(6.69)	(0.13)	(6.82)
Central budgets / Capital Financing	(1.38)	(0.03)	(1.41)
Total Savings / efficiencies	(18.70)	(2.20)	(20.90)

Government central funding and business rate retention

The Government provides funding to councils through a grant redistribution system (previously referred to as formula grant), which includes the redistribution of business rates collected and revenue support grant.

The Government replaced the way it funds councils with a new scheme known as Business Rate Retention (BRR) from April 2013. The 2014/15 finance settlement represents the second year in which the BRR scheme is the principal form of local government funding, summarised as follows:-

- Business rates local share - **£34.059m** - the local share is not guaranteed and is based on the council retaining 50% of what we actually collect in rates in 2014/15. The £34.059m is determined by the NNDR1 Business Rates return which shows Walsall's own estimate of what it will collect in rates in 2014/15. This is predicted as £33.564m, £0.495m below the baseline figure provided in the draft settlement figures announced on 18 December 2013 (what the Government estimates that Walsall will collect and retain in local business rates). This shortfall is expected to be recovered by a one off grant for changes to business rates exemptions as announced in the 2013 Autumn statement. Should the council collect anything up to £2.26m less than the £34.059m, then this will have to be borne by the council in full. Volatility in business rates will therefore need careful monitoring throughout the year.
- Top up grant – fixed by the government for 2013/14 and to be increased by RPI for future years - **£32.524m** in 2014/15. Some authorities collect more business rates than they previously received back in the Formula grant redistribution system, and are therefore required to pay a tariff to Government in excess of their allocated share. Councils like Walsall who collected less locally under the old system are allocated a top up grant.
- Revenue Support Grant - **£80.321m** in 2014/15. This includes £44.571m of specific grants that were rolled into this single funding mechanism from 2013/14, which includes council tax support (replacing council tax benefit), early intervention grant, homelessness prevention, lead local flood authority grant, and learning disability and health reform grant.

The Government published the draft grant settlement on 18 December 2013 for 2014/15 and 2015/16. The final settlement for 2014/15 is expected to be announced late January/February.

Central Government grant is a complex calculation within various blocks based on relative needs, population, demographic data, the tax base and “floor damping”. This has been retained under the revised funding mechanism, and now shown as upper / lower tier funding.

Government announced that local authorities will face an average 2.9% reduction in “*spending power*”, with 4.2% for metropolitan districts. Spending power is based on each local authority's power to influence and not control local spending levels. This will include the council tax requirement, business rates retention, specific grants and NHS funding for social care (the latter being spend which the council may have an influence over but does not control). Walsall's reduction based on DCLG published ‘*spending power*’ data is 4.17%.

Walsall's Government grant allocation was 1% lower than the national average in 2013/14 of -1.9% for metropolitan districts. The national comparisons were made on central grant allocations excluding rolled in grants, thus Walsall was shown below the national average of 0.9%. For 2014/15, Walsall's government grant reduction of -10.1% is equal to the national average for metropolitan districts. The use of floor damping in our government grant allocation has previously seen Walsall lose significantly more funding (£8.2m in 2013/14). This 'damping' method is not separately identifiable in the draft Government grant allocation announced on 18 December 2013. The Government grant allocation for Walsall is set out in **Table 6** and Walsall's movement compared to the metropolitan average in **Table 7**.

Table 6 : Government Grant Allocation			
	2012/13	2013/14	2014/15
	£m	£m	£m
Upper Tier Funding	124.6	119.0	108.0
Lower Tier Funding	0.0	0.0	18.9
Council Tax Freeze Grant 2011/12	2.7	2.7	2.7
Council Tax Support Funding	23.9	23.9	0.00
Early Intervention Funding	10.9	10.9	10.0
Homelessness Prevention	0.2	0.1	0.1
Lead Local Flood Authority	0.2	0.1	0.1
Learning Disability and Health	6.6	6.8	6.9
Returned Funding	0.0	0.0	0.2
Total Government Grant	169.1	163.5	146.9
Grant from previous year	179.8**	169.1	163.5
Grant increase/-decrease (adjusted) - £m	(10.7)	(5.6)	(16.6)
Grant increase/-decrease (adjusted) - %	-7.6%	-3.3%	-10.1%

*Adjusted to include rolled in grants

Table 7 : Increase/(- Decrease) in Adjusted Government Grant Allocation					
	2010/11	2011/12	2012/13	2013/14	2014/15
Walsall	3.00%	-10.4%	-7.6%	-0.9%*	-10.1%
Metropolitan District Average	2.50%	-11.3%	-7.6%	-1.9%	-10.1%

*Comparisons nationally have been made on the change in grant funding excluding rolled in grants.

The table above, derived from Government data, shows that our provisional 2014/15 settlement of £146.904m represents a £16.6m or 10.1% reduction in funding over the 2013/14 settlement of £163.48m.

Including all revenue grants received by the council, a reduction of £14.19m (3%) is expected.

Council tax support grant replaced council tax benefit from April 2013. For 2013/14 Government announced a 10% reduction in the grant, equivalent to a £3.3m reduction for Walsall, and required authorities to adopt local schemes for implementation. Cabinet recommended that the reduction be managed by finding alternative savings in 2013/14 and not to passport the cut to benefit claimants, which was approved by Council on 7 January 2013. Council on 13 January 2014 recommended this scheme to continue into 2014/15.

Walsall has also received notification of its New Homes Bonus allocation for 2014/15 of £1,261,904. This is more than expected, and will be used to fund changes in savings following public consultation.

The council as part of its budget setting process, has had to identify options to meet this overall and significant reduced funding envelope.

Collection Fund

The collection fund is separate to the revenue general fund which accounts for income collected from council tax. In January of each financial year, an in-depth appraisal is undertaken to assess the estimated level of collection (as aggregated to include that relating to the current and previous years), the likely balance of the fund and to advise the precepting authorities (Fire and Police) of their share of the surplus/deficit to enable them to take this into account in their own budget calculations. The assessment undertaken in January 2014 revealed an estimated surplus of £0.67m.

Referendum

In recent years central Government has capped the level of council tax rises. Capping principles are determined on a year by year basis.

Since 2012/13, each authority is required to determine whether their council tax increase requires a referendum seeking the support of the local electorate. Schedule 5 of the Localism Act introduced a new chapter into the Local Government Finance Act 1992, making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons.

This would mean if a local authority seeks to raise its relevant basic amount of council tax by more than a specific % for 2014/15, local people would have the right to keep council tax bills down through a binding referendum veto. As Walsall intends to take the council tax freeze grant for 2014/15, and does not plan to increase council tax, the referendum principles will not impact.

Levies and Precepts

Table 8 shows the levy to be made on Walsall Council by the West Midlands Passenger Transport Authority and the levy by the Environment Agency.

As this report has been dispatched and considered prior to the Integrated Transport Authority Board and Environment Agency approving their levies, estimates have been used based on informal notification from each authority. It is not expected for the final levies to have any implications on final council tax levels due to the change in the referendum criteria for 2014/15 (i.e. which now includes levies, whereas they were excluded for 2013/14).

Table 8: Levies 2014/15				
Levy	2013/14 £	2014/15 £	Increase / (Decrease) £	Increase / (Decrease) %
WM PTA	14,313,709	13,598,024	(715,685)	(5.00)
Environment Agency	72,150	72,406	256	0.35
Total	14,385,859	13,670,430	(715,429)	(4.97)

Walsall's precepting authorities are the West Midlands Police and Crime Commissioner, and West Midlands Fire and Rescue Authorities, as shown in **Table 9** below.

Table 9: Precepts 2014/15				
Precepting Authority	2014/15 Amount £	Band D 2014/15 £	Band D 2013/14 £	Band D Increase %
WM Police and Crime Commissioner	6,213,812	102.43	102.43	Not known
WM Fire and Rescue	3,204,023	52.82	52.82	Not known
Total	9,417,835	155.25	155.25	

Reserves

The council's strategy is to continue to demonstrate financial stability and ensure council and service wide financial pressures are well managed. The Chief Finance Officer (CFO) advises on this in accordance with best practice, professional opinion and the council's MTFs. The Government is reviewing the funding of local government, including central funding, and specific funding for services transferred for Public Health, which increases the financial risk to the council. Reserves as at 1 April 2014 are expected to be at the higher threshold of the MTFs requirement at a recommended level of £11.2m to cover this increased risk – prudent action to ensure we provide for risks in accordance with our financial strategy, including those relating to the new central Funding methodology and business rate volatility, as outlined in **Annex 3**.

In accordance with sections 25 – 27 of the Local Government Act 2003 and to comply with CIPFA guidance on local authority reserves and balances, the CFO is required to formally consider and report to members upon the robustness of the estimates used for the purpose of calculating the budget and the adequacy of reserves and balances in respect of the 2014/15 budget. This section of the report has been written by the council's CFO (Assistant Director of Finance), and deals with the requirements of the Act and professional guidance. Consideration of all these issues has been comprehensive and complex. **Annex 3** provides further information and signposts to the various activities, documents and other evidence that have contributed to the decision and declaration, and does not seek to reproduce them here.

Financial Risk and the Medium Term

The budget setting process includes a comprehensive financial risk assessment to determine key risks and their impact on the budget. Services also undertake risk assessments of their 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 has been in place for several years and is used to inform the level of earmarked and general reserves.

Managers are also required to deliver services within the available budget. Any known changes in service demand or costs arising from legislative or Government demands are identified and considered within the overall draft revenue budget as investment bids. The budgeted opening level of reserves is sufficient to cover the assessed financial exposure to the council. Any use of reserves in-year may require replenishment to ensure an opening general reserve required by the MTFS.

Included in the risk assessment is an analysis of the economy and pressures going forward. The economy has been subject to significant and rapid change. Funding remains uncertain beyond 2015/16. Inflation has been low, however we are already seeing an increase and some sectors are predicting a sharp increase. Bank rates are expected to remain low at 0.5%, until September 2016 when they are expected to be 1.0%.

7. Summary of the Capital Programme

The council has an asset portfolio of around £500m. Therefore managing and maintaining these assets is a key issue for the council to ensure they continue to be fit for purpose and their value is maintained. The capital programme is key to delivering the council's vision and priorities.

Due to the diverse nature of capital expenditure, each capital scheme impacts on residents in different ways according to their use of council facilities and services. The capital programme has been constructed within the principles outlined in our Capital Strategy, which was assessed as good by the former Government Office West Midlands (the highest category available). This document drives the construction and management of the capital programme. The strategy reflects and enables delivery of the council's vision and priorities and approved schemes must deliver that aim. It also requires the council to optimise successful partnership working for example through the Walsall Partnership, NHS Walsall, registered social landlords and regionally with other councils.

The 2014/15 capital programme totals £40.67m and is presented in two parts:

- Mainstream council funded programme (£17.04m) - funded through unsupported capital borrowing and capital receipts (**Table 11**). Of this £1.92m is identified for capital investment earmarked reserve projects, including £0.25m match funding towards external schemes.
- Non-mainstream programme (£23.63m) - funded from capital grants (**Table 12**).

In addition, the Council's leasing programme for 2014/15 is £3.66m – revenue costs of which are funded from service revenue budgets (**Table 13**).

Capital resources will continue to be limited in the future inevitably placing more pressure on existing programmes. Future funding will be more reliant on the council's ability to secure capital receipts from sale of land and buildings or afford additional borrowing. A strategic review of assets is currently being undertaken as part of the 'Asset Management' project, which will inform the revision of the Capital Strategy and formulation of future years capital programmes.

Mainstream Programme: Funded from Walsall's own resources

Funding

The council's mainstream capital programme is normally funded from borrowing, capital receipts and the carry forward of unspent allocations from previous years.

Supported borrowing allocations allowed the council to borrow up to the amount of the allocation and Government provided an amount within Walsall's grant allocation to fund the cost of borrowing (debt charges). The settlement announced by the Government on 13 December 2010 stated that there would be no supported borrowing from 2011/12. Funding for schemes previously supported by borrowing are now be provided by Government grant, however this is no longer separately identified.

As such borrowing going forward is required to be funded from council's own resources – generated through savings, and/or paid for via council tax.. This is known as unsupported or Prudential borrowing. Councils are allowed to borrow in accordance with the Treasury Management Code of Practice. The current capital financing cash limit is forecast to be able to support £6.20m of additional unsupported borrowing to fund high priority items in 2014/15.

Capital receipt projections of £1.5m for 2014/15 are based on professional estimates of property colleagues. **Table 10** shows currently estimated resources to fund the mainstream capital programme for the three years from 2014/15.

Table 10 : Mainstream Capital Programme (Council funded)			
Category	2014/15 £m	2015/16 £m	2016/17 £m
General unsupported borrowing	4.63	4.67	4.32
Specific unsupported borrowing	0.73	0.73	0.73
Additional borrowing for Solar Panels scheme	0.43	0.00	0.00
Capital receipts projected	1.50	1.50	1.50
Previous years underspends	0.41	0.00	0.00
Earmarked capital receipts	3.00	1.81	0.00
Carry forward from 2013/14	0.00	0.53	0.00
Use of reserves	6.34	2.25	0.00
Total Mainstream resources	17.04	11.49	6.55

Capital Schemes

For 2014/15, services were asked to review approved schemes in 2013/14 and the expected re-phasing or underspends to help fund future capital programmes. In addition, new bids were considered in line with the Capital Strategy and portfolio plans. Details can be found in **Annex 11a**, and are summarised in **Table 11** below.

Table 11: Mainstream Capital Programme 2014/15 by Portfolio			
Portfolio	Prior Year Approvals £m	New Allocations £m	Total Mainstream £m
Children's Services	0.00	0.00	0.00
Community Engagement	0.00	0.00	0.00
Leisure and Culture	0.17	0.42	0.59
Public Health and Protection	0.00	0.00	0.00
Regeneration and Transport	5.52	7.71	13.23
Environment	0.00	0.00	0.00
Resources	0.00	1.30	1.30
Social Care and Health	0.00	0.00	0.00
Capital Investment Earmarked Reserve	0.00	1.92	1.92
Total Mainstream Capital	5.69	11.35	17.04

Schemes are recommended to go ahead as they represent council priorities, for a number of reasons:

- Address policy including;
 - ✓ Supporting businesses to thrive and supporting local people into work
 - ✓ Improving health including wellbeing and independence for older people
 - ✓ Creating safe, sustainable and inclusive communities
 - ✓ Improving safeguarding, learning and the life chances for children and young people
- Return on investment / Asset management - schemes that unlock external investment in the Borough; drive out long term revenue savings; support the strengthening of the borough's economy; deliver an efficient and effective operational estate linked to the asset management plan; and invests in assets to grow future income streams for the council.
- Capital insurance reserves: to protect the council's position, for which funding is available should the need arise to draw it down.
- Priority schemes for which external funding can be drawn down and which may or may not require a contribution from the council's own resources.

All capital schemes were prioritised by the Asset Strategy Group and corporate management team prior to formal approval by Cabinet for recommendation to Council. Whilst the overall demand for resources usually exceeds those available, schemes deemed to be a high priority in terms of reflecting the council's priorities can be funded, representing a balanced programme for the next three years.

Capital receipts projections are based on professional estimates of property colleagues. Any additional receipts received in year (excluding those earmarked for Smarter Workplaces, Bentley Community Facility and Rushall School) will be considered to fund projects identified on the reserve list at **Annex 11b**.

Externally Funded (Non-Mainstream) Programme

Full details of externally funded schemes can be found in each portfolio plan in **Annex 11c**, and are summarised in **Table 12** below. Many of these are indicative allocations pending formal notification from the respective funding bodies, and the capital programme will be adjusted in year to reflect known allocations. Certain schemes can go ahead as these are either fully funded by grant or have the necessary mainstream match funding already approved. If grant or mainstream funding is unavailable the schemes cannot go ahead.

Portfolio	Government Funding £m	Third Party / External £m	Total Funding £m
Children's Services	5.20	0.00	5.20
Community Engagement	0.00	0.00	0.00
Leisure and Culture	0.00	0.00	0.00
Public Health and Protection	0.00	0.00	0.00
Regeneration and Transport	10.49	7.14	17.63
Environment	0.00	0.00	0.00
Resources	0.00	0.00	0.00
Social Care and Health	0.80	0.00	0.80
Total Externally Funded Capital	16.49	7.14	23.63

Leasing Programme

The 2014/15 leasing programme totals £3.66m, summarised in **Table 13** below. Leasing minimises the call on capital resources by spreading the acquisition cost over some years. Revenue funds are needed to finance operating leases, which are included in the revenue budget.

Portfolio	Total Expenditure £m	New Leasing £m
Children's Services	0	0
Community Engagement	0	0
Leisure and Culture	0	0
Public Health and Protection	0	0
Regeneration and Transport	0	0
Environment	3.66	0.64
Resources	0	0
Social Care and Health	0	0
Total Leasing Programme	3.66	0.64

8. Medium term financial outlook – 2015/16 plus

The council has a longstanding commitment to medium term financial planning. In conjunction with work ongoing to revise and enhance the Vision, we are ensuring that resources are available to deliver our aims and objectives and the priorities that flow from that.

Key sources of funding, in particular fees and charges, Government grant and specific grant are assessed on a regular basis, along with emerging cost pressures. The focus is on forward planning to ensure financial risk is managed and mitigated and all known liabilities are funded, including the cost of capital investment decisions.

The future financial environment continues to be challenging for councils. 2015/16 will be the second of a two year settlement announced on 18 December 2013. We are uncertain on the direct funding implications for the years beyond 2015/16, although assumptions have been made in our medium term financial plan around overall reductions to Government spending for this period. One of the major thrusts has been that local authorities can now keep a share of the business rates generated within the area rather than pooling for national redistribution, however this benefit is limited by other parts of the funding mechanism, such as Government top slicing of funds to meet new burdens, safety net authorities, national capitalisation targets, etc.

Table 14 shows the anticipated reduction in 2015/16 Government funding for Walsall:-

Table 14 : Government Grant Funding 2015/16 onwards			
	2014/15	2015/16	Reduction
	£m	£m	£m
Government central funding	146.90	125.35	-21.55

This reduction of £21.55m, based on the provisional settlement announced on 18 December 2013, relates to an anticipated and significant **14.67% reduction in funding** over 2014/15 funding.

Beyond 2015/16, funding allocations remain highly uncertain. The only certainty is that funding will decrease - the question is by how much? Various forecasts exist, but we are anticipating reductions of a further 9.6% for 2016/17 and 5.3% for 2017/18.

The medium term outlook is currently being re-assessed, with a number of planning scenarios available. The most up to date information suggests savings of the following magnitude will be required over the four years beyond 2014/15.

2015/16	2016/17	2017/18	2018/19	Total 4 year Savings
£27.6m	£20.4	£18.2m	£13.4m	£79.6m

Work is underway to establish a Budget Framework to deliver this level of savings.

9. Portfolio Plans – 2014/15 onwards

9.1 Children’s Services Portfolio Plan

A. Summary of Services within the Portfolio

Preventative and Targeted Services	Effectiveness, Improvement & Contract Management	<ul style="list-style-type: none"> • Intelligence Management • Strategy / Service Planning; • Partnership Performance Management • Information Advice and Guidance; • Targeted Youth Support; • Youth Justice Service; • Positive Activities; • Active Involvement; • Education Business Partnership; • Teenage Pregnancy; • Parent Partnership ; • Common Assessment Framework; • Area Family Support Teams; • Workforce Development; • Children's Centres; • Parenting; • Think Family; • Early Years; • New relationship with Schools • LEA Functions provided by the council • Placements services including <ul style="list-style-type: none"> ○ Adoption Team ○ Fostering Team x3 ○ Residential Care – 5 children's homes • Contact and assessment service • Disability Service • CAMHS (located in health - matrix managed) • Sufficiency and Placement Commissioning • Responsible Individual for LA • Independent Reviewing Officers • Safeguarding Board • Child Death Overview Panel • Multi Agency Screening Team • Initial Response Teams x 4 • Vulnerable Children SW teams x 6
	Integrated Young People's Support Service	
	Prevention Workforce Development Partnerships	
Specialist Services	Education Services	
	Corporate Parenting - Placements and Resources	
	Safeguarding	
	Initial Response Service	
	Safeguarding and Family Support Teams Looked After Children’s Service	<ul style="list-style-type: none"> • LAC Teams x3 • Transition and Leaving Care Team

B. Portfolio Objectives / Outcomes / Purpose

Our Vision and Ambition

We believe that all children and young people in Walsall have the right to be healthy, happy and safe, to be loved, valued and respected and to have high aspirations for a successful future. Our ambition is to be *'Better Together For Children'* by working in partnership to offer the very best standard of help, support, care and protection for children and young people throughout their journey through our services.

Our Key Priorities agreed with the Children & Young People's Partnership

1. Supporting the most vulnerable families to provide the best start in life for children.
2. Ensuring that children maintain a healthy weight.
3. Reducing the harm caused by child sexual exploitation including children missing from school, care and home.
4. Greater diversity of choice for learning, training and employment for young people.
5. Supporting the transition into adulthood for children and young people with Special Educational Needs or Disabilities by creating single 'through life' plans.
6. Promoting pride in the achievements of the children and young people in Walsall, and securing a strong and active voice and influence for young people to shape local services.
7. Better communication between frontline staff and all agencies that support children and families
8. Reducing the impact of child poverty

Our Change & Development Priorities

- To secure sustained improvements in Safeguarding and Child Protection Services following the DfE Improvement Notice served in Nov 2012.
- To embed a comprehensive Early Help Offer, integrated with wider Children's Services and partnership provision.
- To further develop Walsall's arrangements for supporting Children Looked After by the Local Authority to achieve their maximum potential.
- To drive forward education and learning in Walsall with strong and effective School Improvement functions.
- To build a strong, stable, responsive and effective children's workforce in Walsall.

C. Service Design (informed by customer demand)

A comprehensive programme of change and improvement is being implemented across Children and Young People's Services. This is driven by the parallel requirement to improve the quality and effectiveness of practice and service provision and to address resource pressures at both a national and local level.

Current Challenges

The reshaping of Children and Young People's Services is critically informed by some significant challenges. These include:

- An intensive focus on sustaining hard-won improvements to the quality of safeguarding and child protection services
- Tackling a notable increase in the numbers of children and young people looked after by the local authority, with associated cost pressures
- Integrating education and school improvement functions into the organisation following transition from a substantial outsourced contract in 2013.
- Ensuring smooth succession to a permanent and stable leadership team following a sustained period of interim leadership.
- Building the social work workforce, reducing agency staff and embedding good quality frontline practice.

Our Service Model from 2014/15

Key elements of our reshaped service model include:

- Strengthened performance management and quality assurance, underpinned by robust and reliable data at both a strategic and operational level. This will inform analysis of impact and will drive decisions on how to make the most effective use of finite resources.
- Integrated commissioning with a primary focus on improved outcomes, early help and preventative intervention to progressively reduce the demand for more resource-intensive support.
- A productive partnership with schools that reflects the changing role of the local authority in driving school improvement, including sustainable and impactful school to school improvement and educational attainment.
- Implementation of a bold workforce development strategy to improve the stability of operational staffing and the quality of frontline practice. There will be a specific focus on building a strong permanent workforce and reducing the reliance on agency staff – impacting on cost and efficiency.
- A stable and permanent senior leadership team to drive forward sustained improvement and the implementation of increasingly challenging cost efficiencies.

Implementing the Change Programme

Action being taken to progressively move the organisation towards a more efficient and effective service model from 2014/15 includes the following:

- Appointment of a new senior leadership team is underway with a national recruitment campaign from mid-September. This is in addition to wider workforce development including staff recruitment to key operational posts.
- Significant and continuing improvements in the quality and reliability of performance and qualitative data to inform strategic and operational decision-making and resource allocation.
- Strengthening of governance and partnership arrangements with a reshaped Local Safeguarding Board, a Children and Young People's Partnership Board with clear priorities and robust Scrutiny and Corporate Parenting arrangements in place.
- Rigorous implementation of the Strategic Improvement Plan for Safeguarding. Under the oversight of the Improvement Board a wide and highly effective programme of action is being undertaken to address the quality and

effectiveness of frontline practice, the quality of leadership and governance, and the capacity, capability and culture of children and young people's services.

- A programme management approach to tackling key resource pressures. In addition to a range of measures shared with CMT this will include reducing the costs associated with increasing numbers of looked after children, whilst ensuring that the needs of all vulnerable children and young people are met. (A summary of the project plan for taking action on increasing LAC numbers is attached for information).

Our Current Position

Intensive performance monitoring of safeguarding improvements through the established Improvement Board arrangements provide a strong focus on this area of the service and indicates that key priorities which are integral to the change programme are being delivered on target.

The 'adequate' judgment of the recent Ofsted inspection of Local Authority Arrangements for the Protection of Children provides a further clear indicator of positive progress in improving safeguarding and child protection services for the longer-term and reflects a strong self-awareness within Children and Young People's services.

Integration of education and school, improvement functions is being undertaken on an interim basis with key business requirements covered pending the appointment of additional capacity at Assistant Director level to drive forward substantive changes.

A schedule of proposed options for tackling cost pressures across the full range of Children and Young People's Services has been shared with Corporate Management Team (CMT) and is under review.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10a**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14.

In summary the proposed net budget for 2014/15 for the Children's Services portfolio is £66.47m, a reduction of £3.11m. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future years is attached at **Annex 11**. In summary, the proposed capital programme for the Children's Services portfolio is £5.20m – all external funded.

9.2 Community Engagement and Voluntary Sector Portfolio Plan

A. Summary of Services within the Portfolio

The services to the Community Engagement and Voluntary Sector portfolio include:-

- Area Partnerships
- Community Development

B. Portfolio Objectives / Outcomes / Purpose

- Devolution through an Area Partnership model.
- Creating and sustaining a vibrant voluntary and community sector.

The outcomes we will achieve for communities and neighbourhoods are that:

- Communities will be more cohesive
- The voluntary sector will be further developed
- Residents will feel they can influence decisions locally

C. Service Design (informed by customer demand)

In proposing these savings, we have been guided by the importance of prioritising activities important to local residents, particularly those where there is a statutory obligation. In general terms, we are seeing a move towards more generic working and with it a better response to customers, a greater reliance on income from users wherever possible, and further efficiencies in the use of staff, contracts, premises, equipment and finance. The requirement to identify savings that protect front line services has inevitably been a challenging one although there are many that do offer such protection. The saving proposals are as follows:

- Redesign the way in which Area Partnerships are promoted
- Removal of a vacant post

Whilst it has been possible to identify efficiency savings which have no or minimal impact on service levels, it needs to be recognised that there will be a reduction in the flexibility of services to respond to unforeseen demands and workload peaks. This will in turn increase the time taken to deal with some service requests and lead to a further need to ration services.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10b**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14. In summary the proposed net budget for 2014/15 for the Community Engagement and Voluntary Sector portfolio is £1.99m, a reduction of £47k. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future year's is attached at **Annex 11**. There are no capital schemes for the Community Engagement and Voluntary Sector portfolio.

9.3 Leisure and Culture Portfolio Plan

A. Summary of Services within the Portfolio

Bereavement & Registration

- Streetly Crematorium, 8 Cemeteries (Bentley, Bloxwich, James Bridge, North Walsall, Ryecroft, Streetly, Willenhall Lawn and Wood Street Cemetery), Registration service (Births, deaths and marriages), shared Black Country Coroner service (with Sandwell, Dudley and Wolverhampton), Post Mortem service through Walsall Manor Hospital

Sport & Leisure

- Oak Park Leisure Centre, Bloxwich Leisure Centre, Gala Baths, Darlaston Swimming Pool, Sneyd Watersports Centre, Walsall (Aldridge) Airport Environmental & Outdoor Education Centre, Sports & Health Development, Town Hall Management (Walsall & Darlaston), Development and Box Office, Behavioural Improvement team

Catering

- Management and delivery of the schools' catering service to 53 schools across the Borough, corporate catering / committee room teas, the Town Hall Restaurant and the 2nd floor Civic Centre café

Technical, Safety & Admin

- Overall health and safety management within Leisure & Community Health, administrative and business support

Green Spaces

- Management and development of parks, open spaces and local nature reserves, play areas, urban forestry, allotments and community gardens.

Libraries

- Operating through a network of 16 branch libraries, mobile library services and a school's library support service

Museum services

- Walsall Leather Museum and Walsall Museum

Archive and local history services

- Through the Local History Centre

Arts services

- The New Art Gallery
- Forest Arts centre and music service
- Creative Development Team

Adult and Community Learning, Apprenticeship Training and Training to support local Companies:

- Through Walsall Adult and Community College (WACC)

B. Portfolio Objectives/Outcomes/Purpose

The Leisure and Community Health Service seeks to maintain and improve the health and well-being of all Walsall's residents. This is delivered through the provision of a range of indoor and outdoor sports, leisure and recreation opportunities, the delivery of healthy and nutritional school meals, the availability of sports and health development, outdoor education and behavioural improvement

The objective is to get more people, more active, more often, becoming healthier, being happier whilst also achieving a variety of health improvements such as weight loss, smoking cessation, less stress and fewer days off sick.

Libraries Heritage and Arts will offer residents of all ages a wide range of facilities and cultural experiences to use and experience and help to make Walsall a place that they can enjoy and be proud to live in. Services will also offer children and young people opportunities to learn, discover and develop to fulfil their full potential.

In line with the priority to support business, libraries will offer access to up to date business information and encourage new business by offering small business start up packs. Through free access to computers and basic skills courses they will help people develop their learning and skills to help them into employment.

In line with the Council's commitment to improve residents' prospects to secure and retain work, manage their own health and wellbeing and be active citizens, the College offers a range of courses that address skills for life, skills for employment, and skills for active citizenship as well as Apprenticeship training designed and delivered in collaboration with local employers.

C. Service Design (informed by customer demand)

Our responsibilities include a very wide range of statutory duties in virtually all service areas, which increasingly will need to be prioritised. There may be scope to vary the level at which such services are provided and this will require further consideration. Many of the discretionary areas of activity (e.g. New Art Gallery, leisure centres, Forest Arts Centre) are priorities for Members.

In proposing these savings, we have been guided by the importance of prioritising activities important to local residents, particularly those where there is a statutory obligation. In general terms, we are seeing a move towards more generic working and with it a better response to customers, a greater reliance on income from users wherever possible, and further efficiencies in the use of staff, contracts, premises, equipment and finance.

The requirement to identify savings that protect front line services has inevitably been a challenging one although there are many that do offer such protection. The following saving proposals are made:

- Increasing income from timber management
- Increase efficiencies and income generation at the Leather Museum
- Improved income generation and efficiencies at the New Art Gallery
- Reduction in the cost of mortuary services

- Staff reductions and efficiencies including reduction in management costs in Library Services, Clean and Green Services and Leisure and Community Health
- Full cost recovery from schools for the school meals service
- Increase in charges for certain services (e.g. bereavement and registration fees)
- Reduction in grants for allotments
- Removal of subsidy for the maintenance of football, cricket pitches & bowling greens (deferred for one year and subject to review)
- Reduced level of on-site presence in cemeteries
- Closure of Walsall Museum
- Reduction in reactive maintenance response (e.g. playground repairs)
- Reduction in the National Vocational Qualification (NVQ) centre budget

Whilst it has been possible to identify efficiency savings which have no or minimal impact on service levels, it needs to be recognised that there will be a reduction in the flexibility of Services to respond to unforeseen demands and workload peaks. This will in turn increase the time taken to deal with some service requests and lead to a further need to ration services.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10c**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14.

In summary the proposed net budget for 2014/15 for the Leisure and Culture portfolio is £16.49m, a reduction of £1.57m. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future years is attached at **Annex 11**.

In summary, the proposed capital programme for the Leisure and Culture portfolio is £589k: £168k of prior year approvals and £421k of new bids. A further £88k is on the reserve list to be released should further resources become available. A provision of £250k has been set aside for match funding towards externally funded schemes, to be drawn down in year once external funding has been approved (£354k of schemes shown on Appendix 2b).

9.4 Public Health and Protection Portfolio Plan

A. Summary of Services within the Portfolio

Services to Public Protection include:

- Public Health
- Trading Standards and Licensing
- Environmental Health
- Community Safety

B. Portfolio Objectives / Outcomes / Purpose

- Improve health and well being and reduce inequalities
- Prevention and reduction of Anti Social Behaviour
- Deliver the Community Safety Plan
- Environmental Enforcement

C. Service Design (informed by customer demand)

In proposing these savings, we have been guided by the importance of prioritising activities important to local residents, particularly those where there is a statutory obligation. We are seeing a move towards more generic working and with it a better response to customers, a greater reliance on income from users wherever possible, and further efficiencies in the use of staff, contracts, premises, equipment and finance.

The requirement to identify savings that protect front line services has inevitably been a challenging one although there are many that do offer such protection. The following savings are proposed:

- Restructure of Regulatory Services and Enforcement
- Redesign of Community Safety Service

Whilst it has again been possible to identify efficiency savings which have no or minimal impact on service levels, it needs to be recognised that there will be a reduction in the flexibility of services to respond to unforeseen demands and workload peaks. This will in turn increase the time taken to deal with some service requests and lead to a further need to ration services.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10d**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14.

In summary the proposed net budget for 2014/15 for the Public Health and Protection portfolio is £3.88m, a reduction of £171k. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future years is attached at **Annex 11**. There are no capital schemes for the Public Health and Protection portfolio.

9.5 Regeneration and Transport Portfolio Plan

A. Summary of Services within the Portfolio

Regeneration

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

Transportation

- Engineering & Transportation

B. Portfolio Objectives / Outcomes / Purpose

Regeneration

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

Manage our assets well

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

Support our town & district centres

- Improve footfall
- Increase investment
- Improve customer experience

Create the right sites for business

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

Support business growth

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

Address unemployment

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

Improve skills

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

New & better homes

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

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

Engineering and Transportation

Transport services make a vital contribution to the local economy and serve as an important catalyst to aid its recovery. They are essential to enable efficient travel around the borough in a way that is both safe and convenient. Pollution control is vital to the quality of life of residents in general and to their health. Close coordination between this and traffic management is essential due to the impact of road traffic noise and air quality within the borough.

- We will continue to deal effectively with the poor condition of many of the Borough's roads and in so doing provide a durable solution which will help avoid more costly repairs in the longer term
- We will review town centre parking to balance the needs of visitors, traders and residents
- We will ensure the focus on road safety and, working with schools, ensure sustainable methods of travel assisting in meeting the health objectives
- We will continue the successful trials to provide more energy efficient street lighting without compromising on road safety.
- We will continue to manage traffic across the borough in an efficient manner to minimise congestion
- We will take enforcement action against double yellow parking outside schools and fine drivers who use bus lanes illegally
- We will ensure the continued effective response to major events coordinated by the Emergency Response Team and Resilience.

C. Service Design (informed by customer demand)

The Regeneration directorate comprises a set of four services which taken together contribute to the place of Walsall, its economy, business base both existing and future, and the skills and economic abilities of Walsall people. It also holds the corporate property function which both allows the proper functioning of services and council offices in the right place in the right way, but also our disposal programme to ensure we drive capital investment to priorities, including regeneration outcomes, and exit expensive revenue liabilities wherever practical.

The budget options presented for 2014/15 consider ways in which the directorate is able to contribute to the budget challenge for 2014/15, with an eye on the future challenges we will face. It also seeks to continue to support businesses to expand and locate in Walsall so that we are able to shore up our business rate base and in time grow that base, while providing new jobs for Walsall people. It is mindful also of proposals for the future of property services and securing our best ability to save money in future years from a centralisation of property related spend.

Taking each service in turn, **Property Services** proposes a number of service redesign changes which include redundancies to areas which are no longer necessary in supporting the property services operating model. It also establishes efficiencies in operation in facilities management and design/project management. These will take out cost in areas in 2014/15 while allowing scope to fundamentally restructure the service over the coming 18 months to ensure a fit for purpose corporate property function, including specific capabilities in asset management and programme/project management of capital projects and the ability to consider alternative models of delivery for facilities management and cleaning and caretaking. To properly address the scope of savings possible through our entire organisations property related spend, it is proposed to centralise budgets ready for 2014/15 so we can save money on buildings and their costs rather than services and people.

Planning and Building Control is fundamental to the future shape of the Borough and ensuring regeneration outcomes. It also protects life, property and the fair operation of the market through building control. Lastly, it holds directorate support functions which provide a bedrock of services upon which officers, councillors and the public depend. Changes proposed include: removal of a vacant post in development management; a restructure of support services to better align teams across property and the wider directorate following office consolidation in the Civic Centre; and some minor savings associated with previous restructures, training, etc.

Development and Delivery supports the council's flagship regeneration projects whilst also supporting businesses in the Borough and those who might choose to locate here. It works closely with developers, businesses and local, regional and national partners to support new development in the Borough and hosts the Walsall elements of the Black Country Enterprise Zone, Old Square, Walsall market and other major projects. It is also responsible for town centre management, including markets, and the district centres teams. Proposed budget reductions include the removal of two vacant roles, an increase in income targets, general efficiencies and savings on agency staff for the markets service.

Strategic Regeneration is the economic development function of the council and is largely externally funded through historic success in attracting such funding. It includes our economic intelligence, EU and external funding, major transport schemes and transport policy, Walsall Works and skills, and employment growth for existing businesses. This service holds responsibility for the Darlaston SDA £26m road improvement scheme and is promoting our M6 J10 project among others through the Black Country mechanisms. Since the team is largely composed of externally funded officers, there is little that can be saved from mainstream council resources.

Transportation responsibilities, particularly operational ones, rest within Neighbourhood Services. The Engineering & Transportation Service provides a range of statutory and non-statutory services and are made up of several teams consisting of Pollution Control, Transportation and Forward Planning, Roadworks Management, Structures and Geotechnics, Highways Maintenance, Public Lighting, Traffic Management Urban Traffic Control and Parking Services, and Major Projects and Minor Improvements scheme delivery. The service also operates the Winter Service and the Emergency Planning Team, Resilience function for the Council. The service is essential in assisting the economy and for regeneration of the borough with private sector and public sector within the requirements of the duty to cooperate as defined in the Localism Act. The savings proposals in this section relate to:

- Staff reductions and efficiencies including a reduction in management costs
- Efficiencies in the highways maintenance contract leading to increased value for money
- Efficiencies from energy savings and use of new technology in street lighting
- Increased prioritisation and general efficiencies in the Pollution Control team

Housing Services responsibilities rest within Resources under '**MONEY, HOME, JOB**' - we have been re-designing service delivery in this crucial public service area. We have focused on the typical and predictable demands from our residents for assistance under the umbrella of 'Help me with my money, my home, my job'. This addresses the high volume demands for help under the 'traditional' service areas of Benefits, Revenues, Housing and Customer Service. We provide a council tax service to over 110,000 households in the Borough and a more targeted service to around 35,000 people who typically need assistance because they do not have enough resources of their own for themselves and their families.

These four areas are being integrated into one seamless operation which provides our residents with a vastly improved service. This is achieved through empowering our staff to do their work in a very different way. Once staff empowerment has brought about a totally different service, we find that substantial resources become available through taking out the waste that was causing a less than optimum service and this enables us to make significant financial savings too.

Staff Empowerment

The Method is based on the underlying principle that our staff are capable of doing a fantastic job if we give them the flexibility to get on and help residents and businesses. We must have appropriate governance to look after public money properly, but otherwise only the rules that are necessary. We have been radically empowering our staff to help our residents and businesses better. Our staff are given opportunities to grow their role and to add to their own capability in order to provide a better all-round service. They have responded to this fantastically well. Nevertheless, the transition from a conventional way of thinking and behaving to a radically different mindset and approach to work is hugely challenging for leaders and staff alike. It requires a lot of hard work, and real determination and resolution to not allow the practices of the past to infect our current ways of working, especially given that we are clearly working in a system with other organisations who have a heavy influence on our residents who have not yet changed their thinking. In addition, those leaders and employees who haven't been given the chance to learn a different way of thinking are often unsure and/or worried about it because it is counter-intuitive and in many cases entails the opposite of what they have been asked to do for many years. So this change is very difficult to pull off. When you do, it is far more compelling than change brought about by conventional thinking and much more sustainable. But the effort required is intensive and significant and it is by its nature a bumpy ride for all involved. If we stick with it, the prize is huge.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10e**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14.

In summary the proposed net budget for 2014/15 for the Regeneration and Transport portfolio is £27.16m, a reduction of £1.09m. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future years is attached at **Annex 11**. In summary, the proposed capital programme for the Regeneration & Transport portfolio is £30.862m – £5.527m prior year approvals, £7.707m new bids, and £17.628m externally funded schemes. A further £2.62m is on the reserve list to be released should further resources become available.

Further funding to support essential works, including health and safety and other projects that cannot be programmed at the start of the year (Asbestos removal, control of legionella, fire risk assessment statutory testing of buildings, demolition of redundant buildings, general repair and maintenance of council buildings) is earmarked as a separate capital reserve, to be drawn upon as required in year.

9.6 Environment Portfolio Plan

A. Summary of Services within the Portfolio

Clean & Green

The services currently provided by Clean and Green include:

- **Grounds Maintenance:** grounds, maintenance of parks, highways and public open spaces including tree planting and maintenance, cemetery maintenance and burials.
- **Waste management and cleansing:** domestic waste collection including bulky collections, trade waste collections, kerbside garden waste collection, dry recycling collections, education initiatives, waste disposal, street cleansing including town centre gold standard and public conveniences cleansing.
- **Fleet Services:** management of council vehicles, MOT / garage facilities
- **Policy and Performance:** management & administration, policy improvements and initiatives, performance review and customer consultation

B. Portfolio Objectives / Outcomes / Purpose

- We will continue the popular and successful household waste collection service and identify new ways to improve further our already impressive recycling rates.
- We will continue to promote a clean and green environment throughout the borough.

The outcomes we will achieve for communities and neighbourhoods are that streets and green spaces, particularly parks, will be well maintained and clean, and residents will be able to recycle more waste.

C. Service Design (informed by customer demand)

Our responsibilities include a very wide range of statutory duties in virtually all service areas, which increasingly will need to be prioritised. There may be scope to vary the level at which such services are provided and this will require further consideration. Many of the discretionary areas of activity (e.g. garden waste collection) are priorities for Members.

In proposing these savings, we have been guided by the importance of prioritising activities important to local residents, particularly those where there is a statutory obligation. In general terms, we are seeing a move towards more generic working and with it a better response to customers, a greater reliance on income from users wherever possible, and further efficiencies in the use of staff, contracts, premises, equipment and finance.

The requirement to identify savings that protect front line services has inevitably been a challenging one although there are many that do offer such protection. The savings proposals are as follows:

- Additional savings for waste disposal through the W2R contract
- Reduced usage of fuel as a result of a smaller fleet
- Staff reductions in the back office
- Change of working arrangements for cleansing service
- Efficiencies in waste collection and street cleansing
- Improving working practices and efficiencies within the workshop and MoT bay
- Increased income from the MoT service

Whilst it has been possible to identify efficiency savings which have no or minimal impact on service levels, it needs to be recognised that there will be a reduction in the flexibility of services to respond to unforeseen demands and workload peaks. This will in turn increase the time taken to deal with some service requests and lead to a further need to ration services.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10f**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14.

In summary the proposed net budget for 2014/15 for the Environment portfolio is £17.69m, a reduction of £1.01m. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future year's is attached at **Annex 11**. There are no capital schemes for the Environment portfolio.

9.7 Resources Portfolio Plan

A. *Summary of Services provided by the portfolio*

Communications, Marketing and Consultation

- PR and media management
- Reputation management
- Communications strategy, planning and campaign delivery
- Media monitoring and evaluation and Reporting
- Internal communications
- Social media
- Digital and websites (including: council websites and internet)
- Marketing (including income generation and the promotion of venues e.g. New Art Gallery, through to the promotion of services e.g. fostering and adoption)
- Marketing (publications and promotional materials, sponsorship and advertising)

Shared Services & Procurement

- ICT Services and Support
- Procurement
- Print & Design

Programme Delivery and Governance

- Business Information and Intelligence, Business Analysis, service re-design
- Systems thinking training
- Programme and Project Management
- Governance Reviews - (of strategic programmes or projects)
- Freedom of Information Act/Data Protection Act - (co-ordination and management of all enquiries)
- Customer Complaints - statutory - (Social Care and Children's) and non-statutory
- Ombudsman - (co-ordination and management of issues and relationship with Ombudsman)
- Policy co-ordination - (maintenance of strategies and policy database, production and distribution of monthly policy round-up and legislation tracker, ad hoc support to policy development)
- Strategic Planning (production of Corporate Plan and contribution to other strategic documents)

Finance

- Accountancy, financial reporting, financial management, financial systems, financial strategy and planning, budget setting, financial support and advice to directorates
- Risk and Insurance - claims handling, insurance fund management, risk management
- Treasury Management including cash management and banking
- Financial administration – Accounts payable and receivable, debt management and recovery

Internal Audit

- An assurance service that provides an independent and objective opinion to the organisation on the control environment

- Advisory and related client services which are carried out to improve services and to add value, including the impact of proposed policy initiatives, programmes and projects as well as emerging risks
- Prevention, detection and investigation of fraud and corruption; and other irregularity

Benefits

- Advice, customer application support, assessment, revision, payment, recovery of overpayments, customer queries, complaints and appeals of the following benefits:-
 - Housing benefit
 - Council tax benefit
 - Discretionary housing payments
 - Free school meals
- The prevention, detection and investigation of benefit fraud and error, including the application of sanctions.
- Training and advisory sessions delivered to partner organisations.
- The administration of the housing benefit subsidy and grant claims and returns.

Revenues Service

- Council tax - billing, collection, recovery and enforcement
- Non domestic rates (business rates) - billing, collection, recovery and enforcement
- Banking hall – corporate income collection service, including cheque processing, car parking money, external payment facilitator (WHG, south staffs water), social care payments, petty cash, internal payment facilitator (most council service transacted).
- Welfare rights unit – income maximisation, debt advice, benefits based charging scheme (previously the fairer charging scheme)

Human Resources

- HR Direct, Intranet/HR portal
- Payroll and pensions/transactional services
- HR Specialist Services. The teams within this service are business partner (directorate support), wellbeing and equality and learning and development

Legal and Democratic Services

- Legal Services providing legal advice and dealing with litigation
- Constitutional advice
- Administration of the council's formal decision-making processes
- Elections and electoral registration

B. Portfolio Objectives / Outcomes / Purpose

Communications, Marketing and Consultation

- To let me know what the council does and how I can access the 800 services delivered I need in a way that suits me.
- To tell me (and a range of other customers, including the media) honestly what the council is doing.
- To provide a two-way communications service to internal departments and to support them in the delivery of their service priorities

Shared Services & Procurement

- To reduce my council tax bill by working in a way that makes best use of money.
- To help my council procure the best value for money.
- To allow me to access council services that are efficient at a time and place that I choose.

Programme Delivery and Governance

- To listen to what I tell the council and help change the council to focus on me.

Finance and internal audit

Enable the Council to be financially stable, well governed, making the best use of money the Council is given, and providing the citizens and businesses of Walsall the services they require.

Benefits

The benefit service will deliver the right benefit to the right person at the right time.

Revenues

The revenue service will ensure customers receive the right bill first time without delay and have a choice of how to pay their council tax or business rates. The service will also help customers to maximise their welfare rights income and offer debt advice for those who are in greatest need.

Human resources

Human Resources will Work with local community partners to promote 'local jobs for local people'; Continue to engage and involve staff; Reduce sickness absence within WMBC; Support a healthy workforce. Continue to manage the TUPE transfers in and out of services. Successful implementation of Pay & Grading; Successful restructuring and realignment of services

Legal and Democratic services

Support the councillors to do the best job they can for the citizens and businesses of Walsall. Enable the citizens and businesses of Walsall to trust the integrity of the Council and what it does and provide the legal services that they require.

C. Service Design (informed by customer demand)

'Money, Home, Job'

This kind of reduction in spending cannot be achieved effectively – without serious damage to what the council achieves for Walsall people – with conventional thinking. So, for 'Money, Home, Job' and increasingly for Resources as a whole, we are taking a systems thinking approach that addresses the huge waste systematically caused by conventional management thinking and empowers our staff to re-design what we do based on a thorough understanding of customer demand.

The intention is to focus on optimising public service delivery by re-designing to meet customer needs. This achieves startling performance improvement, not available with conventional thinking, and over time releases resources. At the same time we are seeking to optimise support services through a similar process. This entails increasingly integrating support services with public service delivery in order to achieve real end-to-end delivery that effectively puts an end to the distinction between 'front-line' and 'support'.

These services are all there to deliver the council's purpose.

The overall approach then is to prioritise resourcing and optimisation of public services whilst at the same time optimising and integrating support services with public services. The things that we can least afford to spend available money on are un-optimised support services.

We have been re-designing service delivery in this crucial public service area. We have focused on the typical and predictable demands from our residents for assistance under the umbrella of 'Help me with my money, my home, my job'. This addresses the high volume demands for help under the 'traditional' service areas of Benefits, Revenues, Housing and Customer Service. We provide a council tax service to over 110,000 households in the Borough and a more targeted service to around 35,000 people who typically need assistance because they do not have enough resources of their own for themselves and their families.

These four areas are being integrated into one seamless operation which provides our residents with a vastly improved service. This is achieved through empowering our staff to do their work in a very different way. Once staff empowerment has brought about a totally different service, we find that substantial resources become available through taking out the waste that was causing a less than optimum service and this enables us to make significant financial savings too.

Staff Empowerment

The Method is based on the underlying principle that our staff are capable of doing a fantastic job if we give them the flexibility to get on and help residents and businesses. We must have appropriate governance to look after public money properly but otherwise only the rules that are necessary. We have been radically empowering our staff to help our residents and businesses better. Our staff are given opportunities to grow their role and to add to their own capability in order to provide a better all-round service. They have responded to this fantastically well. Nevertheless, the transition from a conventional way of thinking and behaving to a radically different mindset and approach to work is hugely challenging for leaders and staff alike. It requires a lot of hard work, and real determination and resolution to not allow the practices of the past to infect our current ways of working, especially given that we are clearly working in a system with other organisations who have a heavy influence on our residents who have not yet changed their thinking. In addition, those leaders and employees who haven't been given the chance to learn a different way of thinking are often unsure and/or worried about it because it is counter-intuitive and in many cases entails the opposite of what they have been asked to do for many years. So this change is very difficult to pull off. When you do, it is far more compelling than change brought about by conventional thinking and much more sustainable. But the effort required is intensive and significant and it is by its nature a bumpy ride for all involved. If we stick with it, the prize is huge.

Service improvement

This work has led to startling performance improvement in key areas. For example, our conventional approach to dealing with electronic notifications from DWP of changes that had an impact on our customers entailed suspending benefits and typically it was taking us 55 days to restore appropriate benefits. With our new mindset and approach, we have for several months been able to achieve the same thing within one or two days for 90% of our customers – this entails **a performance improvement of over 2000%** and would not have been available with conventional management thinking.

The integrated Money, Home, Job service is therefore a significant service improvement in an area where the council has faced, and continues to face, heavy increases in demand as a result of the recession and subsequent welfare reforms at a national level that have hit many Walsall residents hard. The new mindset has allowed us to approach the challenges of welfare reform by the government much more effectively than we would have done. So our support for those affected by the 'bedroom tax' has been comprehensive and joined-up and our approach to taking over responsibility for what was the 'social fund' from the DWP by creating the Walsall Crisis Support Scheme has enabled us to help a lot of residents who have nowhere else to turn in very difficult circumstances.

SUPPORT SERVICES

We are taking a similar customer-focused approach to our work to re-design support services to make them fit for purpose for our future organisation. Our work to understand purpose from the customer perspective and to understand customer demand over the last few months has led to two working purposes for our support services; 'Help me when I need it – right, fast and simple' and 'Spend my council tax money wisely'.

Our intention is to continue to work to understand at a much greater level of detail the demand from our customers going forwards so that we can empower our staff and re-design our services to help to deliver the best possible public services. From what we know already, we expect underlying principles of our continued re-design to include:

- Increasing integration of support services with public service delivery – to ensure real end-to-end service delivery for the customers and businesses of Walsall
- Collaborative, multi-functional advice and support easily obtained.
- Ready access for our customers to the help and advice that they need at first point of contact – not having to speak to several people in order to get to the help that is needed.
- Our staff having optimum flexibility to give customers the help they need in the way they need it
- Effective use of ICT to assist our customers where it can be shown to meet their needs and add real value for them, not for the sake of 'cheapness' (which would be huge false economy).

Clearly, the needs from support services will be derived very largely from the changes made to direct public service delivery and so a collaborative approach will be needed with all executive directors to bring forward complementary savings options going forwards.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10g**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14.

In summary the proposed net budget for 2014/15 for the Resources portfolio is £37.18m (excluding income from central support recharges), a reduction of £1.57m. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future years is attached at **Annex 11**. In summary, the proposed capital programme for the Resources portfolio is £1.3m – all council funded new bids.

Further funding to support essential works, including health and safety and other projects that cannot be programmed at the start of the year (Self insured property damage, risk management, review of leasing requirements) is earmarked as a separate capital reserve, to be drawn upon as required in year.

9.8 Social Care and Health Portfolio Plan

A. Summary of Services within the Portfolio

The portfolio covers social care services for adults and older people with physical disability, sensory impairment, learning difficulties, mental health issues, substance misuse, autism, HIV/AIDS. Specifically we offer:

- Response, information, advice and signposting
- Preventative services, community alarms, tele-care, tele-healthcare
- Enablement and re-ablement
- Assessment and review
- Resource allocation and support planning
- Safeguarding of vulnerable adults
- Whole sector workforce planning and development
- Commissioning of services including residential, nursing, day care, home care, extra care (incl. Housing 21), supporting people and the learning disability and integrated community equipment pooled budgets
- Shaping and development of adult social care market
- Quality assurance of services
- Direct service provision: reablement, response, day and respite care, adult placements
- Housing related support for vulnerable groups

B. Portfolio Aims, Objectives, Priorities

The vision for Adult Social Care in Walsall which was approved by Cabinet in December 2013 states:

Our main aim is to assist people to live independent lives. To that end our prime interventions will be looking at ways in which a person can be supported to recover from the crisis that they presented to the Council when they wanted help. For some people this can be achieved through a bit of help by signposting to a community or voluntary sector organisation; for others they may need more help and may need a period of help to support recovery, reablement, rehabilitation or recuperation. We will focus on the outcomes from our interventions that assist with reducing or delaying the need for longer term help.

The broad aims are:

1. To help citizens to access universal services
2. To assist citizens to access mainstream services
3. To provide access to a range of community based health and social care services
4. To prevent citizens becoming socially excluded and needing more intensive and costly health and social care services by providing a range of practical services close to home
5. To reduce dependence on services, and support independence and self directed support
6. To commission good quality services that provide real choices for citizens to achieve their outcomes

C. Service Design (informed by customer demand)

Adult Social Care and Inclusion is the single largest spending department of the Council. Nationally evidence indicates that on average over the last 3 years there has been a 7% reduction in the spend on adult social care by councils. In Walsall spend has been reduced by 24% but this has been off-set by new monies that have been top-sliced from NHS budgets by the Department of Health and allocated to local authorities.

Spend in Adult Social Care in Walsall can be divided into five areas:

- Spend on universal preventive services such as community alarms; voluntary organisations and supporting people monies (c£10 million)
- Spend on in-house services which include Intermediate Care, Day Care and some residential care (c£10 million) – some of these could be described as preventive services.
- Spend on assessment and care management and their support and business services (c£8 million)
- Spend on commissioned services from the private and voluntary sector to meet people's longer-term needs (c£50 million).
- Income from customers through their contributions to the cost of services (c£10 million)

In Adult Social care and Inclusion the following approach has been taken to find savings:

1. The new operating model (with a strong focus on prevention) will help to reduce demand for adult social care. It is predicted that if the model is operating successfully there can be a further reduction in admissions to residential care for older people and a reduction in the numbers of older people who will need on-going domiciliary care. There is a proposal to introduce a call monitoring system to ensure that older people get the care that is requested for them.
2. There has been a review of staffing across the Directorate – the scale of the savings that have to be made has meant that the establishment will need to reduce by almost 20%, this includes front line social workers, the Quality Team, administration and development posts. This also includes phasing out the apprenticeship scheme.
3. We have reviewed a number of services (including commissioned services) and proposed changes that will reduce costs through alternative ways of meeting people's needs.
4. We will use the new Department of Health monies to fund existing services that will enable us to sustain our joint working with health.

Going forward – we will need to continue to find savings in both learning disability (through the re-provision programme) and mental health (through lower use of residential care) budgets.

D. Financial analysis - reshaping the revenue budget (5 year financial plan)

The provisional revenue budget for 2014/15 is attached at **Annex 1**. The detailed portfolio revenue cash limit is attached at **Annex 10h**, which summarises the proposed cash limit for 2014/15 and the proposed change in activity required from 2013/14.

In summary the proposed net budget for 2014/15 for the Social Care and Health portfolio is £66.93m, a reduction of £5.49m. This change includes service and contractual cost pressures, new savings and the full year impact of previous years savings where applicable.

E. Future capital requirements

The draft capital programme for 2014/15 and future year's is attached at **Annex 11**. In summary, the proposed capital programme for the Social Care & Health portfolio is £797k – all external funded.

ANNEX 1: SUMMARY OF CORPORATE REVENUE BUDGET 2014/15 BY PORTFOLIO

	2013/14 BASIC FORECAST £	IN YEAR MOVEMENT £	2014/15 BASIC FORECAST £	FULL YEAR EFFECT PREVIOUS APPROVED SAVINGS £	NEW SAVINGS £	INFLATION COST £	COST / FUNDING PRESSURES £	2014/15 FORECAST BUDGET £
Children's Services	66,220,204	3,359,490	69,579,694	-639,999	-4,469,000	101,127	1,899,622	66,471,444
Community Engagement and Voluntary Sector	1,911,494	134,689	2,046,183	0	-47,382	0	0	1,998,801
Leisure and Culture	15,965,067	2,106,025	18,071,092	-188,604	-1,387,241	0	0	16,495,247
Public Health and Protection	3,656,893	402,018	4,058,911	0	-271,815	0	100,000	3,887,096
Regeneration and Transport	25,816,039	2,428,391	28,244,430	-327,328	-1,372,190	361,266	250,000	27,156,178
Environment	17,382,994	1,326,578	18,709,572	-785,000	-867,107	575,169	64,000	17,696,634
Resources	15,902,321	-295,715	15,606,606	-99,000	-2,209,879	9,316	712,782	14,019,825
Social Care and Inclusion	70,775,334	1,651,410	72,426,744	-129,000	-6,691,000	1,174,086	149,000	66,929,830
SUB TOTAL SERVICES	217,630,346	11,112,886	228,743,232	-2,168,931	-17,315,614	2,220,964	3,175,404	214,655,055
Capital Financing	5,310,544	0	5,310,544	0	-200,000	0	0	5,110,544
Non-service specific prudence/central items	-151,774,834	-11,112,886	-162,887,720	-34,000	-1,180,000	359	17,429,209	-146,672,152
SUB TOTAL CENTRAL ITEMS	-146,464,290	-11,112,886	-157,577,176	-34,000	-1,380,000	359	17,429,209	-141,561,608
Levies:								
PTE	14,313,709	0	14,313,709	0	0	0	-715,685	13,598,024
Environment Agency	72,150	0	72,150	0	0	0	256	72,406
NET REVENUE EXPENDITURE	85,551,915	0	85,551,915	-2,202,931	-18,695,614	2,221,323	19,889,184	86,763,877
(Use of)/contribution to reserves	0	0	0	0	0	0	0	0
TOTAL COUNCIL TAX REQUIREMENT	85,551,915	0	85,551,915	-2,202,931	-18,695,614	2,221,323	19,889,184	86,763,877

ANNEX 2 : COUNCIL TAX DATA 2014/15

1. COUNCIL TAX EXCLUDING PRECEPTS (WALSALL COUNCIL ONLY)

A. LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (67% of Properties)

BAND	WEIGHT	2013/14 C.TAX	2014/15 C.TAX	ANNUAL CHANGE	ANNUAL INCREASE
		£	£	£	%
A	6/9	940.17	940.17	0.00	0.00%
B	7/9	1,096.87	1,096.87	0.00	0.00%
C	8/9	1,253.56	1,253.56	0.00	0.00%
D	9/9	1,410.26	1,410.26	0.00	0.00%
E	11/9	1,723.65	1,723.65	0.00	0.00%
F	13/9	2,037.04	2,037.04	0.00	0.00%
G	15/9	2,350.43	2,350.43	0.00	0.00%
H	18/9	2,820.51	2,820.51	0.00	0.00%

2. OVERALL COUNCIL TAX INCLUSIVE OF PRECEPTS

A. LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (67% of Properties)

BAND	WEIGHT	2013/14 TOTAL C.TAX	2014/15 WMBC C.TAX	ESTIMATE - ACTUAL T.B.A		OVERALL (INC PRECEPTS)
				2014/15 FIRE PRECEPT	2014/15 POLICE PRECEPT	2014/15 TOTAL C.TAX
		£	£	£	£	£
A	6/9	1,043.67	940.17	35.21	68.29	1,043.67
B	7/9	1,217.62	1,096.87	41.08	79.67	1,217.62
C	8/9	1,391.56	1,253.56	46.95	91.05	1,391.56
D	9/9	1,565.51	1,410.26	52.82	102.43	1,565.51
E	11/9	1,913.39	1,723.65	64.55	125.19	1,913.39
F	13/9	2,261.28	2,037.04	76.29	147.95	2,261.28
G	15/9	2,609.18	2,350.43	88.03	170.72	2,609.18
H	18/9	3,131.00	2,820.51	105.63	204.86	3,131.00

B. LEVELS FOR PROPERTIES WITH ONE RESIDENT (25% DISCOUNT) (33% of Properties)

BAND	WEIGHT	2013/14 TOTAL C.TAX	2014/15 WMBC C.TAX	ESTIMATE - ACTUAL T.B.A		OVERALL (INC PRECEPTS)
				2014/15 FIRE PRECEPT	2014/15 POLICE PRECEPT	2014/15 TOTAL C.TAX
		£		£	£	£
A	6/9	782.75	705.12	26.41	51.22	782.75
B	7/9	913.21	822.65	30.81	59.75	913.21
C	8/9	1,043.67	940.17	35.21	68.29	1,043.67
D	9/9	1,174.13	1,057.70	39.62	76.82	1,174.13
E	11/9	1,435.04	1,292.73	48.42	93.89	1,435.04
F	13/9	1,695.96	1,527.77	57.22	110.97	1,695.96
G	15/9	1,956.88	1,762.82	66.03	128.04	1,956.88
H	18/9	2,348.25	2,115.37	79.23	153.65	2,348.25

3. SPREAD OF PROPERTIES

The proportion of properties within Walsall MBC within each Council Tax band at 1st December 2013 is as follows:

BAND	A	B	C	D	E	F	G	H	TOTAL
PROPERTIES (No)	49,634	25,831	17,437	9,956	5,459	2,330	753	52	111,452
PROPERTIES (%)	44.53	23.18	15.64	8.93	4.90	2.09	0.68	0.05	100
CUMULATIVE TOTALS	67.71%								
	83.35%								
	92.28%								

4. WEEKLY INCREASE IN COUNCIL TAX (WALSALL MBC ELEMENT)

BAND	A	B	C	D	E	F	G	H
£	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

ANNEX 3

CHIEF FINANCE OFFICER (CFO) REPORT ON ROBUSTNESS OF THE BUDGET AND ADEQUACY OF RESERVES - SUPPORTING INFORMATION

Context

In accordance with the Local Government Act 2003 (S25-S27) and to comply with CIPFA guidance on local authority reserves and balances, the Chief Finance Officer is required to formally report to members on the robustness of the budget and the adequacy of reserves. The CFO is appropriately qualified under the terms of S113 of the Local Government Finance Act 1988. In signing off this overall revenue budget report, the signature of the Assistant Director of Finance who holds the post of CFO constitutes the formal declaration required under the Act that these conditions are met (based on the available information at the time of signing).

Adequacy of reserves

The CFO assesses and determines the appropriate level of reserves (including schools reserves), provisions and contingencies using a variety of mechanisms, including;

- Being significantly involved in the budget setting process, the annual financial cycle, and engaged in the strategic leadership of the organisation as an attendee of the corporate management team;
- The annual refresh of the medium term financial. Challenging the budget at various stages of construction, including the reasonableness of the key budget assumptions, such as estimates of financial pressures, realism of income targets, robustness of plans to deliver savings, and the extent to which known trends and liabilities are provided for;
- Meetings with specific colleagues and partners to examine particular areas or issues;
- Review of the corporate and service financial risk assessments;
- Review of the movements, trends and availability of contingency, provisions and earmarked reserves to meet unforeseen cost pressures in the context of future pressures and issues;
- The use of professional experience and best professional judgement;
- The use of appropriate professional, technical guidance and local frameworks (CIPFA guidance, LAAP55, Local Government Act 73, Localism Act 2011);
- Knowledge of the colleagues involved in the process, particularly finance professionals, including their degree of experience and qualifications;
- Review of the strength of financial management and reporting arrangements, including internal control and governance arrangements.
- Review of the current year's financial performance in services and known future service delivery changes, the level of schools reserves and financial performance of schools.

This is undertaken in consultation with relevant colleagues and the Cabinet portfolio holder for finance and personnel.

It is prudent for councils to maintain an adequate level of general reserves. A risk assessed approach is used to determine the required level of general and earmarked reserves, contingencies and provisions. The combined medium term financial strategy (MTFS), Cabinet budget meetings and budget preparation processes have previously been

identified by the Audit Commission as areas of good practice to be shared nationally. The thirteenth edition of the MTFs was approved by Cabinet in June 2013. Reserves and contingencies are addressed within the strategy, demonstrating our acknowledgement of the importance of sound governance and the priority this issue is given.

The level of contingency is set as follows:

- Revenue - A central contingency of between 0.1% and 0.15% of the year's gross revenue budget will be established for each financial year, the precise level being informed by risk assessment and set by the Chief Finance Officer (CFO). For 2014/15 this is to be set at £736k
- Capital - a prudent central contingency will be set, not exceeding 10% of the annual council funded element of the capital programme requirement, to accommodate unforeseen / unbudgeted expenditure (i.e. where, due to the level of uncertainty, the financial impact is not certain at the time of setting the programme). The exact level to be determined by a risk assessment and set by the CFO in consultation with the portfolio holder for finance. The contingency will be funded from an annual revenue contribution to capital outlay from the project reserve. For 2014/15 this is to be set at £669k.

The level of general reserves, in the same way as central contingency, is index linked to the level of the gross revenue budget and continues to be informed by an annual risk assessment. The council will have opening general reserves as required by the MTFs; the precise level determined by risk assessment. The minimum opening balance required @ 01.04.2014 is c£6.2million whilst the maximum is £12.4million. Reserves will be within the MTFs requirements. The financial risk assessment undertaken recommends a minimum level of general reserves of around £11.2million.

The MTFs also sets out the authority's financial framework including, as the first of ten themes of operational principles, calls on reserves and contingencies. A key principle is that reserves should not be considered to be or used as a budget and any in-year calls on the working balance should be replenished. Services cannot approve unbudgeted expenditure on the assumption that it will be met from the working balance. This matter is reserved to full Council, taking advice from the CFO. A central contingency supports prudent financial management. Experience shows that this should be adequate.

In recommending an adequate level of reserves, the CFO considers and monitors the opportunity costs of maintaining particular levels of reserves and balances and compares these to the benefits accrued from having such reserves. The opportunity cost of maintaining a specific level of reserves is the 'lost' opportunity for example, of investing elsewhere to generate additional investment income, or using the funds to invest in service improvements. In assessing this it is important to consider that reserves can only be used once. Therefore, any use of general reserves above the lower minimum threshold is only ever used on one-off items of expenditure. The level of reserves is also determined by use of a comprehensive risk assessment to ensure they represent an appropriately robust "safety net" which adequately protects the council (a complex and multi-disciplinary metropolitan district local authority) against potential unforeseen and therefore unbudgeted costs.

The implementation of the new Government funding mechanism, Business Rates Retention (BRR) to replace Formula Grant, has added additional complexity and volatility into the Council's finances. Should the council collect anything up to £2.26m less than the £34.059m

estimated local share of rates, then this will have to be borne by the council in full. The review of the level of reserves has therefore for the second year included a risk assessment of business rate collection rates and the impact of potential changes in business rate yield on the council's budgetary position.

In addition, the government's changes to the welfare system; making councils accountable for payments for crisis loans, community grants and council tax benefits have placed additional risk on the councils finances. There is a great deal of uncertainty as to real level of demand for these services, and the indirect impact of housing benefit changes cannot be fully assessed for probably until the end of the 2013/14 financial year. At the point at which this report was written, it is estimated that the crisis support and discretionary housing funds will be sufficient to cover short term demand, however recent information suggests that crisis loan funding will cease from 2015/16.

The CFO recommended level of reserves is £11.2m. This is considered to be sufficient for most possible events, over the short-term i.e. for 2014/15. The Council is however, facing real and present financial challenges in 2015/16 and beyond. In the context of this funding environment, whenever possible reserves should be built up further during 2014/15 beyond the maximum level recommended within the MTFs. Consideration will be given to amending the maximum level of permitted reserves. In this context, it is considered that the current level of reserves presents an optimum balance between risk management and opportunity cost. The Chief Financial Officer is satisfied that the benefits accrued in maintaining these at the recommended level outweigh the potential lost opportunity from investing these reserves in other ways. This maintains a suitable and sustainable level of reserves, which include ensuring sound governance and financial stability in the short and longer term.

Schools Reserves

The CFO as part of this statement is required to confirm that schools balances are adequate. In 2006/07, DfES introduced new expectations on local authorities with regard to their schemes of financial management. Part of this legislation states that schools should have a balance control mechanism. This requirement has now been removed (from 2011/12). Walsall Council and Walsall Schools Forum have considered the options around balance control and given the authority powers to exceptionally investigate balances rather than a % controlled scheme. Walsall Council notes that the latest Academies handbook has removed the need for balance control for many academies.

Walsall Schools Forum is mindful of value for money in all that schools do, looks for medium term financial planning and encourages an adequate working balance as part of that process. This is supported by regular reports to Walsall Schools Forum on medium term funding and more recently linking value for money and performance.

The adequacy of balances is reviewed annually by the CFO. 2 primary schools are forecasting a deficit balance for 31 March 2014. An action plan has been put in place to deal with this.

The levels of reserves will be kept under regular review, along with any exceptional balances. The overall level of reserves is considered prudent and the 2012/13 balances were classed as 'green' by Grant Thornton in their report on financial resilience.

Walsall Council and Walsall Schools Forum has identified that the implementation of a National Fair Funding Formula from 2015/16 is a financial risk. It is unknown at this time but analysis

from the Institute of Fiscal Studies has said that there could be significant turbulence by some of the changes being considered.

Use of Reserves

The above assessment demonstrates that general reserves are at an appropriate level; as determined in accordance with the MTFs and the CFO's professional advice. The MTFs allows any reserves above the level required by the MTFs to be used to fund one off items of expenditure. No general reserves below the minimum threshold are being used to support the 2014/15 budget. The risk assessment described elsewhere in this report has informed the established level of general and earmarked reserves. The council follows the CIPFA guidance (LAAP 55) on the use of reserves.

Robustness of Budget

The CFO has been involved throughout the entire budget process, including input to the drafting of the budget, the ongoing financial monitoring and reporting process, evaluation of investments and savings, engagement with members of the executive and scrutiny, advising colleagues, the public consultation process, challenge and evaluation activities, and the scrutiny and approval of various reports.

The following sections of this statement signpost to particular activities and documents and have been used by the CFO in coming to his overall conclusion on the adequacy of reserves and robustness of the estimates:

Process - a robust budget process has been used in developing the 2014/15 budget, within the overall context of the MTFs. Plans have been developed, tested and challenged by the Chief Executive, and the corporate management team. The process, timetable and the overall budget framework were approved by Cabinet. The CFO's nominees (Head of Finance and Senior Finance Managers) have reviewed the saving options and cash limits during this process to test the validity of the financial assumptions.

Looking beyond 2014/15 the economic uncertainty of the country, combined with the potential changes in political leadership at a national and local government level, has had the consequence of foreshortening the development of detailed service plans beyond 2014/15. Current financial modelling undertaken by the CFO, using all available knowledge anticipates an increase in costs of £45million for the period 2015/16 to 2018/19. This would be challenging enough on its own but the CFO also anticipates a reduction in government funding of £44million over the same period, as the Government tries to reduce both the deficit and the national debt. Using indicative figures for 2014/15, funding has been cut by £77million since 2010; therefore an anticipated reduction of £44m does not seem unreasonable. Work is underway to develop a service plan that accounts for, not only the totality of this change but also the profiling of it as well. In building up the 2015/16-2018/19 budget, clear and robust plans need to be agreed by the executive to go to consultation in late spring of 2014.

Timetable - the process commenced in summer 2013 and draft budget options were available in September before the provisional Government financial settlement. This enabled Cabinet to meet in October 2013 to consider its priorities and draft budget proposals in the context of resources. Formal scrutiny meetings have been held in November / December 2013 to consider Cabinet's draft budget proposals. Public consultation has been ongoing since August 2013.

The final budget is due to be set at Council on 27 February 2014.

Member involvement and Scrutiny - both informal and formal member involvement has been extensive, particularly through the Cabinet portfolio holder for finance, individual portfolio holders in conjunction with executive directors, and budget meetings with Cabinet. Cabinet formally considered draft budget proposals on 23 October 2013 and 11 December 2013. Scrutiny panels have each had an opportunity to make recommendations and comments to Cabinet, both on the services within their individual remit and the overall budget. Budget briefings have also been offered to each political group.

Consultation - internally and externally, has been comprehensive as outlined in this and previous reports submitted to Cabinet.

Challenge - there are various points of challenge at various stages of the budget, including throughout corporate management team and Cabinet budget meetings, meetings of various directorate management teams, corporate management team meetings, stakeholder consultation and the scrutiny process.

Budget monitoring - reports continue to be submitted to Cabinet, scrutiny panels, corporate management team, and Audit Committee and management teams across the council throughout the year. The council's employee performance appraisal process also requires review of financial performance for individual managers, complementary to the formal accountability process at executive director level.

Referendum – Following implementation of the Localism Act 2011, councils are required to consult the electorate in the form of a referendum should a council wish to increase the council tax above a level prescribed by the Secretary of State. For 2014/15, this is subject to finalisation, early indications suggest that has been determined as 2% of the council's relevant amount of council tax (i.e. excluding levies).

Ownership and accountability - the budget has progressed through various filters during its construction including endorsement by management teams within services and corporate management team itself. Executive directors are expected to test and validate the savings options and spending plans to ensure that services can be delivered lawfully within the funding envelop allocated. These officers are accountable for ensuring services are delivered within the approved budget.

Current financial position - the budget is a statement of financial intent, reflecting the council's vision, plans and priorities. It also sets the financial spending parameters for each financial year and as such, the CFO assessment of the adequacy of reserves also includes the risk of services overspending and/or underspending their budgets and the impact of this on the financial health of the council and its level of reserves. The current financial position has been reported on throughout the year. The CFO has reported a significant overspend at the end of quarter 2. Mitigating action plans have been put in place to reduce this in the remaining period. If officers are unable to resolve the financial position this will place a greater pressure on future service budgets particularly in the demand led service areas such as social care and children services.

Key assumptions

The cost assumptions and prices used in the budget are derived from current intelligence and are considered appropriate. Demand changes have been identified and are reflected in budget increases identified in the appendices where appropriate. Fees and charges have been reviewed and changes are reflected in the overall budget. The capital receipts and borrowing requirement to be used for the draft capital programme are based on professional estimates both of timing and value.

Financial risks - the council continues to use an embedded good practice risk assessment approach both when setting the budget and in validating estimated outturns. This continues for the 2013/14 outturn and 2014/15+ budget. The prevailing level of general and earmarked reserves is considered adequate to cover many but not all of the most serious combination of events.

The budget in context

The budget includes the allocation of financial resources to different services and projects, any proposed contingency funds, the council tax reduction scheme, setting the council tax and decisions relating to the control of the councils borrowing requirement, the control of its capital expenditure and the setting of virement limits. The budget has been constructed in accordance with the principles and direction of the MTFS.

All cost pressures, efficiencies and savings have been appraised to ensure accuracy of costings and deliverability. Individual officers are identified as accountable for their implementation. None of the efficiencies/savings are considered to be materially detrimental to performance outcomes. The council is working to improve performance outcomes on a range of activities which are monitored throughout the year. Budget provision has been identified for the priorities outlined in the council's vision document.

Summary

Best endeavours have been made to ensure that the budget and reserves are adequate using the information available at this date. The budget has been constructed with a professional policy-led medium term strategic framework, using appropriate assumptions, linking investment and spending to key priorities and having undertaken a comprehensive assessment of risk.

In summary, I can confirm that, the budget as it stands is robust, taking into account the information known at this time and that the level of reserves are sufficient to cover known events and reasonable possible events, however should a series or a combination of unforeseen or unusual events occur, the level of reserves may be insufficient.



James T Walsh, B Hum (Hons), ACMA, CGMA
Chief Finance Officer

Section 2 – Treasury Management

Treasury Management and Investment Strategy for 2014/15 Onwards

Members consider the Treasury Management and Investment Strategy each year as a requirement of the CIPFA Code of Practice on Treasury Management in the Public Services; the updated version (revised November 2011) of which Council formally adopted on 22 March 2002.

The suggested Strategy for 2014/15 onwards in respect of the following aspects of the treasury management function is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the council's treasury adviser, Sector.

The strategy covers:

Annex 4

- Treasury limits in force, which will limit the treasury risk and activities of the council
- The current treasury position
- The borrowing requirement
- Debt rescheduling and debt repayment
- Interest rate prospects
- Economic background

Annex 5

- Borrowing Objectives
- Investment Objectives
- Creditworthiness policy
- Annual Minimum Revenue Provision (MRP) Statement 2013/14 onwards

Annex 6

- National and Local Prudential and Treasury Indicators

Annex 7

- Economic Outlook and Interest Rate Forecast
- Policy on use of external service providers

Annex 8

- Glossary of Terms (includes explanation of Treasury Management technical terms)

ANNEX 4 - Treasury limits and borrowing limits

It is a statutory duty under Section 3 of the Local Government Act 2003 and supporting regulations, for the council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Affordable Borrowing Limit". In England and Wales the Authorised Limit represents the legislative limit specified in the Act.

Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax levels is 'acceptable'.

Whilst termed an "Affordable Borrowing Limit", the capital plans to be considered for inclusion in corporate financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years; details of the Authorised Limit can be found in **Annex 6** prudential indicator 5. The Authorised Limit is the council's capital financing requirement (which is a measure of the council's need to finance cumulative capital expenditure from borrowing) plus a contingency for unexpected cash flows or emergency payments.

The current treasury position

The council is expected to end 2013/14 with a borrowing portfolio of £245m against an asset base of approximately £500m, and short term investments of between £115m and £145m. These will be proactively managed to minimise borrowing costs and maximise investment returns within a robust risk management environment. In 2014/15 estimated annual interest payments are £10.5m and investment interest income is £0.884m. The net budget for capital financing in 2014/15 is £23.1m. The treasury management budget required for the running of the treasury management function for 2014/15 is £0.184m. By having a proactive approach to managing cash flows and investments it is estimated that investment income of £0.371m above the bank base rate will be generated.

The council's treasury portfolio position at 30 November 2013 is comprised of:

	Borrowing £ m	Investments £ m	Net Borrowing £ m
31 March 2013	255.902	Cr 137.380	118.522
30 November 2013	245.902	Cr 127.185	118.717
Change in year	Cr 10.000	10.195	0.195

It shows that the net borrowing position is very close to the beginning of the year figure. The lower borrowing balance is due to a scheduled repayment of £10m PWLB borrowing. This repayment has increased the average rate across the council's remaining borrowing from 4.67% to 4.73%. Local indicators L5 and L6 have been updated to reflect this.

The council's treasury portfolio position at 30 November 2013 with forward projections are summarised below in Table 2. It shows the actual external borrowing (the treasury management operations), against the capital borrowing need, operational debt, and highlights any over or under borrowing. It shows that the council's underborrowing position is expected to continue for the medium term.

Table 2: Borrowing Compared to Operational Debt Level			
	2014/15	2015/16	2016/17
	£ m	£ m	£ m
PWLB	106.588	106.621	106.655
Market Loans	122.000	122.000	122.000
Bonds and Temporary Loans	0.840	0.840	0.840
Net Other Local Authority Debt	15.063	14.251	13.356
Total Borrowing	244.491	243.712	242.851
Operational Debt – Prudential Indicator 6	307.527	310.629	308.929
(Under) / Over Borrowing	(63.036)	(66.917)	(66.078)

The borrowing requirement

The council's capital expenditure plans are the key driver of treasury management activity and the need to borrow. The output of the capital expenditure plans is reflected in prudential indicators which are designed to assist member overview and confirm capital expenditure plans. The current capital plans which this strategy supports are detailed below in Table 3.

Table 3: Current Capital Programme					
	2012/13	2013/14	2014/15	2015/16	2016/17
	Actual	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m
Total capital expenditure	50.828	83.203	40.676	29.251	20.881
Resourced by:					
- Capital receipts	4.625	1.500	4.500	3.310	1.500
- Capital grants	31.563	60.673	23.633	17.758	14.325
- Capital Reserves			6.350	2.250	-
- Revenue	0.156				
- Borrowing	14.484	21.030	6.193	5.933	5.056
Total to be financed	50.828	83.203	40.676	29.251	20.881

Prudential Indicator 4 is the council's capital financing requirement (CFR). It is a measure of the council's underlying borrowing need. It is increased by the borrowing required to support the capital programme. The CFR does not increase indefinitely, as the minimum revenue provision (MRP) which is a statutory annual revenue charge that reduces the borrowing need in line with each asset's life. The CFR is thus the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources.

The CFR includes other liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the council's borrowing requirement, these types of scheme include a borrowing facility and so the council is not required to separately borrow for these schemes. The council currently has £9.7m of these schemes. The table 4 shows CFR projections up to 2016/17. It includes a prudent provision for additional borrowing capacity for major strategic projects.

Table 4: Analysis of CFR	2012/13 Actual £m	2013/14 Estimate £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Capital Financing Requirement					
Total CFR	305.908	314.141	317.293	320.394	318.694
Movement in CFR	6.457	8.233	3.152	3.101	Cr 1.700
Movement in CFR represented by					
Net financing need for the year.	14.484	21.030	6.200	5.930	5.250
Less MRP/VRP and other financing movements	Cr 8.027	Cr 12.797	Cr 13.048	Cr 12.829	Cr 11.950
Additional Borrowing Capacity for strategic Projects			10.000	10.000	5.000
Movement in CFR	6.457	8.233	3.152	3.101	Cr 1.700

The MRP policy (see **Annex 5**) details the council's policies for calculating the annual amount charged to revenue for the repayment of debt.

The council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the CFR), has not been fully funded with loan debt as cash supporting the council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and risks within the economic forecast, caution will be adopted with the 2014/15 treasury operations. The treasury manager will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances. For example, if it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in the anticipated rate to US tapering of asset purchases, or in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that additional borrowing will be taken whilst interest rates are still lower than they will be in the next few years.

Any decisions will be reported to the Treasury Management Panel (TMP) at the earliest possible opportunity.

Debt rescheduling and debt repayment

As short term rates on investments are likely to be lower than rates paid on current debt, consideration will also be given to identify if there is any potential left for making savings by running down investment balances to repay debt prematurely. However, these savings need to be considered in the light of the size of premiums incurred, their short term nature, and the likely cost of refinancing those short term loans, once they mature, compared to the current rates of longer term debt in the existing debt portfolio. Any such rescheduling and repayment of debt is likely to cause a shortening of the council's maturity profile. Prudential indicator 12 has been amended to enable this. All rescheduling will be undertaken in accordance with TMP 5 and reported to the TMP at the next available meeting following its action.

Critical to the consideration of the debt rescheduling and debt repayment is the outlook for interest rates.

Prospects for interest rates

The council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the council to formulate a view on interest rates. Table 5 gives a central view.

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2013	0.50	2.50	4.40	4.40
Mar 2014	0.50	2.50	4.40	4.40
Jun 2014	0.50	2.60	4.50	4.50
Sep 2014	0.50	2.70	4.50	4.50
Dec 2014	0.50	2.70	4.60	4.60
Mar 2015	0.50	2.80	4.60	4.70
Jun 2015	0.50	2.80	4.70	4.80
Sep 2015	0.50	2.90	4.80	4.90
Dec 2015	0.50	3.00	4.90	5.00
Mar 2016	0.50	3.10	5.00	5.10
Jun 2016	0.75	3.20	5.10	5.20
Sep 2016	1.00	3.30	5.10	5.20
Dec 2016	1.00	3.40	5.10	5.20
Mar 2017	1.25	3.40	5.10	5.20

A consequence of this continued low interest rate environment is that the targets for investment returns for 2014/15 and 2015/16 have been reduced.

Economic Background to the above

Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest in recent history. However, growth has rebounded during 2013 to surpass all expectations. Growth prospects remain strong for 2014, not only in the UK economy as a whole, but in all three main sectors: services, manufacturing and construction. One downside is that wage inflation continues to remain significantly below CPI inflation so disposable income and living standards are under pressure, although income tax cuts have ameliorated this to some extent. A rebalancing of the economy towards exports has started but as 40% of UK exports go to the Eurozone, the difficulties in this area are likely to continue to dampen UK growth. There are, therefore, concerns that a UK recovery currently based mainly on consumer spending and the housing market, may not endure much beyond 2014. The US, the main world economy, faces similar debt problems to the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth.

The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications:

- Although Eurozone concerns have subsided in 2013, Eurozone sovereign debt difficulties have not gone away and there are major concerns as to how these will be managed over the next few years as levels of government debt to GDP ratios, in some countries, continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods.
- Investment returns are likely to remain relatively low during 2014/15 and beyond.
- Borrowing interest rates have risen during 2013 and are on a rising trend. The policy of avoiding new borrowing by running down spare cash balances has served us well over the last few years. However, this needs to be carefully reviewed to avoid incurring even higher borrowing costs, which are now looming ever closer, where authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt, in the near future;
- There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

ANNEX 5: TREASURY MANAGEMENT AND INVESTMENT STRATEGY - 2014/15 ONWARDS

Walsall council has a successful track record of effective treasury management, securing low cost borrowing to fund capital investment. Our aim is to continue to do so within the requirements of the prevailing policies and codes of practice.

In order to achieve our aim:

1. All borrowing and/or investment activity will be carried out in accordance with the approved treasury management strategy and treasury policy statements and within approved prudential indicators, having the highest regard for prudence, affordability and sustainability in the longer term.
2. Appropriate use will be made of the Code for Capital Investment within approved prudential indicators and subject to medium term affordability.

Specific objectives have been developed to measure and guide borrowing and investment activities. These are monitored by local indicators (**Annex 6**).

BORROWING OBJECTIVES

Our borrowing objectives are:

- To minimise the revenue costs of debt whilst maintaining a balanced loan portfolio
- To manage the council's debt maturity profile, ensuring no single future year has a disproportionate level of repayments
- To maintain a view on current and possible future interest rate movements and borrow accordingly
- To monitor and review the balance between fixed and variable rate loans against the background of interest rate levels and prudential indicators.

Specific Borrowing Objectives

In response to the context outlined in **Annex 7** the following changes have been made:

- **L1.** Full compliance with the Prudential Code - **No Change.**
- **L2.** Average maturity date between 15 and 25 years - **No Change.**
- **L3** Net borrowing costs to be less than **11.5%** of council tax requirement and **6.5%** of council tax requirement plus NNDR contribution. – **No Change.**
- **L4** Actual debt as a proportion of operational debt range is maintained in the range 75%-90% - **No Change,**
- **L5.** Average interest rate for internally managed debt will be equal to or less than 4.6%– **Increased from 4.52% - Due to payback of £10m PWLB this is considered a more realistic target.**

- **L6.** Average interest rate for total debt (including other local authority debt) will be equal to or less than 4.73%. – **Increased from 4.63% - Due to payback of £10m PWLB this is considered a more realistic target.**
- **L7.** The gearing effect on capital financing estimates of 1% increase in interest rates increase must not be greater than 5% - **No change**

INVESTMENT OBJECTIVES

The general policy objective for this council is the prudent investment of its treasury balances;

- The council's investment priorities are:
 - The security of capital and
 - Liquidity of its investments.
- All investments will be in sterling
- The council will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity.

Specific Investment Objectives

- **L8.** Average interest rate received on STI Versus 7 day Libid rate – 0.5% - **No Change**
- **L9.** Average interest rate received on:
 - (a) At call investments – **0.4% - Changed from 0.5% to reflect market conditions.**
 - (b) Short term investments – **0.8% - Changed from 0.9% to reflect market conditions.**
 - (c) Long term investments – **1.75% - Changed from 2.0% to reflect market conditions.**
- **L10** Average rate on at call and short term investments will be equal to or greater than **0.7% - Changed from 0.8% due to market conditions.**
- **L11.** Average rate on all investments will be equal to or greater than 0.9% - **Changed from 1.0% due to expected market conditions**
- **L12** % daily bank balances within a target range of 98% - **No Change**

CREDITWORTHINESS POLICY

Approved Organisations for Investments

Only organisations that are eligible to receive investments from local authorities may be used. The council's credit worthiness policy was reviewed and approved by Audit Committee on 11 November 2013.

The Monitoring of Investment Counterparties

The credit rating of counterparties will be monitored regularly. The council receives credit rating information from Capita Asset Services as and when ratings change and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list by the treasury manager, and if required new counterparties which meet the criteria will be added to the list.

ANNUAL MRP STATEMENT 2014/15 onwards

Under the Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2010, local authorities have a duty to produce an annual statement on its policy for making a minimum revenue provision (MRP).

For the financial years 2014/15 onwards the authority will be adopting the following policies in determining the MRP:

1. For any capital expenditure carried out prior to 31 March 2008 the authority will be adopting the regulatory method. This is where the MRP will be 4% of the opening capital financing requirement (CFR) (which has been adjusted as per the 2003 regulations).
2. For any capital expenditure carried out after 1 April 2008 being financed by unsupported borrowing the authority will be adopting the asset life method (option 3). This is where MRP will be based on the capital expenditure divided by a determined asset life or profile of benefits to give annual instalments.
3. For any capital expenditure carried out after 1 April 2008 being financed by Government supported funding the authority will again be adopting the regulatory method. Where the authority considers the capital expenditure to have added significantly to the lifespan of the asset, we will set aside funds for repayment in line with the appropriate life span of the asset type.
4. The authority will treat the asset life as commencing in the year in which the asset first becomes operationally available. Noting that in accordance with the regulations the authority may postpone the beginning of the associated MRP until the financial year following the one in which the asset becomes operational, there will be an annual adjustment for Assets Under Construction.
5. In all years the CFR for the purposes of the MRP calculation will be adjusted for other local authority transferred debt.

The Regulatory Method is the calculation of MRP under the previous regulations. When MRP was set at a uniform rate of 4% of the adjusted Capital Financing Requirement. (CFR) on a reducing balance method (which in effect meant that MRP charges would stretch into infinity. This historic approach must continue for all capital expenditure incurred in years before the start of this capital financing regulations 2008.

Finance Leases

In accordance with legislation the council will make a MRP for finance leases equivalent to the principal payment contained with the lease terms.

ANNEX 6 – CAPITAL PRUDENTIAL INDICATORS FOR 2014/15, 2015/16 & 2016/17

The council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators which are designed to assist member overview and confirm capital expenditure plans.

National and local indicators that will be monitored are detailed below. Their aim is to ensure the three principles contained within the prudential code are complied with, i.e. affordability, prudence and sustainability.

National Prudential Indicators

Table 1 details the proposed national prudential indicators for Walsall from 2014/15 to 2016/17. More details on prudential indicators 11 and 12 are shown in table 2.

Table 1: National Prudential Indicators 2014/15 to 2016/17				
No.	Indicator	2014/15	2015/16	2016/17
PCI 1	Total capital expenditure	£ m 40.676	£ m 29.251	£ m 20.881
	Reduces in later years due to uncertainty on the level of future grants and other resources.			
PCI 2	Estimates of the ratio of financing costs to the net revenue stream	9.9%	10.9%	11.6%
	Net revenue stream is defined as the council tax support plus the NNDR contribution, Formula Grant. This indicator is supplemented by Local Indicator (L3).			
PCI 3	Estimates of the council tax that would result from the expenditure plans.	£9.36	£8.97	£7.64
	This is a notional amount indicating the amount of council tax band D that is affected by the proposed capital programme recommended in the budget report compared to existing approved commitments and current plans.			
PCI 4	Estimates of capital financing requirement.	£ m 317.293	£ m 320.394	£ m 318.694
	This represents the underlying level of borrowing needed to finance historic and future capital expenditure. To ensure that net borrowing will only fund capital, except in the short term, net external borrowing should not exceed the total capital financing requirement (CFR) in the preceding year plus estimated capital financing needs for the current and next two years. Following accounting changes the CFR includes any other long term liabilities (e.g. PFI schemes, finance leases) brought onto the balance sheet. Whilst this increases the CFR, and therefore the council's borrowing requirement, these types of scheme include a borrowing facility and so the council is not required to separately borrow for these schemes. The council currently has £10.4m of such schemes within the CFR.			

No.	Indicator	2014/15	2015/16	2016/17
PCI 5	Authorised limit for external debt.	£ m 349.022	£ m 352.433	£ m 350.564
The council may not breach the limit it sets, so it is important to allow prudent room for uncertain cash flow movements and borrowing in advance of future need.				
PCI 6	Operational boundary for external debt.	£ m 307.527	£ m 310.629	£ m 308.929
This has been set at the level of the capital financing requirement less the CFR items relating PFI and finance leases.				
PCI 7	Net Borrowing exceeds Capital Financing Requirement	No	No	No
The CFR represents the underlying level of borrowing needed to finance historic capital expenditure. Actual net borrowing should be lower than this because of strong positive cash flow and balances. It would be a cause for concern if net borrowing exceeded CFR.				
PCI 8	Compliance with CIPFA Code of Practice for TM in the Public Services.	Yes	Yes	Yes
To ensure that treasury management activity is carried out within best professional practice.				
PCI 9	Upper limits on fixed interest rate exposures.	95%	95%	95%
The council cannot control interest rates, but a relatively high degree of interest cost stability can be achieved by limiting its exposure to variable rates and by managing the long-term debt maturity profile so that not too much fixed rate debt will mature in any year.				
PCI 10	Upper limits on variable interest rate exposures: 3.	45%	45%	45%
See comment under PCI 9.				
PCI 11	Lower limits for the maturity structure of borrowings: 4.	See Table 2		
Stability can also be managed by the long-term debt maturity profile so that not too much fixed rate debt will mature in any year.				
PCI 12	Upper limits for the maturity structure of borrowings:	See Table 2		
See comment under PCI 9.				
PCI 13	Upper limit for principal sums invested for periods longer than 364 days.	£25,000,000	£25,000,000	£25,000,000
The council is at risk when lending temporarily surplus cash. The risk is limited by investing surplus cash in specified investments and by applying lending limits and high credit worthiness. These are kept under constant review.				

Table 2 - Prudential Indicators: Additional Information	2014/15	2015/16	2016/17
PCI 11. Lower limits for the maturity structure of borrowings:			
- Under 12 Months	0%	0%	0%
- 12 months and within 24 months	0%	0%	0%
- 24 months and within 5 years	0%	0%	0%
- 5 years and within 10 years	10%	10%	10%
- 10 years and above	40%	40%	40%
PCI 12. Upper limits for the maturity structure of borrowings:			
- Under 12 Months	25%	25%	25%
- 12 months and within 24 months	25%	25%	25%
- 24 months and within 5 years	40%	40%	40%
- 5 years and within 10 years	50%	50%	50%
- 10 years and above	85%	85%	85%

Local Prudential Indicators: Table 3 sets out the local PrI's proposed for 2014/15 to 2016/17.

Table 3: Local Prudential Indicators 2014/15 to 2016/17				
No.	Indicator	2014/15	2015/16	2016/17
L.1	Full compliance with Prudential Code	Yes	Yes	Yes
L.2	Average length of debt	15 to 25 years	15 to 25 years	15 to 25 years
	This is a maturity measure and ideally should relate to the average lifespan of assets.			
L.3	a. Net borrowing costs as % of net council tax requirement	11.15%	11.4%	11.5%
	b. Net borrowing costs as % of council tax requirement and NNDR contribution	6.2%	6.3%	6.3%
	This measures the net borrowing costs as % of council tax requirement and is used by CIPFA in their risk benchmarking.			
L.4	Actual debt versus operational debt within the following range	75%-90%	75%-90%	75%-90%
	This assists the monitoring of the authority's debt position.			
L.5	Average interest rate of debt excluding OLA less than	4.60%	4.60%	4.60%
L.6	Average interest rate of debt including OLA	4.73%	4.73%	4.73%
	The measure should be as low as possible. Other Local Authority debt (OLA) is managed on our behalf by Dudley council.			

No.	Indicator	2014/15	2015/16	2016/17
L.7	Gearing effect on capital financing costs of 1% increase in interest rate	5.0%	5.0%	5.0%
This relates risk management principles to the monitoring of the TM strategy. It measures the effect of a change in national interest rates and the effect it may have on the capital financing costs.				
L.8	Average interest rate received on STI Versus 7 day LIBID rate	0.5%	0.5%	0.5%
The council aims to be gain interest on surplus funds higher than the 7 day LIBID rate. This measures performance in a changing economic context.				
L.9	Average interest rate received on:			
	(a) AT call investments	0.40%	0.40%	0.50%
	(b) Short Term investments	0.80%	0.80%	1.00%
	(c) Long Term investments	1.75%	1.75%	2.00%
L.10	Average interest rate on all ST investments. (ST and At call)	0.7%	0.7%	0.8%
A recognised PI for measuring the performance of return on investments.				
L.11	Average rate on all investments	0.9%	0.9%	1.2%
As L10 but includes investments longer than 364 days.				
L.12	% daily bank balances within target range	98%	98%	98%
This measures how good our daily cash flow prediction is. A figure of 98% indicates a high level of accuracy.				

The monitoring of the indicators supports budget monitoring and is undertaken monthly and considered quarterly by the finance treasury management panel that reports to the finance service's senior management team including the Chief Finance Officer.

ANNEX 7: ECONOMIC OUTLOOK

THE GLOBAL ECONOMY

The two key areas effecting the UK are the Eurozone and the US economies

The Eurozone (EZ) - The sovereign debt crisis has eased during 2013 which has been a year of comparative calm after the hiatus of the Cyprus bailout in the spring. The EZ finally escaped from seven quarters of recession in quarter 2 of 2013 but growth is likely to remain weak and so will dampen UK growth.

The ECB's pledge to buy unlimited amounts of bonds of countries which ask for a bail out has provided heavily indebted countries with a strong defence against market forces. This has bought them time to make progress with their economies to return to growth or to reduce the degree of recession. However, debt to GDP ratios (2012 figures) of 176% Greece, Italy 131%, Portugal 124%, Ireland 123% and Cyprus 110% remain a cause of concern, especially as many of these countries are experiencing continuing rates of increase in debt in excess of their rate of economic growth i.e. these debt ratios are continuing to deteriorate. Any sharp downturn in economic growth would make these countries particularly vulnerable to a new bout of sovereign debt crisis.

It should also be noted that Italy has the third biggest debt mountain in the world behind Japan and the US. Greece remains particularly vulnerable and continues to struggle to meet EZ targets for fiscal correction. Many commentators still view a Greek exit from the Euro as inevitable and there are concerns that austerity measures in Cyprus could also end up in forcing an exit. The question remains as to how much damage an exit by one country would do and whether contagion would spread to other countries. However, the longer a Greek exit is delayed, the less are likely to be the repercussions beyond Greece on other countries and on EU banks. It looks increasingly likely that Slovenia will be the next country to need a bailout.

Sentiment in financial markets has improved considerably during 2013 as a result of firm Eurozone commitment to support struggling countries and to keep the Eurozone intact. However, the foundations to this current "solution" to the Eurozone debt crisis are still weak and events could easily conspire to put this into reverse. There are particular concerns as to whether democratically elected governments will lose the support of electorates suffering under EZ imposed austerity programmes, especially in countries like Greece and Spain which have unemployment rates of over 26% and unemployment among younger people of over 50%. The Italian political situation is also fraught with difficulties in maintaining a viable coalition which will implement an EZ imposed austerity programme and undertake overdue reforms to government and the economy.

USA - The economy has managed to return to reasonable growth in quarter 2 of 2013 of 2.5% and 2.8% in quarter 3 in spite of the fiscal cliff induced sharp cuts in federal expenditure that kicked in on 1 March, and increases in taxation. The Federal Reserve has continued to provide huge stimulus to the economy through its \$85bn per month asset purchases programme of quantitative easing. However, it is expected that this level of support will start to be tapered down early in 2014. It has also pledged not to increase the central rate until unemployment falls to 6.5%; this is probably unlikely to happen until early 2015. Consumer, investor and business confidence levels have improved markedly in 2013. The housing market has turned a corner and house sales and increases in house prices have returned to

healthy levels. Many house owners have, therefore, been helped to escape from negative equity and banks have also largely repaired their damaged balance sheets so that they can resume healthy levels of lending. All this portends well for a reasonable growth rate looking forward.

THE UK ECONOMY

Economic growth - Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth strongly rebounded in 2013 - quarter 1 (+0.3%), 2 (+0.7%) and 3 (+0.8%) to surpass all expectations as all three main sectors; services, manufacturing and construction contributed to this strong upturn. The Bank of England has, therefore, upgraded growth forecasts in the August and November quarterly Inflation Reports for 2013 from 1.2% to 1.6% and for 2014 from 1.7% to 2.8%, (2015 unchanged at 2.3%). The November Report stated that the recovery has finally taken hold, but there is a long way to go before the aftermath of the financial crisis has cleared and economic conditions normalise. That underpins the MPC's intention to maintain the exceptionally stimulative stance of monetary policy until there has been a substantial reduction in the degree of economic slack.

Growth is expected to be strong for the immediate future. One downside is that wage inflation continues to remain significantly below CPI inflation so disposable income and living standards are under pressure, although income tax cuts have ameliorated this to some extent. A rebalancing of the economy towards exports has started but as 40% of UK exports go to the Eurozone, the difficulties in this area are likely to continue to dampen UK growth.

Forward guidance - The Bank of England issued forward guidance in August which said that the Bank will not start to consider raising interest rates until the jobless rate (Labour Force Survey / ILO i.e. not the claimant count measure) has fallen to 7% or below. This would require the creation of about 750,000 jobs and was forecast to take three years in August, but revised to possibly quarter 4 2014 in November. The UK unemployment rate currently stands at 2.5 million i.e. 7.6 % on the LFS / ILO measure. The Bank's guidance is subject to three provisos, mainly around inflation; breaching any of them would sever the link between interest rates and unemployment levels. This actually makes forecasting Bank Rate much more complex given the lack of available reliable forecasts by economists over a three year plus horizon. The recession since 2007 was notable for how unemployment did not rise to the levels that would normally be expected in a major recession and the August Inflation Report noted that productivity had sunk to 2005 levels. There has, therefore, been a significant level of retention of labour, which will mean that a significant amount of GDP growth can be accommodated without a major reduction in unemployment.

Credit conditions - While the Bank Rate has remained unchanged at 0.5% and quantitative easing (QE) has remained unchanged at £375bn in 2013, the Funding for Lending Scheme (FLS), aimed at encouraging banks to expand lending to small and medium size enterprises, has been extended. The second phase of Help to Buy aimed at supporting the purchase of second hand properties is now due to start in earnest in January 2014. While there have been concerns that these schemes are creating a bubble in the housing market, the house price increases outside of London and the south-east have been minimal. However, bank lending to small and medium enterprises continues to remain weak and inhibited by banks still repairing their balance sheets and anticipating tightening of regulatory requirements.

Inflation - Inflation has fallen from a peak of 3.1% in June 2013 to 2.2% in October. It is expected to fall back to reach the 2% target level within the MPC's two year time horizon.

AAA rating - The UK has lost its AAA rating from Fitch and Moody's but that caused little market reaction.

Capita Asset Services forward view

Economic forecasting remains difficult with so many external influences weighing on the UK. Major volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, and safer bonds.

There could well be volatility in gilt yields over the next year as financial markets await the long expected start of tapering of asset purchases by the Fed. The timing and degree of tapering could have a significant effect on both Treasury and gilt yields. Equally, at the time of writing, the political deadlock and infighting between Democrats and Republicans over the budget, and the raising of the debt limit, has only been kicked down the road, rather than resolved. Resolving these issues could have a significant effect on gilt yields during 2014.

The longer run trend is for gilt yields and PWLB rates to rise due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Increasing investor confidence in economic recovery is also likely to compound this effect as a continuation of recovery will further encourage investors to switch back from bonds to equities.

The overall balance of risks to economic recovery in the UK is currently evenly weighted. However, only time will tell just how long this period of strong economic growth will last; it also remains exposed to vulnerabilities in a number of key areas.

The interest rate forecasts in this report are based on an initial assumption that there will not be a major resurgence of the EZ debt crisis or a break-up of the EZ, but rather that there will be a managed, albeit painful and tortuous, resolution of the debt crisis where EZ institutions and governments eventually do what is necessary - but only when all else has been tried and failed. Under this assumed scenario, growth within the EZ will be tepid for the next couple of years and some EZ countries experiencing low or negative growth, will, over that time period, see a significant increase in total government debt to GDP ratios. There is a significant danger that these ratios could rise to the point where markets lose confidence in the financial viability of one, or more, countries. However, it is impossible to forecast whether any individual country will lose such confidence, or when, and so precipitate a resurgence of the EZ debt crisis. While the ECB has adequate resources to manage a debt crisis in a small EZ country, if one, or more, of the large countries were to experience a major crisis of market confidence, this would present a serious challenge to the ECB and to EZ politicians.

Downside risks currently include:

- UK strong economic growth is currently very dependent on consumer spending and recovery in the housing market. This is unlikely to endure much beyond 2014 as most consumers are maxed out on borrowing and wage inflation is less than CPI inflation, so disposable income is being eroded.
- A weak rebalancing of UK growth to exporting and business investment causing a major weakening of overall economic growth beyond 2014

- Weak growth or recession in the UK's main trading partners - the EU and US, depressing economic recovery in the UK.
- Prolonged political disagreement over the US Federal Budget and raising of the debt ceiling
- A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.
- A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis
- The potential for a significant increase in negative reactions of populaces in Eurozone countries against austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- The Italian political situation is frail and unstable; this will cause major difficulties in implementing austerity measures and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.
- Problems in other Eurozone heavily indebted countries (e.g. Cyprus and Portugal) which could also generate safe haven flows into UK gilts, especially if it looks likely that one, or more countries, will need to leave the Eurozone.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- Geopolitical risks e.g. Syria, Iran, North Korea, which could trigger safe haven flows back into bonds

The potential for upside risks to UK gilt yields and PWLB rates, especially for longer term PWLB rates include:

- A sharp upturn in investor confidence that sustainable robust world economic growth is firmly expected, causing a surge in the flow of funds out of bonds into equities.
- A reversal of Sterling's safe-haven status on a sustainable improvement in financial stresses in the Eurozone.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.
- In the longer term – an earlier than currently expected reversal of QE in the UK; this could initially be implemented by allowing gilts held by the Bank to mature without reinvesting in new purchases, followed later by outright sale of gilts currently held.

POLICY ON USE OF EXTERNAL SERVICE PROVIDERS

The council uses **Capita Asset Services** (formerly Sector) as its external treasury management advisers.

The council recognises that the responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources.

ANNEX 8: GLOSSARY OF TERMS AND EXPLANATION OF TECHNICAL TERMS

TERM	DEFINITION
Aggregate start up funding assessment	The total amount of funding that has been allocated to the local government sector – often referred to as the spending control total
Authorised Limit	Level of debt set by the council that must not be exceeded.
Base budget	The amount required for services to continue at their current level, only adjusted from the previous years budget for inflationary pressures, not changes in service levels provided.
Baseline funding level	The amount of a local authority start up funding assessment which is provided through the local share of the estimated business rates scheme.
Billing authority	Walsall council is the billing authority responsible for the collection of the council tax and non-domestic rates which includes amounts from the local precepting authorities – the West Midlands Fire and Rescue and Police and Crime Commissioner Authorities.
Bond	A government or public company's document undertaking to repay borrowed money usually with a fixed rate of interest.
Borrowing	Obtaining money for temporary use that has to be repaid.
Capital expenditure	Expenditure on major items e.g. land and buildings, which adds to and not merely maintains the value of existing fixed assets.
Capital grants	Specific targeted grants to cover capital expenditure.
Capital receipts	The proceeds from the disposal of land or other assets. Capital receipts can be used to fund new capital expenditure but cannot be used to finance revenue expenditure
Cash flow Management	The management of the authority's receipts and payments to ensure the authority can meet its financial obligations.
Central contingency	A small budget set aside each year to cover unforeseen items of expenditure.
Central share	The percentage share of locally collected business rates that will be paid to central government by billing authorities – set at 50%. This is distributed to local government through central Revenue Support Grant.
Collection fund	A statutory account which billing authorities have to maintain for the collection and distribution of amounts due in respect of council tax, NNDR and residual community charge accounts.
Council tax	The tax levied on domestic properties, which depends on the 'band' of value for the property based on estimated property values at 1 April 1991.
Council tax base	The total number of band D equivalent properties upon which the council tax can be levied.
Counter party limits	Maximum amount that the council may lend to other institutions will vary according to size and credit rating of other intuitions.
CPI	Consumer Price Index – measures changes through time in the price level of consumer goods and services purchased by households.
Damping	Formula Grant funding from Central Government is a finite resource and funds are distributed on the basis of formulae and demographic factors. Government ensures that all local authorities receive at least a guaranteed minimum increase in grant year-on-year. Authorities receiving grant in excess of the minimum must contribute funds to enable every council to be raised up to the minimum percentage

TERM	DEFINITION
	increase. The contributor's grant is said to have been 'dampened' or lessened. Walsall is a contributor.
Dividends	Sum to be payable as interest on loan.
Estimated Business Rates Aggregate	Total business rates forecast to be collected by all billing authorities. Two adjustments – one to address volatility in outturn to forecast, and the other to cover future appeal losses.
EU	European Union
Financial strategy	The policy whereby the council establishes the financial principles upon which it builds its revenue and capital budgets.
Formula Grant (FG)	A central Government mechanism of dividing up resources to local Government allocated from the Government comprehensive spending review.
GDP	Gross Domestic Product – the total market value of all final goods and services produced in a country in a given year, equal to total consumer investment and government spending, plus the value of exports minus the value of imports.
General fund	The main revenue account of the council which brings together all income and expenditure other than that recorded in the collection fund or housing revenue account. (Following large scale voluntary transfer of it's housing stock in March 2003, Walsall no longer maintains a separate housing revenue account).
IMP	International Monetary Fund – an organisation of 187 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
I-procurement	A system where goods and services are purchased electronically rather than through manual ordering systems which is intended to generate longer term savings through economies of scale and a paperless office environment.
Investment bids / strategic choices	The process by which the council establishes its changing needs and priorities for the coming year. It starts with managers submitting bids for additional funding above that included in the base budget. The submissions then go through a rigorous challenge process including director and councillor appraisal before successful bids are approved by members when the budget is set in February.
Investments	The employment of money with the aim of receiving a return.
Levies	Charges made upon the authority by organisations which serve various authorities.
Libid rate	London Interbank Bid Rate (the rate that banks are willing to borrow from each other)
LOBO	Lenders Option Borrowers Option. A type of loan arrangement.
Local share	Percentage share of locally collected business rates that will be retained by local government – set at 50%.
Liquidity	How easily an asset including investments may be converted to cash.
Long Term Borrowing	Borrowing of money for a term greater than one year.
Long Term Liabilities	Amounts owed by the council greater than 12 months old.
Mainstream funding	Mainstream funding includes supported borrowing, unsupported borrowing and capital receipts which are all described elsewhere in the glossary.

TERM	DEFINITION
Market convention	The rules and regulations by which all brokers and dealers should abide by. It includes standards of practice and calculation conventions for interest. They are defined in the London Code of Conduct (“The London Code”) published by the Bank of England.
Medium term financial strategy	A document which sets out the principles the council adopts in strategically planning its finances and setting and managing its budget.
MPC	Monetary Policy Committee – group that sets the bank base rate for the Bank of England
Multiplier	The business rates multiplier when multiplied by the rateable value of a property determines a ratepayers business rate bill.
National non-domestic rates (NNDR)	A tax levied on business properties, also referred to as business rates. NNDR poundage is set annually by the government. Rates based on properties’ rateable values are collected by billing authorities and paid into a national pool. The proceeds are then redistributed by central government as a grant to local authorities on a population basis.
Net council tax requirement	The amount of council spending needed to be financed from council tax following the receipt of specific grants, formula grant and use of reserves
New Burdens	Used by the government to keep pressure on council tax bills to a minimum.
NNDR 1	A form submitted by 31 January by a billing authority to provide an estimate of business rate income for upcoming year.
Non specified investments	Investments with a maturity exceeding a year
Operational Boundary	An indicator of the level day the authority expects during day to day treasury management activities
Other Local Authority Debt	Debt that is owed by one local authority to another local authority.
PCI	Prudential Code Indicator
PFI	Private Finance Initiative
Policy led budgeting	A system of budgeting where resources are linked to council priorities to ensure that projects with the highest priority receive the funding necessary to implement them.
Precepting authority	An authority e.g. police and fire which sets a ‘precept’ on billing authorities, who collect it on their behalf.
PWLB	Public Works Loan Board, a central government body providing loans to councils.
Proportionate share	Percentage of national business rates yield which a billing authority has collected.
Prudential Code	A framework of policies and working practices to ensure that local authorities’ capital investment plans are affordable, prudent and sustainable.
Recharges	A charge made between services within the council.
Reserves	The total level of funds the authority has accumulated over the years. Earmarked reserves are allocated to a specific purpose or area of spending. Unallocated reserves (also known as balances general reserves) arise from an accumulation of previous year’s surpluses and deficits and are available to support revenue expenditure.

TERM	DEFINITION
Revenue expenditure	Expenditure on the day-to-day running costs of services e.g. employees, premises, furniture and equipment.
Revenue support grant (RSG)	Part of Formula grant paid by central government. Significantly less now due to Education being funded by specific grant.
Safety net	Mechanism to protect any authority which sees its business rates income drop, in any year, by more than 7.5% below their baseline funding level.
Short Term Borrowing	Borrowing of money for a term of up to 364 days.
Stock	Subscribed capital of trading company, or public debt of nation, municipal corporation etc regarded as transferable property
Subjective analysis	An analysis of expenditure by type of expenditure e.g. employees and premises.
Supported borrowing	Borrowing where interest and repayment costs are supported by government revenue grants.
Tariffs and Top ups	Calculated by comparing an individual authority business rates baseline against baseline funding level.
Temporary borrowing	Borrowing of money for a term of up to 364 days.
Treasury management	The management of the local authority's cash flows, its borrowings and its investments, the management of associated risks, and the pursuit of the optimum performance or return consistent with those risks.
Transfer payments	Payments to individuals for which no goods or services are received in return by the local authority e.g. care for the elderly.
Treasury Policy Statement	A statement of key policies that an organisation follows in pursuit of effective treasury management, including borrowing limits and strategy.
Variable debt	This is money that has been borrowed at a variable interest rate, and as such is subject to interest rate changes.
Unsupported borrowing	Borrowing taken through the remit of the Prudential Code for which the council will not receive any government funding and will fund from own resources.
Definition of Fitch Primary Credit Rating Scales	
Long Term Ratings A: High credit quality.	A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
Short-Term Ratings F1: Highest short-term credit quality.	Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
Definition of Moodys General Credit Rating	
Long-Term Corporate Obligation Ratings - A	Obligations rated A are considered upper-medium grade and are subject to low credit risk.
Short-Term Ratings – P-1	Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.



Findings from Budget Consultation: Financial Year 2014/15

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1. Executive summary

- 1.1.** Between early September and December 2013 over 1,300 comments on the council's budget were received.
- 1.2.** This level of response is good, with comments gathered from a broad sample of the population. However the non random approach means the response is not statistically representative and thus provides a snapshot of opinion of those people who responded; in writing, online or in face to face conversations with staff.
- 1.3.** General feedback on the budget as well as specific comments on draft budget policy proposals have been gathered, collated and summarised under common themes.
- 1.4.** Findings summarised here should be considered in line with service specific consultation and feedback and other relevant data where available.
- 1.5.** Feedback clearly shows that people want services for the most vulnerable adults and services for children to be protected, with investment rather than cuts imposed. People with disabilities are particularly concerned about the future and people of all ages are worried about the impact of cuts on the elderly.
- 1.6.** Services for children and young people are a priority and people want to see services extended and improved and not be subject to budget cuts. Giving young people the best start in life through provision of services and support is seen as crucial for their futures. Children's Centres are very much valued and people are worried they might close.
- 1.7.** People want every effort made to minimise cuts on front line services by targeting cuts internally, from the top down. Streamlining management structures, tightening up HR policies to reduce employee costs, cutting out all non essential spend and making do.
- 1.8.** Making simple savings by lowering energy usage in council buildings was something people want to see the council actively doing, such as turning off lights and turning the heating down. Turning off or dimming street lights during the small hours was well supported.
- 1.9.** Reducing the number of Councillors and associated costs was also frequently mentioned as an area where cuts could be made.
- 1.10.** Feedback on specific draft policy proposals reflects the general comments. Proposals affecting vulnerable adults and children tend not to be supported, whilst proposals involving changes to services with the aim of achieving better value for money were, but only if the level of service is not affected.
- 1.11.** Feedback gathered shows that 6 proposals out of 29 are not supported, totalling £894,400.
- 1.12.** When considering these findings, the details covered in sections 3 and 4 of this report should be reviewed.

2. Introduction

- 2.1. Each year Walsall Council undertakes public consultation in preparation for the budget setting process. Residents, staff and other key stakeholders were invited to have their say on where they think the council can make savings for the coming financial year as well as comment on the draft budget policy proposals.
- 2.2. Between early September and 14 November 2013, feedback was collected from a wide variety of residents and stakeholders, using non random methods, meaning results are not representative, but do give a broad view of opinion from service users and non users.
- 2.3. Phase one consultation (early September to 23 October) was general in nature, with phase two (24 October to 14 November) focussing on 29 published draft budget policy proposals.
- 2.4. People were able to respond online, in writing, by email, text message, telephone or via Facebook and Twitter. Information was posted on the council's website www.walsall.gov.uk/budgethaveyoursay and promoted in the local press. The closing date for responses was 14 November 2013.
- 2.5. For phase two, face to face discussions and interviews were held at 38 special consultation sessions held all over the borough, including council buildings and supermarkets. Meetings were held with Youth of Walsall 'YOW', Making Our Choice and with disability groups at Goscote Greenacres.
- 2.6. It must be remembered when interpreting the results that they are not based on quantitative statistical evidence. The findings are based on a non random sample of a cross-section of people and should not be confused with statistical representativeness.
- 2.7. Across phases one and two, 1,371 comments were gathered online, face to face and in writing.

Responses from phase one;		Responses from phase two;	
Postcards / in writing	238	Postcards / in writing	191
Online and email	174	Online and email	30
Staff	149	Staff	29
		Face to face	560
<i>Total</i>	<i>561</i>	<i>Total</i>	<i>810</i>

- 2.8 A third and final phase of consultation took place between December 2013 and January 2014 and gathered views from businesses and the community and voluntary sector. 32 responses were received from the public online and via email and these reflect the comments and themes already reported as part of budget consultation. There are no major differences in opinion to report.

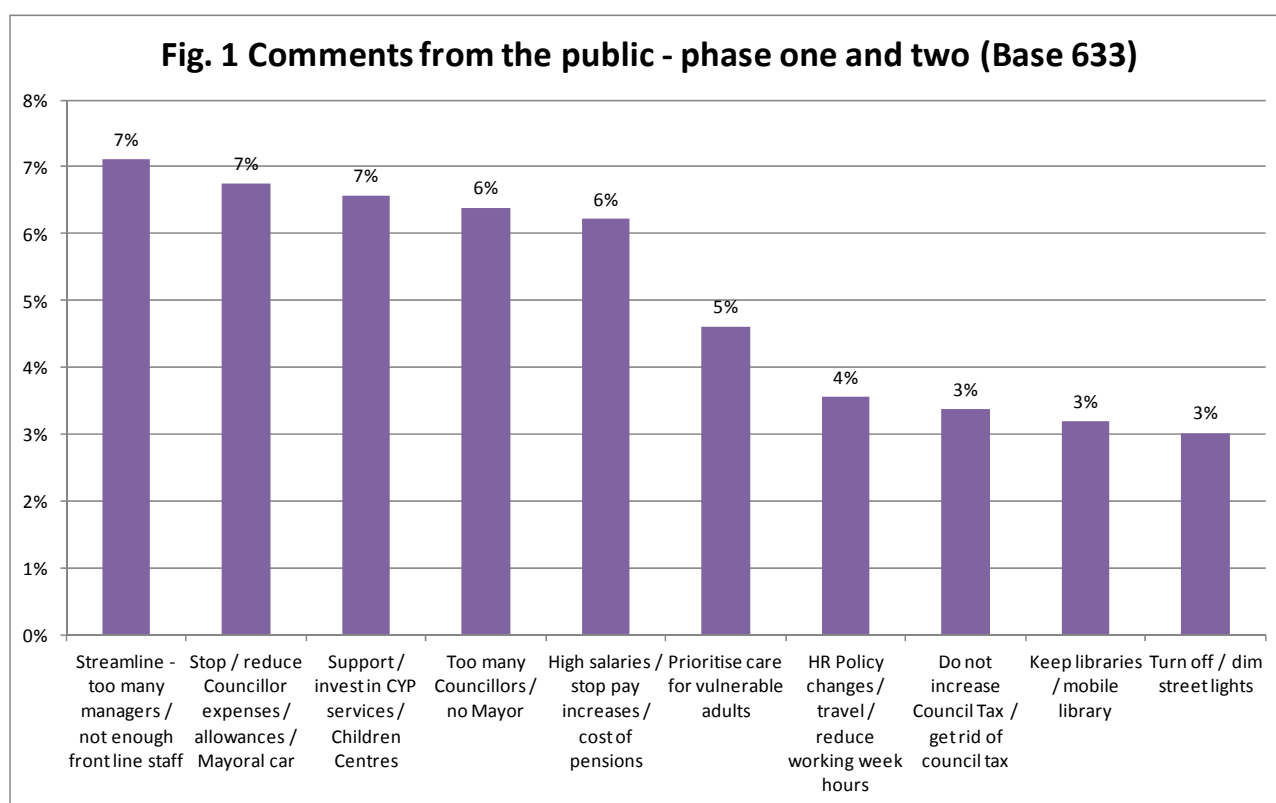
Views from businesses and the community and voluntary sector

- 2.9 Consultation on the draft budget proposals was publicised via the Walsall Voluntary Action December newsletter, with a circulation of approximately 800 organisations. Over

7,000 businesses registered on the council's business contact database were also emailed and invited to comment on the draft budget proposals. An online response form was provided for both. By the closing date of 10 December (4 week consultation) no responses had been received from business representatives and two valid responses were received from voluntary sector organisations, specifically junior / youth football clubs who were both opposed to proposal 13; to charge the full cost of sports grounds maintenance to cricket, football and bowls clubs. Comments made under proposal 11; to reduce maintenance of play areas by 20%, referred to the current poor state of football pitches in particular the amount of litter and dog mess. Overall they feel there is a general need for better upkeep and maintenance, with more being done to tackle dog mess and littering and maintenance should not be cut

3. General feedback from phase one and two

3.1. Phase one posed a very open question 'Where do you think we should be making savings?' A vast array of comments were received, Figure 1 shows those most frequently mentioned by the public in phases one and two.



3.2. Other comments not shown in Figure 1 included;

- Reducing energy bills for council buildings
- Selling assets including land and empty buildings
- Charging more for services
- Cutting out all unnecessary spend and making do
- Stop using consultants and agency staff
- Fortnightly bin collections
- Plus many more which were less frequently mentioned

Services for children are vital for communities

- 3.3. Supporting and investing in services for children and young people were frequently mentioned, with Children's Centres seen as an essential service in communities.

'I don't feel that we can afford to cut budgets with children services. Especially in the preventative services such as children's services and youth.'

'I would not like to see cuts in children's services. I'm happy to pay more council tax to support this.'

'Please do not reduce budgets for young people any more. Walsall needs to retain qualified youth workers more than ever as they do make a difference in improving young people's lives. This is more important than managing libraries and art galleries for example.'

'I think the children's centre is a must in the communities, without them the children would not be getting the best possible start to life. Early intervention is crucial, keep our children's centres.'

Don't cut services for the most vulnerable

- 3.4. Services for vulnerable children and adults is seen as a priority and comments indicate that people think that these services should not be cut. Some people feel particularly worried about the cuts and the impact it will have on them and those they care for.

'Put more money into services for the vulnerable people in the borough such as elderly, disabled, improving services for mental health and people on low incomes.'

'In view of the amount of elderly in Walsall. You must not cut social services for those who need it.'

'I am dreading budget cuts for the most vulnerable children and adults. I have a severely disabled son and have many friends with disabled children. We have already seen services cut to the bone and now we face the prospect of further, much deeper cuts both in education and social care. Many of us are already struggling to cope with the demands of caring for our children. Eligibility criteria for services are very high and many of my friends can't get any help at all. It seems that things are only going to get worse and I worry that some of these disabled children will end up in care because their parents have reached crisis point and cannot cope.'

- 3.5. Service users (members of Making Our Choice learning disability group) speak of being 'scared' of the proposed cuts and how it will impact on them.

'Vulnerable people always seen to get hit [by the cuts] first.'

'I thought that the council was there to help look after me. I feel let down and scared.'

Libraries are a valued service, but it could be reduced

- 3.6.** A number of comments highlighted the value of the mobile library service, yet some people felt that the service could be reduced.

'Mobile library is a very good service, especially for people like myself who depend and rely on the service, as I am unable to travel to local libraries.'

'I hope we don't lose the mobile libraries as it is a very good service for pensioners especially.'

'There are too many libraries in Walsall'

'Does an Urban town need a Mobile Library? With direct staffing costs of a quarter of a million pound a year, Is this money well spent? When you add to that building, heating, stock and fuel isn't the service costing us well over a million pound over five years? It is a luxury we cannot afford!'

Make simple savings by reducing energy bills including street lights

- 3.7.** As well as reducing the energy bills of council buildings by turning off unused lights and turning the heating down, a number of people suggested turning off or dimming streetlights during the small hours.

'Turn off lights and PC monitors and other equipment when not in use.'

Turn heating down one degree in all public buildings and council offices.

'Dim or switch off street lights overnight e.g. 1am to 5am, apart from junctions'

'Dim street lights 11pm – 7am or switch every other one off.'

'Could you switch off the street lights at night? Or shorten the period they are on? Or have fewer lights on per street?'

Run an efficient council with cuts from the top down

- 3.8.** Many comments focussed on making cuts 'starting from the top' streamlining tiers of management.

'Reduce heads off services and middle management.'

'Remove the superfluous layers of management within service areas that add no value at all apart from creating barriers and preventing doing the real value work that matters.'

'We are all aware what challenges the Council will have over the coming years. Perhaps a review of the management structure in certain services may realise large savings, and then get the workers to do what they do best, run the council and services that the public really need.'

- 3.9.** Comments reflect the desire for high salary posts to be reviewed and reduced in advance of making cuts to frontline services.

'Look at the salary of top council officers, Chief Exec, directors etc before reducing community services.'

- 3.10.** Changes to HR policy and procedures were most commonly mentioned by staff, however the public too identified how savings could be made by making changes to council employment policies including; reducing and scrutinising travel expenses, subsistence claims, sick leave and the length of the working week.

- 3.11.** The vast majority of staff feedback related to specific changes to HR policies and procedures and several staff outlined in detail how specific changes in their area of work could achieve savings.

'Instead of redundancies offer to reduce contracted hours e.g. 30 hours per week.'

'Look into the allocation of essential car user allowance, in particular, the actual amount of mileage claimed by essential users – do the benefits outweigh the costs?'

'Reduce sick pay from 6 months with full pay to 3 months for Council staff, unless they have a terminal illness.'

'Scrutinise more vigorously council employee expense claims.'

'A complete shutdown at Christmas time, staff will need to save 3 days of their annual leave to cover the days between Christmas and New Year, this would save money on electricity.'

'I work in Children's residential and have a few ideas that I think would save the department a lot of money.'

Reduce the number of Councillors and associated costs

- 3.12.** Many comments questioned why Walsall has 60 Councillors and mentioned cutting the number per ward and reducing expenses.

'Why are the Councillors expenses never considered to take a cut or the number?'

'In this technology age do we need three Councillors per electoral ward?'

'I would like to see the number of Councillors per ward reduced to two.'

'Why does Walsall have so many Councillors?'

- 3.13.** Reducing the costs associated with Councillors was a common theme, in particular Councillor expenses and allowances and, amid budget cuts, whether a new mayoral car is needed.

'Cut Councillors expenses and avoid waste.'

'Reduction in Councillors expenses and fuel allowances would help.'
'Why when peoples jobs are at risk is the Mayor having a £40,000 new car when probably there was nothing wrong with the one he had?'

Make cuts elsewhere before cutting services

- 3.14.** It is clear that people, including staff, want to see a council that is efficiently managed, that tiers of management are streamlined, services are efficiently run and appropriate HR policies applied before cuts to frontline services are made.
- 3.15.** There appears to be a general lack of understanding of the range of services provided and the reasons why certain decisions are made in the context of the saving proposals e.g. Primark investment. In addition people find it difficult to accept cuts amid spending on what they deem non essential e.g. resurfacing of the Council House car park and a new Mayoral car.
- 3.16.** Increasing understanding amongst residents and other stakeholders about what the council does and why. This would help improve the quality of engagement through better understanding, and therefore enable a more informed opinion.

4. Feedback on specific draft budget policy proposals

- 4.1.** Each year Walsall Council undertakes public consultation in preparation for the budget setting process. Residents, staff and other key stakeholders were invited to have their say on where they think council can make savings for the coming financial year.
- 4.2.** Phase two of budget consultation focussed on gathering feedback on 29 draft policy proposals (totalling £7,949,780) and consisted largely of face to face discussions with staff. Feedback was also gathered in writing and online. The opinions gathered reflect opinions from a broad, non representative, cross section of people.
- 4.3.** Respondents included service users and non users, findings should be balanced alongside service specific consultation, feedback and other information.
- 4.4.** Opinions on draft budget policy proposals are summarised in Table. 1 according to whether the respondent was in support, in support but had concerns / suggested amendments or not in support of the proposal.
- 4.5.** It should be noted that only a limited amount of information about each proposal was made available to the respondent. This was so that respondents were not overwhelmed by information and it ensured the task was manageable in a face to face conversation. Some respondents felt unable to comment as they needed more information on the proposal. Not every respondent commented on every proposal.

TABLE 1: SUMMARY OF OPINIONS ON DRAFT POLICY OPTIONS 2014/15

SERVICE	Ref No	WHAT IS THE SAVINGS OPTION ?	2014/15	Support (a)	Support with concerns / amendments (b)	Overall Support (a+b)	Do not support (c)	Don't Know/Not Provided	Net Support (a+b-c)
Children's Services	1	Reduce taxi costs for looked after children (Base:147)	£100,000	54.4%	10.2%	64.6%	34.0%	1.4%	30.6%
	2	Review and redesign of Children's Education Services (Base: 99)	£500,000	65.7%	9.1%	74.8%	21.2%	4.0%	53.6%
	3	Reduce school transport / bus passes (Base: 148)	£200,000	42%	8%	50%	44%	4.7%	6%
	4	Reduce contribution to Walsall Safeguarding Board (Base: 79)	£30,000	64%	6%	70%	28%	2.5%	42%
	5	Review of targeted youth support, careers advice and guidance (Base: 143)	£450,000	24%	9%	33%	64%	2.1%	-31%
	6	10% reduction in youth contracts (Base: 123)	£75,000	36%	6%	42%	50%	7.3%	-8%
	7	Reduction in Childrens Centres funding (Base: 155)	£930,000	41%	13%	54%	41%	2.5%	13%
	8	Expiry of contract for family support (Base: 77)	£282,000	43%	14%	57%	32%	10.2%	25%
Neighbourhood Services	9	Closure of Walsall Museum (Base: 244)	£70,000	38%	14%	52%	44%	2.8%	9%
	10	Reduce maintenance and on-site presence in 3 cemeteries (Base: 167)	£50,230	47%	9%	56%	38%	6.0%	17%
	11	Reduce the maintenance of play areas by 20% (Base: 169)	£49,400	29%	14%	43%	53%	3.0%	-10%
	12	Reduce grants to allotment associations by 50% (Base: 164)	£20,150	62%	10%	72%	24%	3.6%	47%
	13	Remove subsidy to sports users for maintenance of grassed sports facilities (Base: 171)	£90,000	55%	11%	66%	33%	1.8%	33%
	14	Increase in bereavement and registration charges by 5.5% (burials, cremations, registry of births, death and marriages) (Base: 180)	£165,000	29%	6%	35%	62%	2.2%	-28%
Regeneration	15	Review of provision of school crossing wardens (Base: 168)	£85,000	48%	19%	67%	32%	0.6%	35%
Resources	16/17	Increase in blue badge application fee from £2 to £10 (Base: 230)	£33,000	71%	11%	82%	16%	1.3%	66%
	18	Cease contracted mobile security to 3 of the 4 homeless projects (Base: 136)	£32,000	40%	9%	49%	37%	12.2%	12%
	19	Reduce the council's involvement in recruitability (Base: 141)	£45,000	28%	5%	33%	63%	4.0%	-30%
	20	Cease council operated print and design service (Base: 95)	£150,000	72%	7%	79%	14%	7.4%	65%
Social Care	21	Renegotiate Housing 21 contract (Base:92)	£480,000	66%	11%	76%	17%	5.4%	59%
	22	Removal of recruitability payments (Base: 154)	£110,000	34%	7%	41%	61%	2.5%	-20%
	23	Review preventative low priority services (Base: 153)	£300,000	44%	13%	57%	36%	6.4%	22%
	24	Review care costs in extra care housing. (Base: 136)	£750,000	46%	11%	57%	34%	7.9%	23%
	25	Reduce use of residential care for short term placements (Base: 136)	£500,000	38%	11%	49%	44%	5.0%	5%
	26	Reduce use of domiciliary care in individuals homes (Base: 159)	£1,000,000	40%	11%	51%	42%	6.2%	9%
	27	Closure of Broadway North residential unit (Base: 94)	£100,000	44%	12%	56%	39%	4.3%	17%
	28	Reduce the number of Day Care locations (Base: 160)	£160,000	36%	14%	51%	44%	3.7%	6%
	29	Review of social care government grant funding (Base: 84)	114	£1,193,000	72%	1%	73%	16%	8.2%

4.6. Proposal 1: Reduce taxi costs for looked after children

Overall opinion: Support

There is general support for this proposal with most people feeling carers should provide transport or make use of cheaper alternatives including public transport and group transport e.g. minibuses. Some people were in support but only if it did not adversely impact on the children.

'Why not consider offering parents and foster parents' mileage to take children to school as an alternative to paying for taxis - this would reduce expenditure.'

'If foster carers have their own vehicles then they should transport them.'

'Agree so long as it doesn't affect the children's care.'

Others raised concerns about the impact this may have on carers and the children who may live some distance from their school due to their placement. Some felt that cuts to children's services should be avoided and the welfare of children should be a priority.

"Can't put money on a child's welfare"

"Support but feels more consideration needs to be given as to where children are placed. From own experiences is aware that children on placement live miles away from school, so why can't they attend closer schools."

Response from Walsall Council on proposal 1

The council is working to reduce taxi costs by reviewing both usage and cost of individual journeys made. Wherever possible, foster carers will be asked to provide transport, or to assist in the use of public transport, to help promote ordinary family life for children. We will ensure that adequate arrangements are in place for all children to be transported to school or any other appropriate place, should it not be possible for carers to assist.

In view of these considerations Cabinet intend to include the savings proposal in their final recommendations to Council for approval.

4.7. Proposal 2: Review and redesign of Children's Education Services

Overall opinion: Support

Making education services better value for money was widely supported, but only if education services for children and young people were improved and that savings focus on management and running costs.

"Ok, but are we sure we can manage with less. Isn't Walsall quite low on the education league table."

'Providing no impact on quality of service.'

'Savings should focus on management costs.'

"It depends on what exactly is envisaged - if the savings are achieved by targeting back-office and management costs, and then I would support this"

'I agree if it makes it better for the children.'

Others disagreed with cuts to children's services as they felt children and young people should be a priority.

"Kids need more help and support not less."

"I don't agree. I have worked in education all my life and it needs investment not cuts"

Response from Walsall Council on proposal 2

The vision for Walsall's School Improvement Services states that: "we shall work to raise aspirations, raise expectations and raise achievement through the learning community of Walsall" and "every learner will develop world class aptitudes, qualifications and skills for employability and life".

The review and redesign of Children's Education Services will prioritise resources to ensure that the statement above is achieved. A significant amount of savings relate to management costs, totalling £550k in 2013/14 and 2014/15.

In view of these considerations it is recommended that the proposed review and redesign of Children's Education Service is approved.

4.8. Proposal 3: Reduce school transport / bus passes

Overall opinion: Support

There is overall support (+6.1% net support) for this proposal but the tipping point for support is boosted by the 8.1% supporting the proposal with concerns / amendments.

People tend to agree that the council should use stringent criteria when issuing school passes. Those who support this proposal suggest it's a matter of choice where children go to school and hence a parental responsibility to fund school travel.

"Agree, it's their option which school they go to so they should provide travel themselves"

"Agree - they could choose a school that is nearer"

However, there is support for provision for disabled and disadvantaged children.

"Depends of vulnerability of people involved. I support the idea of reducing costs through better procurement but would need more information on the saving i.e."

who wouldn't get a bus pass who used to?"

"We must support access to special schools"

Those who don't support this proposal raise concern about passing additional costs onto already hard pressed families and are worried about the impact on education caused by increased non attendance. There is also a feeling that children should be sent to their closest school and encourage more children to walk to school.

"I don't support because of adding costs onto carers/parents when money already tight for families"

"Reduction will cause extra stress on families."

"Children and young people are able to walk to school. Boundaries should mean they are within walking distance of schools. Pupils aren't used to walking"

"Children won't attend school"

Response from Walsall Council on proposal 3

Parents have been consulted and a further round of consultation in January 2014 will inform the design of the tender and specification for assisted transport and taxi services to be awarded by July 2014. The savings will be delivered by reviewing bus pass policy and awards and better utilisation of transport as parents have emphasised the need to improve the quality of Special Educational Needs Transport.

In view of these considerations it is recommended that the proposed reduction in school transport costs is approved. Further consultation will inform the actual design of the future service.

4.9. Proposal 4: Reduce contribution to Walsall Safeguarding Board

Overall opinion: Support

The general opinion was that contributions from partners should be equal and fair, but cuts should not affecting safeguarding was seen as important.

"Should be equal responsibility"

"Don't think safeguarding should suffer, but the council's contribution should be fair compared to other members"

"Providing no reduction in what is delivered, safeguarding is an important function"

Response from Walsall Council on proposal 4

This proposed reduction in our contribution to the multi agency Safeguarding Board in no way diminishes our safeguarding commitment or our statutory and moral duty and responsibility to work to help, protect and care for children and young people. Board Members (we are a key partner in the Board) are looking carefully at how they can safely and sustainably reduce costs, for example by taking more personal responsibility for organising training. Overall the Council will remain as the major funding contributor to the board.

In view of these considerations it is recommended that the proposed reduction in contributions to Walsall Safeguarding Board is approved.

4.10. Proposal 5: Review of targeted youth support, careers advice and guidance

Overall opinion: Do not support

Participants in the budget consultation research do not support this proposal by a ratio of almost 2:1.

Many respondents disagreed with this proposal outright and without further comment, including a number that just disagreed in principle with any cuts impacting on Children's services.

*"Do not support", "Disagree", "Do not cut", "Don't agree", "Definitely don't agree"
"I wouldn't want any proposals going forward but if necessary protect Children's services"*

The main sentiment for disapproval is the need to invest in children and young people's future, especially the vulnerable and to support them into work with the right careers advice.

"Don't support - you should be investing in children"

"No - they need the support"

"Young people should have access to careers advice and guidance - especially the most vulnerable"

"We should not be reducing expenditure on children's services"

Supporters of the proposal included those, for whom the proposal had no direct impact, or where they made suggestions for alternatives.

"Support the cuts and offer this service through schools"

"This could be reduced. There's a lot of other careers advice out there"

Response from Walsall Council on proposal 5

We will continue to review all activities and priorities to minimise the impact of these budget reductions on front line delivery. Vulnerable groups of children and young people will be prioritised and we will continue to work hard with partners to offer the best possible services to Children & Young people.

In view of these considerations it is recommended that the proposed review of targeted youth support is approved.

4.11. Proposal 6: 10% reduction in youth contracts

Overall opinion: Do not support

The reasons people gave for not supporting this proposal focused on the need for more services and support for children and young people not less.

"Don't agree - children are the future and we should invest in them"

"It's important to have activities for kids to keep the kids off the street. This should not be reduced, it should be increased."

"Children need to have plenty of things to do. This proposal would cause an increase in anti-social behaviour."

"The number of children needing care and support is increasing. In light of recent media on Children's Services and Ofsted I don't think this saving is worth it."

Some people raised concerns about the impact the reduction would have on the community and voluntary sector.

"I don't agree. Grant value to these organisations should be kept as they are as they do a good job."

Others felt that the proposal was acceptable or 'seems reasonable', some respondents said it did not affect them.

Response from Walsall Council on proposal 6

The proposed reduction of £75,000 has been reduced to £45,000 in response to the consultation feedback. Activities in the core contracts for the delivery of the activities will not be reduced.

In view of these considerations and revised savings proposal, it is recommended that the proposed reduction in youth contracts is approved, but at a reduced level. The saving proposal of £75k has been reduced to £45k with the remaining £30k proposed to be achieved from continuing to manage vacant posts.

4.12. Proposal 7: Reduction in Children's Centres funding

Overall opinion: Support

Respondents clearly value the support they get from Children's Centres in terms of the benefits that children receive from interacting with others, helping with parenting issues/skills and by providing the child care that supports parents into work.

Whilst there is overall support for this proposal, this balance is tipped by 12.5% of respondents supporting the proposal but with concerns/amendments.

Reservations centre on concerns of the lack of detail of the actual nature and therefore potential impact of the cuts and that Children's Centres might ultimately be closed; which respondents point out they don't support.

"I support this proposal as long as there are no closures"

"I am concerned that children's centres should not close. I am not in work yet, but children's centres help with advice on child care so that I can get back to work."

"If you reduce funding but keep them open they will eventually have to cut the activities and I'm concerned that Saturdays could be at risk."

Response from Walsall Council on proposal 7

The Council's commitment to a reshaped children centre offer that is integral to Early Help, sustainable and affordable, will not result in the closure of any of the existing 18 Children's Centres. Reduced funding will lead to a need to make further efficiencies from the planned shift to Children's Centre Clusters. This will be achieved by reduced management and support costs.

In view of these considerations it is recommended that the proposed reduction in Children's Centres funding is approved.

4.13. Proposal 8: Expiry of contract for family support

Overall opinion: Support

Generally respondents supported this proposal but there were a range of associated concerns.

"OK so long as the support is available in other ways"

"Ok in general but the service is important in preventing family breakdown / children becoming troubled. Need to ensure that there is some provision continued to be offered for those who need it."

"What's going to be put in place instead? If we don't meet needs now then will backfire in the future with more family breakdown, disillusioned young people."

A number of people were concerned that the service would cease, with some suggesting that the service could be run by the council.

"I agree with this proposal so long as there is someone able to provide the service that is currently provided."

"Service still needs to be run by the council, can't stop it completely!"

Response from Walsall Council on proposal 8

The service is no longer supplied due to contract expiry as the need for the service has been avoided through early help and other services.

In view of these considerations it is recommended that the proposed reduction following expiry of the contract is approved.

4.14. Proposal 9: Closure of Walsall Museum

Overall opinion: Support

This proposal raised the highest number of responses of all the proposals. There is overall support for this proposal but that is on the basis of the 14.2% supporting the proposal with concerns / amendments.

Many respondents conceded support for closure because they weren't users of the service. However many of these people said that it would be 'a real shame' to lose Walsall Museum as it was part of Walsall's heritage and a good asset for the borough and especially children and young people.

"Museums are vital to keep trace of our culture and heritage and should not be closed down."

There was also both confusion with and comparison to the New Art Gallery (NAG), with many people confusing the Walsall Museum with closure of the NAG, of which there was some support. A number of residents suggested that the museum could be merged into the NAG, with some people saying that this would broaden its appeal.

"Make better use of the Art Gallery to display the things from the museum."

Generally people were concerned what would happen to the museum collection and felt that if it did close that somewhere else should be found to house these collections. There was also reference to recent press coverage about the cost of closure and payback of grant received to cover recent refurbishment, prompting criticism of the proposal.

Response from Walsall Council on proposal 9

Walsall Council recognises the obvious appreciation expressed by many people of the services currently provided by Walsall Museum, and the role the museum plays in providing access to the history and development of Walsall as a place for local people of all ages. In context, Libraries, Heritage and Arts Services face significant reductions in their budgets for 2014/15 and some very difficult options have had to be considered, including the closure of Walsall Museum. Unfortunately, although the saving is relatively small, the Museum is comparatively under used. It received

23,721 visits in 2013/13, around half that of the Leather Museum, although visits have increased since 2010/11.

The Council is currently considering the feasibility of consolidating the Local History Centre and Museum Service into a single building. This would offer the opportunity of a new and exciting experience for Walsall residents to explore and enjoy the borough's social, physical and economic heritage including collections and artefacts that would normally be associated with Walsall Museum.

The withdrawal of any Service is deeply regrettable and is only contemplated under serious circumstances. The museum collection will be put into safe storage to enable occasional displays to take place subject to the availability of a suitable budget to enable this to happen.

In view of these considerations it is recommended that the proposed closure of Walsall Museum building is approved.

4.15. Proposal 10: Reduce maintenance and on-site presence in 3 cemeteries

Overall opinion: Support

The majority of respondents were happy with the proposal to reduce maintenance. Some commented that a certain level of maintenance is needed, which some suggest could be undertaken by volunteers.

"Yes reduce the maintenance, you don't need someone going there every day or when they do."

"Ok in general but you must ensure that the environment is nice for visitors. If it becomes overly neglected then it could stop people going, people wanting burials there and could result in more vandalism."

"Could make the saving and continue level of service by using young offenders/people on probation to do this for free."

Those that did not support the proposal felt that the importance of cemeteries should not be overlooked. Others felt that the current levels of maintenance need improving, particularly given the proposal to increase charges for burial.

"Do not support. Cemeteries are important places for people so need to be kept a nice environment."

"They are already a mess so I do not agree"

"The costs for burials etc are being increased but maintenance is being cut back - this is unfair."

Response from Walsall Council on proposal 10

Whilst a reduction of two Environmental Operatives is planned, there will still be an on-site staff presence between 8.00am and 4pm, Monday to Friday, at all operational cemeteries, although this could be reduced to one employee at any given time. To maintain acceptable service levels, additional staff from within Clean and Green Services will be available in cemeteries on a short term, prioritised basis.

In view of these considerations it is recommended that the proposed reduction in maintenance in cemeteries is approved.

4.16. Proposal 11: Reduce the maintenance of play areas by 20%

Overall opinion: Do not support

A majority (53%) of respondents oppose the proposal because of safety and cleanliness concerns and the need to encourage children to be more active.

"Children's play areas and parks need to be safe and clean."

"Even non essential maintenance could still have a health and safety impact for young children so I completely disagreed with this."

"I do not agree with this. Play areas need to be clean. There is already a problem with glass in some play areas and as a parent you need to be careful. There should be no dogs allowed in the play areas either."

Some feel that the current level of park maintenance is not sufficient, with a reduction of 20% making the problems worse.

"Parks are already in a terrible state so reducing maintenance will be even worse. We are meant to be encouraging kids to be healthy, the state of the parks and planned reductions in maintenance won't help that"

"Play areas are in a bad condition there is a lot of vandalism etc. Probably need more maintenance rather than less."

A few comments reflected concerns about the need for regular monitoring and how repairs would be made if there are cuts.

"Only if equipment is regularly inspected by council staff."

"How will damage be repaired if cuts in the service?"

Response from Walsall Council on proposal 11

Whilst the overall opinion from the public consultation is to not support this proposal, it is considered possible to mitigate against the reduced budget so as to minimise any impact on the customer. The mitigation measures include invest-to-save options which will help reduce future maintenance costs, and rationalisation of the two existing maintenance teams to provide improved efficiency. An increased ability to reduce the use of contractors is also anticipated. Health and safety guidance will be considered as part of the review.

In view of these considerations it is recommended that the proposed reduction in maintenance of play areas is approved.

4.17. Proposal 12: Reduce grants to allotment associations by 50%

Overall opinion: Support

There is strong support for this proposal with almost four fifths of respondents agreeing with the decrease in grants to allotments. Many people simply 'agree' with the proposal, with supporters passing comments about the benefit people gain from having an allotment, how hard they are to get and hence costs need to reflect the premium and that current costs are not unaffordable.

"People are lucky to have allotments as there is a long waiting list and I am sure people would be prepared to pay more for the privilege."

"Allotment users aren't charged enough - increase the charges more"

"Allotments don't cost much so yes should cut"

"The fees are very low and this increase is valid"

"I agree because people benefit anyway from having produce from their allotment and fees aren't unaffordable."

"I think people should pay more for allotments as they benefit financially from them (cheap produce)"

Where there is not support respondents recognise the health & well-being benefit allotment brings to older people and a rise in costs will hit older people on lower incomes.

"Allotments keep older people busy."

"See this as a lifeline for older people."

Amongst those supporting with concerns / amendments were suggestions of a 25% reduction as an alternative proposal.

There was also feedback from allotment association members who accepted the

need to increase rental charges but expressed the need to set their 2014/15 budgets and hence a query when associations will be notified of the decision so that fees can be set and communicated to users.

Response from Walsall Council on proposal 12

Positive discussions have and continue to take place with each of the six Allotment Management Associations to understand the potential impact of this saving proposal and identify how the council can assist in mitigating against this. We will continue to work with the associations to help them become less reliant on the council's grant and more able to be self sustainable.

Each of the associations accepts the need for change and has embraced a number of best practice options to help reduce unnecessary expenditure and accommodate the planned gradual increase in rental costs. In addition, the Council is committed to working with them to access external funding to substitute for the loss of grant income.

In view of these considerations it is recommended that the proposed reduction in grants to allotments groups is approved.

4.18. Proposal 13: Remove subsidy to sports users for maintenance of grassed sports facilities

Overall opinion: Support

There is overall support for this proposal from slightly over two thirds of respondents with just under one third not in support.

Those not in support raise concerns about the impact the proposal will have on the health and well being of the borough especially young people. That costs are deemed already expensive with facilities already struggling to remain viable as it is and that costs need to be minimised in order to attract usage and remain affordable to families.

"I disagree as there will be an impact on health and young people"

"Too many children aren't doing sport nowadays because facilities / time are not available during school hours. We should encourage them to be doing sport / joining clubs outside of school by reducing costs and subsidising clubs even more."

"I disagree because people need to keep fit"

There's a suggestion that those whom support the proposal don't necessarily use these facilities and feel that users should pay market cost so the 'taxpayer' isn't subsidising these facilities.

"I agree cost should be met by the groups hiring the facility"

"Council (and therefore all taxpayers) shouldn't pay for this"

For supporters but with concerns; the issue is about getting the balance right and remaining as affordable as possible so as to still encourage usage and hence health benefits.

"Shouldn't charge full costs, it's for the kids."

"If we had to increase then at max should only put up by £1 a session."

"Reduce by less, and only charge 50%"

"Recover 50% as costs passed onto teams that use the facilities"

"It's an issue of ability to pay - some can afford, and some cannot"

Response from Walsall Council on proposal 13

At present, the subsidy for grass sports pitches is not equitable across the various sports and varies from 35% - 100% of the total cost with the majority being in excess of 50%. This places an unsustainable pressure on the council given the level of savings it is now being required to make.

However, given the response to the consultation exercise and, in particular, from a number of sports clubs, leagues and representative bodies, options are presently being considered as to the most appropriate level of subsidy across the respective sports. This reflects the Council's concerns about the ability of clubs and leagues to meet the increased charges and its desire not to undermine its policy of promoting health and well-being. Ongoing discussions will take place to look at options to minimise as far as possible the impact of the proposed saving including the possibility of entering into stewardship agreements that promote self management of sports pitches.

On balance, it is considered that, whilst a move towards reducing the level of subsidy paid by the council is appropriate, more time is needed to determine a level of reduction that reduces the council's costs without adversely affecting the level of sporting activity across the borough.

In view of these considerations it is recommended that the proposed removal of subsidies for the maintenance of grass sports facilities is subject to review in terms of the level of subsidy and this is implemented in 2015/16 deferring any impact by one year.

4.19. Proposal 14: Increase in bereavement and registration charges by 5.5% (burials, cremations, registry of births, death and marriages)

Overall opinion: Do not support

Participants in this consultation do not support this proposal by a ratio of almost two to one. However it should be noted that all of the comments centre on bereavement costs i.e. burial / cremation service rather than registration charges specifically. This is because the proposal detail only referred to 'burial, cremation and associated charges'.

Those who disagree with the proposal mainly have concerns about how expensive the burial service is becoming and how this increases impacts on older people and their families in meeting bereavement costs.

"Burial is already enough"

"It's already too expensive to die!"

"Putting up cost of burial/cremation is bad - she has a friend who couldn't afford a plaque for her relatives grave - caused a great deal of distress."

"No increases. Funerals are expensive enough as it is."

Those who support the proposal call for an increase at inflation rate and as long as costs are in line with neighbouring authorities.

"Only if this does not make us more expensive than other Black Country councils"

"Increase in line with inflation"

Response from Walsall Council on proposal 14

Bereavement and Registration Services operate eight cemeteries, the Crematorium at Streetly and the Register Office in the Civic Centre. The service covers 1,900 cremations, 550 adult full coffin burials, 1,700 Notices of Marriage, 2,400 death registrations and 4,700 birth registrations each year.

The Council has made a major capital commitment of £1.8m in new mercury abatement equipment and new cremators at the crematorium. It is also looking at further significant investment in burial provision to the west of the Borough in extending Willenhall Lawn cemetery. This is in addition to capital funding of £0.5m being made available over the last few years to extend Streetly cemetery to provide for new burial areas. In order to contribute towards continued infrastructure improvement, an annual increase in fees is considered appropriate. The price increase is broadly in line and comparable to other local authorities within the region.

In view of these considerations it is recommended that the proposed increase in charges is approved.

4.20. Proposal 15: Review of provision of school crossing wardens

Overall opinion: Support

Over two thirds of participants in this consultation express support for this proposal.

Those in support of the proposal agree with the rationale but emphasise the need to maintain services on main roads, and only cut funding where schools agree to take over responsibility. There are often suggested alternatives such as using volunteers,

parents, teaching assistants and PCSO's.

"Parents should also help take kids"

"Agreed but only on crossings where there are traffic lights"

"Agree if schools fund them" "Only if schools pay for it"

"As long as the crossing patrols are taken on by schools - road safety issue."

"Agree as long as safety isn't compromised"

Those not in support of the proposal either disagreed outright and without further comment or raised child safety concerns.

"Keep things as they are. Needed for children's safety"

"I do not support because of the impact upon pedestrian/ road safety"

"No I do not support - school crossing patrol wardens are the safest option"

Response from Walsall Council on proposal 15

Walsall Council notes the public view on this proposal, which shall be subject of a specific Cabinet Report in March 2014. Those views will be taken into account in the preparation of this report.

It is recommended that the proposed review of the provision of school crossing patrol wardens remains part of the budget proposals, pending the outcome of the current review which will be presented to Cabinet in March.

4.21. Proposal 16/17: Increase in blue badge application fee from £2 to £10

Overall opinion: Support

This proposal received the second highest number of comments and there is strong support for this proposal, including from current blue badge holders. The proposed charge is perceived to be good value for money with some saying it should be more.

"I am disabled and I would pay £10 as it provides benefits to me."

"Agree, they save enough from not paying for parking."

"One of my relations is a blue badge holder and I feel this is fair and reasonable given it is renewed every 3 years. It is still value for money."

"I support this. In fact it could be possibly increased further as it is not a great sum of money to pay for the service and benefits it provides"

Some felt that £10 was too much for those who are already vulnerable, with some suggesting issuing badges every 5 years rather than every 3.

"If there is to be a charge of £10.00 badges should be issued for 5 years."

"£8 increase is a lot, it seems a large and unjustifiable increase."

"If you are disabled your earning capacity is limited."

Response from Walsall Council on proposal 16/17

This feedback is consistent with what we have learnt from our customers over the last year – that the payment of a small charge is not, for the substantial majority of our customers, a significant issue.

£10 is the maximum that the council is allowed to charge, so we cannot accept the suggestion for raising it further.

We are unable to change the period of renewal as this is set nationally and we are not allowed to vary it.

The Council has been able to charge up to £10 for the last two years and has held off from doing so to assess the likely impact on our customers.

The decision taken by Cabinet gives the Executive Director discretion to waive the fee in circumstances of hardship.

In view of these considerations it is recommended that the proposed increase in charges is approved.

4.22. Proposal 18: Cease contracted mobile security to 3 of the 4 homeless projects

Overall opinion: Support

There is overall support for this proposal. Where there is support residents tended to just say 'yes, support' without further comment, with those supporting but with concerns saying that they were worried about the security of the people at these sites caused by the proposals and in some cases a call for better understanding of the potential impact.

"I am concerned that the people affected are a vulnerable group, and I consider protection of people a priority."

"There is a need for more places like this and a need for security. There are more people needing homeless help"

"I support if low risk to users and staff"

However, the issues for those not in support centred on the genuine need for support 'at all times' with fears expressed about the risks associated with cuts to security, and that security might already not be at appropriate enough levels, hence further cuts will put people at increased risk. That vulnerable homeless and especially young people need our support.

"Don't agree - seems like it will leave people at risk"

"What will be the impact on service users, residents and staff?"

"There is insufficient security anyway"

Response from Walsall Council on proposal 18

This change is being made because there is no evidence that the existing arrangements provide either good security and/or value for money. Security will continue to be provided where it is needed and our focus will always be on protecting the most vulnerable people who need help.

In view of these considerations it is recommended that the ceasing of contracted security is approved.

4.23. Proposal 19: Reduce the council's involvement in recruitability

Overall opinion: Do not support

Two thirds of respondents opposed this proposal, particularly as it impacts on the most vulnerable in society who many feel need supporting and given additional opportunities to work.

"Don't reduce posts. It's important for people with disabilities to have job opportunities."

"Recruitability is needed to support people, stopping the scheme would be devastating for some people."

"People should get all the help that they need. It's harsh to cut money from people with disabilities."

"These people need all the help they can get to get into employment. With recent media coverage on more checks on disability entitlements and govt encouraging them to get back to work, then they will need the support to do this."

Some felt that sufficient support, opportunities and benefits are already available and therefore supported the proposal.

Response from Walsall Council on proposal 19

The council provides support for disabled people in a variety of ways. It would be preferable to be able to continue to provide as many, if not more, job opportunities through recruitability. Unfortunately, the overall financial position means that we will have to reduce the number of opportunities available.

In view of these considerations it is recommended that the proposed reduction in the council's involvement in recruitability is approved.

4.24. Proposal 20: Cease council operated print and design service

Overall opinion: Support

Support for this proposal was based on the assumption that printing would be cheaper from an external supplier and there is no direct impact on front line services.

"If you can get it printed cheaper then do so"

"Very definitely. There are external suppliers in Walsall which are very reasonable and very quick. The overheads for in house printing must be excessive."

Some people raised concerns about confidential documents being printed by an external supplier and perhaps the service just needs to be made more efficient.

"Confidentiality issues means that in-house service is a better option."

"Keep the service in the council but reduce the staff and make it more cost efficient"

"Seems strange that an in-house service can be expensive, surely it's cheaper to provide in-house"

Response from Walsall Council on proposal 20

The printing operation within Walsall Council has become financially unsustainable. The service has continued to become more cost efficient year on year, including significant staff reductions, however this has been overshadowed by the decline in income received from printing activity. The Council needs to reduce the cost of its printing operations in the financial year 2014/15 by £150,000 and will therefore require changes to the way we deliver a print service going forward.

The option put to Cabinet on 23 October 2013 was to cease the in-house service and establish alternative local suppliers and negotiate best rates. Due to further considerations of this proposal, the plan has since been revised; to keep the in-house service, but to downsize it in the short term.

The proposal is to reduce the size of the in-house team by removing 5 posts to achieve the £150,000 saving for 2014/15 and continue current printing arrangements. Following the re-structure of the service a review will be undertaken to consider all options for the long term model of the delivery of design and print services.

In view of these considerations and revised savings proposal, it is recommended that the proposed downsizing of the council's print and design service is approved.

4.25. Proposal 21: Renegotiate Housing 21 contract

Overall opinion: Support

There is strong support (76%) for reviewing services in order to make them better value for money. Making savings through efficiency and best value is popular.

"OK, reducing cost of contracts is something we should be looking at doing, as long as no reduction in service."

However, respondents said that achieving value for money should not be at the detriment of the service.

"What about improvements for service users? These things happen but service doesn't improve."

"OK so long as the proposals work - so long as VFM is achieved without a reduction in service"

"The council should get the best deal financially - but you should not reduce the service provided."

Response from Walsall Council on proposal 21

Cabinet at its December meeting considered this matter and agreed to proceed to seek an amendment to the contract as proposed, after a full consultation with the residents of the Housing schemes.

In view of these considerations it is recommended that the proposed reduction following negotiation of the Housing 21 contract is approved.

4.26. Proposal 22: Removal of recruitability payments

Overall opinion: Do not support

Removing recruitability payments for people with learning disabilities who access training workshops was not supported. Proposals that affect people with disabilities are not well received or generally supported because of the perceived impact it would have on an already vulnerable group. Supporting people with learning disabilities in a way that gives them purpose and a sense of pride was seen as really important.

"I don't support this. We need to support vulnerable people to live a full life."

"I know someone who has accessed these workshops, the payment makes people feel wanted. You should be encouraging more local firms to pass on simple work to people with learning disabilities and pay them appropriately."

Those involved in the scheme were particularly against the proposal.

"I go to Links to Work and for me it's like having a role and a sense of pride."

"It's not right that the council gets paid for contracts and people don't get paid."

One person gave a direct example of the value individuals place on the scheme and that the cut may be more costly in the long run;

"There will be an impact on the independence of those on the scheme. One person on the scheme is only supposed to attend twice a week but he loves it so much he attends 5 days a week. There is potentially a longer term costs for the council if more support is needed at home. You should look at better utilising the building, it's a very big building not fully used but costing a lot."

Those in support felt that not paying people who attend for training purposes was justified, but questioned 'free labour' and the overall success of the scheme..

"If a disabled person is keen to get work then they should want to go to these workshops for the experience rather than the money. However, if they are doing work for local businesses [for profit] at these workshops then shouldn't really be working for free."

"This would depend on the % success rates i.e. how many people who attend this course actually go on to get a job? If it is a low % I would support this saving."

Response from Walsall Council on proposal 22

After consideration of the representations made during the consultation and having listened to the views of the public in Walsall, Cabinet propose not to proceed with this and to continue to make the payments.

It is recommended that the proposed removal of recruitability payments is not approved, and therefore this will be removed from the list of savings proposals and will not be recommended to Council.

4.27. Proposal 23: Review preventative low priority services

Overall opinion: Support

There is overall support for this proposal with 57% of participants in this research supporting a review of low priority preventative services.

Supporters often agreed without further comment including a number strongly agreeing.

"Agree", "Strongly agree", "Support" "Good idea", "Yes, a good thing".

Some supporters felt the need to support independent living whilst opponents felt that independent living wasn't suitable for everyone and were concerned about withdrawal of services.

"Good thing – it encourages independence"

"Support independence - teach people the skills to be independent and then do not keep bothering them"

"If the council can support people to lead more independent lives and it saves money, then I would support this."

"Older people would prefer to be independent, but need to make sure we don't reduce too much and let people slip through the care net."

"They should be supported and if they are capable, not forced to live independently if it is not suitable for them."

"My father is 86 years of age and needs some help. He can't be completely independent."

"If people can live independently but still need some help to do this"

Others who disagreed felt that services should continue to be provided to those in need i.e. the elderly and vulnerable. There was concern for the impact of the proposal and a general sense that social care services need to be maintained rather than cut.

"Need to look after old people"

"Don't cut as it supports vulnerable people"

"Reducing funding in these areas will push people into institutions and in the long run will cost more"

"If we do not give the appropriate support or if certain support is phased out (people are encouraged to be too independent), it could backfire into a serious issue."

Response from Walsall Council on proposal 23

The Council has undertaken a full review of all of the range of low level services and has agreed to keep some of the services e.g. the bereavement service but has also accepted that it should terminate the contracts of others. All parties on whom there will be an impact of these savings have been consulted and their views considered in coming to a final decision.

In view of these considerations it is recommended that the proposed review of preventative low priority services is approved.

4.28. Proposal 24: Review care costs in extra care housing

Overall opinion: Support

Respondents (56.6% overall) support this proposal, with many people supporting without further comment. Where comment was provided, supporters welcomed a review but wanted to ensure that services were maintained to the people that needed them most.

"Review will be a good thing if it helps the right people"

"Important to make sure services are available for those that most need it."

"Ensure that people who really need the service still get it"

"As long as this is for genuine people"

Opponents of the proposal don't want social services for the elderly or vulnerable cut.

"Should not cut things for older people"

"There are a lot of older people who need assistance"

"Old and vulnerable people support is priority and should not be cut"

"Don't agree with this saving but can see why it has been included however it seems unfair to be targeting the vulnerable again."

Response from Walsall Council on proposal 24

The Council will introduce personal budgets into extra-care housing. This will mean that only those people who need care will receive support and they will be charged for that support in line with the Council's charging policy for social care. This will save resources as at present care is available whether people need it or not and there is inconsistency in the way in which charges are made. All older people who reside in these schemes will receive a review of their needs prior to any decision being made.

In view of these considerations it is recommended that the proposed review of care in extra care housing is approved.

4.29. Proposal 25: Reduce use of residential care for short term placements

Overall opinion: Support

There is overall support, though marginal, for this proposal but that is on the basis of the 11.3% supporting the proposal with concerns / amendments.

Those who didn't support the proposal tended to have a dislike of a range of social care proposals because of the need to support people in need. That more care was needed not less. They raised issues about the impact on support for already vulnerable people and concerns for the knock on effect to other services.

"These services are needed to support people"

"Moving costs elsewhere will be placing a greater burden on the NHS."

"This proposal is short-sighted. The knock on impacts will be more costly"

Where there was support for the proposal people accepted the need for independent

living as a better alternative to going into care but that there was still a clear role for short term care and hence a concern for the service diminishing.

"Support as long as it helps people gain their independence"

"We should support people in their own homes"

"Short term placements offer great respite to carers who may be on the verge of breakdown when caring for partners/siblings/friends. This may be their only life line for a few weeks away from caring."

There was a call for a review on placements to be assessment led and based on need.

"Support the proposal as long as the assessment process is proper and robust"

"Review the need for short term placements based on those in most need"

Response from Walsall Council on proposal 25

It is an important part of the Council's preventative strategy to help older people maintain their independence and to remain supported in their own homes for as long as is reasonable. This policy has recently been agreed by Cabinet. The main risk here is to better manage the older people as they are discharged from hospital to ensure that they can get home safely and quickly with the right level of care and support. The policy will seek to manage this whilst supporting older people's independence.

In view of these considerations it is recommended that the proposed reduction in use of residential care for short term placements is approved.

4.30. Proposal 26: Reduce use of domiciliary care in individuals homes

Overall opinion: Support

Although there was overall support, respondents were concerned about the impact the reduction may have on older people who are particularly vulnerable and in some cases more support is needed.

"Ensure that people who really need the service still get it."

"Only if assessed properly, you need to ensure that those who need support will get it."

"People need more support, not less to keep them at home. Some people receive too much care that they don't need and this takes it away from people who really need it"

Many people highlighted the value of face to face contact and the need to prevent older people becoming more and more isolated as a result of using assisted technology.

"As so long as the changes do not lead to people being cut off."

"One to one in the home is a good way of support. It means care can be more personal and makes the person feel supported."

"Ensure that older and vulnerable people do not become more isolated as a result of cost reductions."

"The carer who visits may be the only source of human contact some people get, so removing this may cause other issues for person receiving help."

Response from Walsall Council on proposal 26

Giving people care and support is not the only solution to social isolation - this rests with families and local communities. The Council will be using its reablement domiciliary care service to help older people get back on their feet following a health or personal crisis. This should reduce some older people's need for longer term care.

In view of these considerations it is recommended that the proposed reduction in the use of domiciliary care in individual homes is approved.

4.31. Proposal 27: Closure of Broadway North residential unit

Overall opinion: Support

Although there was general support for this proposal, the quality of service was paramount and doubts were raised about the independent sector's ability to provide a service that is of the same level of quality currently provided by the council.

"Important to get it right – the quality of service is what matters, not always improved by going to independent sector. It can work if got the right people running it."

"I would be very wary of independent sector's ability to deliver."

Most people felt that as the service would be reprovided the proposal is reasonable, but only if the level of service is not affected and it costs less.

"Fair as long as providing the support that is needed"

"If it's cheaper elsewhere then OK"

"Independent sector needs to provide value for money, and council should be in position to fight for value for money, rather than letting firms charge what they want and the council just pays."

"I would support this as long as residents are not affected. I would be happy if people receive the same care package but I am concerned that they might have to travel further / out of town to receive it."

Whilst no information about the location of a new facility was provided, a number of people mentioned the need to provide transport for service users to the new location.

"Would travel be provided for those that have to travel further? The council should provide this for users who are put at a disadvantage by these changes. Assuming that is the case, then I would support these changes."

Response from Walsall Council on proposal 27

The Cabinet has, after a period of consultation with all stakeholders, including service users, agreed to close the residential part of this unit. The day care and community services will continue to operate on the site.

In view of these considerations it is recommended that the proposed closure of Broadway North residential unit is approved.

4.32. Proposal 28: Reduce the number of Day Care locations

Overall opinion: Support

There is overall support, for this proposal with the tipping point for this being the 14.2% supporting the proposal with concerns / amendments.

Those not supporting the proposal express the value they get from these services especially for the respite this provides carers and the support it provides elderly and disabled people.

"Too many of these centres have already closed, these places are a life line for carers to have a break from caring 24/7."

"You should keep day care centres. Disabled people should have a place where they can meet and communicate with friends."

"I am concerned that vulnerable adults and older people are being hit hard by these proposals. The right support is needed, quality of services really matters"

Similarly those showing support for this proposal also expressed concern about the impact on vulnerable people and hence the need to make the reduction in the right place and to be sensitive and responsive to the potential impact on individuals. There is support for reductions in venues rather than places, alongside the need to consider where geographically the reduction takes place.

"Need to be careful how the number is reduced – if the person is used to a particular place then it can be difficult to move to somewhere new."

"Council must provide for extra journeys. If that is the case then proposal is ok."

"Fine as long as transport to new venues is provided for those who need it."

"Certain people may need support if local centre closes i.e. people with autism who like familiarity - transport issues."

"This needs to be done right - look at the facilities and venues, look at how centres are managed, what facilities are where and how groups access them. Look at staffing ratios and links to transport, the levels of need and accessibility. I am critical of investment in Pheasey (great facilities) given only 13 people access this - service users not given options of where they go, user should get to choose"

Response from Walsall Council on proposal 28

Additional contributions were made to the consultation by adults with learning disabilities who use the services that would be affected. The Cabinet has decided after taking into consideration a number of factors raised during the consultation not to proceed with this proposal.

It is recommended that the proposed reduction in day care locations is not approved, and therefore will be removed from the list of savings proposals and will not be recommended to Council as part of the final budget proposals.

4.33. Proposal 29: Review of social care government grant funding

In line with comments opposing cuts that affect vulnerable people, respondents are supportive of this proposal to use government grant funding to support existing services in adult social care.

"Yes, brilliant"

"What is actually needed"

Minimal information was provided about how and where this funding would be used therefore some felt unable to comment or simply agreed with the proposal.

Response from Walsall Council on proposal 29

The Council is discussing how this will work with the NHS who are responsible for working on how the money is spent. It is likely that agreements will be reached that enable the Council to substitute existing service to be funded by the new grant.

In view of these considerations it is recommended that the proposed review of social care funding is approved.

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22 November 2013

Children's Services Portfolio Cash Limit

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Education								
Education	<ul style="list-style-type: none"> All Education responsibilities of the council: to promote high standards, to play a key role as champions for pupils and parents; to challenge schools causing concern, to ensure achievement gaps are narrowed for vulnerable children e.g. those children in care and those with special educational needs or disabilities (SEND), ensuring fair access to all schools for every child; championing and promoting a strong supply of good, local, high achieving schools; ensuring fair access to opportunity for education and training Dedicated Schools Grant to maintained schools 	12,946,822	587,000	Non policy previous year savings: -£100k following efficiencies in education Policy savings: -£500k review & redesign of services -£200k reduction in transport costs for special education needs (SEN) children Investment Service review post Serco transition +£1.387m	N/A	Review & Redesign of service - Funds range of services providing both statutory functions and additional support to schools. The budget reduction will not impact on statutory functions and could be mitigated by schools increasingly buying in support through traded services, for example those relating to continuing professional development, from either the Council or other providers SEN transport - Bus passes help pupils to attend schools of choice and SEN transport assists children with special needs attend education.	Review & Redesign of service- Education contributes to a thriving economy and better chances of employment. <i>Traded Services</i> - If schools do not purchase from council traded services, staffing may need to reduce <i>SEN transport</i> - provides income to many local taxi and transport companies	SEN transport - children with special needs are at risk of social inclusion and transport to school assists inclusion. Safeguarding contribution - the Safeguarding Children's Board is a partnership board which holds partners accountable for safeguarding children and contributes to safe communities.
Children's Services Management								
Children's Services Management	Management team for Children's	3,946,438	-17,378	Non policy previous year savings: -£150k following efficiencies in Education Non policy savings: Reduction in management numbers -£200k Reduction in admin support -£90k Review and redesign of trading to schools -£90k Investment: Funding for 12 social worker posts +£512.6k	N/A	Children's leadership team are ensuring that children are safe, happy, healthy and have a bright future.	N/A	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live. Helps them to become socially included.
Disability Services								
Disability Services	Children with Disability Services	1,926,144	0		N/A	Supports families and disabled children to ensure their wellbeing and safety and protection which is fundamental to the service.	Ensuring children with disabilities and their carers are well supported will help families living and working in walsall	Ensuring children with disabilities and their carers are well supported will help families living and working in walsall

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Corporate Parenting								
Corporate Parenting	<ul style="list-style-type: none"> • Providing Adoption, Fostering and Residential Care for looked after children (LAC) • Contact between children and their parents and assessment of parents • Commissioning external foster care and residential care • Corporate Parenting Board • Support for LAC in Transition and Leaving Care 	286,589	0		N/A	Provides management of adoption, foster care and residential care for looked after children. High quality care helps prepare looked after children for work and for local foster carers and social workers potential opportunities.	A stable workforce prevents delays and gives consistency in the management of the childrens care.	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live. Helps them to become socially included.
Family Placements		3,739,143	0		N/A	Provides management of adoption, foster care and residential care for looked after children. High quality care helps prepare looked after children for work and for local foster carers and social workers potential opportunities.	A stable workforce prevents delays and gives consistency in the management of the childrens care.	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live. Helps them to become socially included.
Looked after Children		14,457,063	-848,873	Investment: +£101k contractual inflation for foster carers fee & allowance payments. Policy saving: -£100k on reducing taxi costs Non policy saving: Focused on reducing the cost of looked after children -£550k Taking on more complex cases across the internal residential provision -£300k	N/A	This funds placements of children and young people looked after by the council. High quality looked after children service prepares children for life.	The cost reduction plan will require increased use of local foster carers resulting in an increase in borough recruitment.	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live. Helps them to become socially included.
Transition and Leaving Care		1,234,135	0		N/A	Helps looked after children leave care at 18 and find accommodation, work and live safely and independently.	Helps looked after children leave care and find work.	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live. Helps them to become socially included.
Internal Residential		4,374,501	-237,000	Non policy savings: Removal of staff budgets -£134k Review of night provision in homes -£103k	N/A	Provides local residential care for looked after children.	High quality care can help prepare looked after children for work. Children's homes also provide local job opportunities.	Ensuring vulnerable children are safe and cared for and supported to learn and achieve will help make Walsall a better place to live. Helps them to become socially included.

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Prevention, Workforce & Partnerships								
Prevention, Workforce & Partnerships and Common Assessment Framework	<ul style="list-style-type: none"> • Early support for families Common Assessment Framework; (CAF) Team of practitioners supporting all universal agencies and based in the Area Family Support Teams. • Area Family Support Teams; multi agency locality based teams working intensively as part of a (whole family approach) to meet the national guidance for vulnerable and troubled families • Workforce Development; central team that supports the wider partnership workforce and training requirements including parenting and inclusive of social worker recruitment and retention • Children's Centres and Early Years ; statutory provision delivering a core purpose and function of family support, child development, school readiness, child care and family learning. • Parenting Support; evidenced based 0-19 programmes delivered by trained practitioners to parents from vulnerable families • Think Family Team 'edge of care prevention'; central team of skilled practitioners working intensively with vulnerable children on the edge of going into care 	7,988,232	-1,650,000	Non policy previous year savings: Improving integrated working in children's centres -£300k Policy savings: Reduction in children's centre funding -£930k. Non policy saving: Removal of teacher posts in children's centres -£320k Review of early years projects -£100k	N/A	Childrens centres provide early help and prevention to children and their families.	Provides childcare and family support to help families obtain employment and childrens centres also provide local employment.	Children's Centres help community cohesion by providing good social mix and by providing targeted support to those in greatest need.
Vulnerable Children								
Social Workers working with Vulnerable Children	<ul style="list-style-type: none"> • Vulnerable Children Social Work teams x6 • Social Work Initial Response Teams x3 	6,920,098	-297,000	Policy saving: Spurgeons contract for the Family Support Service to expire -£282k Non policy saving: Utilising grants to fund research in practice costs -£15k	N/A	The service provides family support for vulnerable children and their families. Early help services make an effective contribution to supporting vulnerable children and families to help prevent children being taken into care.	High quality care and support can help prepare children into work. Social work posts also provide local job opportunities.	Ensures children are safe and cared for and supported to learn and achieve.
Safeguarding Children								
Safeguarding Children	<ul style="list-style-type: none"> • Safeguarding Board 	2,440,491	-30,000	Policy saving: Reducing Walsall Safeguarding Children's Board contribution (WSCB) -£30k	N/A	The WSCB is a partnership board and supported through resources from across the partnership. It is responsible for holding the partners to account in discharging their safeguarding responsibilities and will need to focus its resources to achieve this.	N/A	N/A

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Young Peoples Support Services								
Integrated Young Peoples Support Services	<ul style="list-style-type: none"> • Information advice and guidance; Targeted support to young people (YP) at risk of/or not in education employment or training • Targeted youth support; Intensive 1-1 support to YP at risk or in need at level 2/3 • Youth justice service; management of court ordered arrangements for young offenders to manage risk and reduce harm to YP and the community • Positive activities; detached, mobile and centre based youth work to engage targeted communities of YP to reduce youth crime and anti social behaviour • Active involvement; support to voice of YP (customers) including LAC, UKYP, Walsall youth council etc • Education Business Partnership; delivering in schools, and supporting the schools/business partnership to increase skills and employability of YP • Teenage pregnancy; range of support to teenage mums and activities to reduce teenage pregnancy • Parent Partnership; supports parents to ensure additional educational support to YP with SEN 	6,211,788	-614,999	Non policy previous year savings: Service redesign -£90k Policy savings: Efficiencies within service -£450k Reduction in contracts with voluntary organisations and community associations -£75k	N/A	This service provides targeted support to vulnerable young people	This provides targeted support to help young people in to work.	This service provides targeted youth support and targeted youth work to some young people within local communities to prevent youth crime and youth related anti-social behaviour.
Total Children's Services		66,471,444	-3,108,250					

Community Engagement and Voluntary Sector Portfolio Cash Limit

Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
					IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Communities and Partnerships								
Area Partnerships	<ul style="list-style-type: none"> • Area partnerships • Community development 	901,685	-37,000	Non policy saving: Reduction in the capacity of the area partnership teams -£37k	The six area partnerships have a health specific focus (with each having their own multi-agency group) and directly contribute to the health and well being strategy. Each area partnership has a health delivery plan.	Area partnerships work with children's services including the integrated youth support service to support this priority. Specifically each area partnership has a children and young person's delivery plan.	Each area partnership is supporting a delivery plan for this theme.	Area partnerships have a focus on this priority whilst contributing to the other elements of the Walsall plan/ corporate plan.
Voluntary and Community Sector	<ul style="list-style-type: none"> • Neighbourhood & community centres • Providing grant aid to local voluntary groups • Voluntary sector liaison 	1,097,116	-10,382	Non policy saving: Removal of a vacant mobile play worker post -£10k	Support to the voluntary and community sector (VCS) enables community associations (CA's) and agencies such as the Citizen Advice Bureau (CAB) to provide much valued services to local communities e.g. support with matters such as tackling social isolation, or activities which help prevent ill health such as opportunities for exercise.	Support to the VCS enables CA's and agencies such as the CAB to provide much valued services to local communities e.g. diversionary activities at last for young people that may initially otherwise become involved in anti-social behaviour. The service also provides mobile play provision in the borough.	Support to the VCS enables CA's and agencies such as the CAB to provide much valued services to local communities e.g. support with matters such as welfare reform or training to get into work.	Support to the VCS enables CA's and agencies such as the CAB and Women's Voluntary Action (WVA) to provide much valued services to local communities e.g. support with being a victim of crime , support that helps build a sense of community or support to develop/sustain a local community group/third sector organisation.
Total Community Engagement		1,998,801	-47,382					

Leisure and Culture Portfolio Cash Limit

Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
					IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Walsall Adult & Community College								
Walsall Adult & Community College	<ul style="list-style-type: none"> Walsall Adult & Community College (WACC) National Vocational Qualification (NVQ) training fees (matched to Skills Funding Agency Funds). 	368,707	-50,589	<p>Non policy previous year saving: -£5k reduction in NVQ training.</p> <p>Non policy saving: Reduction in NVQ centre budgets -£46k</p>	WACC contributes through its commitment to maintain and develop its provision for older learners utilising its Skills Funding Agency Community Learning funding. WACC delivers an older people's framework of learning inclusive of programmes to reduce social isolation, opportunities to maintain heritage crafts, stroke reablement programmes and health and well-being programmes.	WACC contributes through its delivery of family learning programmes that reach families experiencing intergenerational worklessness and other barriers to learning and employment impacting on the health and economic well-being of children and young people. WACC works in partnership with local schools and Surestart children's centres as well as IYPSS and transitional leaving care to offer learning opportunities to young people in care.	WACC contributes through its commitment to increase focus on NEET Walsall residents who experience multiple barriers to learning and employment. WACC focuses on the delivery and development of pre-apprenticeship and apprenticeship opportunities enhancing real work opportunities. WACC continues to extend its reach into local employers with fewer than 1000 employees through relations with Walsall Regeneration, Walsall Works, the National Apprenticeship Agreement and Employer Pilot Scheme. WACC is continuing to develop a strong employer network to develop flexible, bespoke training solutions.	WACC contributes through its commitment to maximise the impact of community learning on the social and economic well-being of individuals, families and communities in Walsall. WACC has a strong Learning Partnership Network that operates across Walsall focusing on areas of high deprivation and economic need. WACC has a long track record in community engagement and making provision available in a wide range of venues and localities.
Leisure & Community Health								
Sport and Leisure Services comprising: * Sports Management * Sports Development * Venue Hire * Management Services	<ul style="list-style-type: none"> Oak Park & Bloxwich leisure centre Gala Baths & Darlaston swimming pool Sneyd Watersports Centre Walsall (Aldridge) Airport Environmental & Outdoor Education Centre Sports & Health Development Town Hall Management (Walsall & Darlaston) Development & box office Behavioural Improvement team 	3,178,116	-92,250	<p>Non policy savings: Restructure in sports and leisure -£72k</p> <p>Reducing the operational subsidy to the maintenance team who look after the boroughs leisure facilities -£20k</p>	The sports & leisure service offers a range of services including leisure centres, health & fitness, sports coaching and outdoor education. Access to these services offers the opportunity for "more people, more active, more often", so leading to better overall health and well-being in old age. Reducing operational subsidy to leisure facilities will help secure a sustainable provision of leisure centres.	The sports & leisure service offers a range of services including leisure centres, health & fitness, sports coaching and outdoor education. Access to these services offer the opportunity for "more people, more active, more often", so leading to better overall health and well-being from a young age. The provision of a service to school swimming pools will be retained.	The services do attract business (and spend) into the local economy. Additional maintenance works could be commissioned from local contractors.	The service creates an opportunity where all sectors and ages in a community (in particular children and young people) come together to mix, socialise, play and keep fit. Sport, leisure and recreation make a significant contribution towards diversionary activities. Leisure facilities will maintain a safe swimming environment in both leisure centres and schools. Swimming is a key life skill.
Bereavement Services	<ul style="list-style-type: none"> Streetly Crematorium 8 Cemeteries (Bentley, Bloxwich, James Bridge, North Walsall, Ryecroft, Streetly, Willenhall Lawn & Wood Street) Registration service (Births, deaths and marriages) Shared Black Country Coroner service (with Sandwell, Dudley and W'ton) Post mortem service through Walsall Manor Hospital 	-475,629	-200,000	<p>Policy saving: Increasing fees and charges -£165k</p> <p>Non policy saving: Reducing operational budget in relation to the service level agreement with the Manor Hospital -£35k</p>	The service manages Streetly crematoria and 8 other cemeteries. Its services are predominantly used by the elderly.	There is minimal contribution or impact for children and young people.	Work undertaken within the service and its cemeteries is predominantly sourced from local contractors.	Community involvement by various groups can be significant in terms of arranging and attending local burials; in particular by certain faith groups.

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Catering	School catering service for 64 schools <ul style="list-style-type: none"> Walsall town hall restaurant Catering in park pavilions (Willenhall and Palfrey) 	404,048	-521,000	Non policy previous years saving: -£162k from passing on greater proportion of costs to the schools Non policy saving: Full cost recovery from the cost of school meals service -£359k	Helps children and young people be able to sit and eat with others; having a potentially positive impact on their ability to do the same with their elders in a social environment.	Combines the health, educational attainment, social and dietary benefits that derive from having nutritional meals, thereby improving each child's life potential.	The schools' catering service employs some 250 staff, nearly exclusively all Walsall residents. Their earnings are therefore likely to be reinvested into the local economy.	Creates an opportunity where all children can come together at lunchtime to mix, socialise, and learn how sit, eat and be sociable. Helps them understand "rules" and their role in a cohesive society.
Libraries, Heritage & Arts								
Library Operations	<ul style="list-style-type: none"> Operating through a network of 16 branch libraries Mobile library services School's library support service Housebound library service 	5,625,984	-95,076	Non policy previous years saving: -£2k for staff efficiencies following the introduction of self service facilities and revenue from chip and pin transactions. Non policy saving: Reduction of library operational areas from 5 to 3 -£93k.	The service responds to the identified needs of older people and actively promotes health and well being.	The library service will work with children and young people and deliver targeted programmes of events and activities to promote and encourage reading, offer learning opportunities and support educational attainment.	The service supports people searching for jobs, writing CVs and seeking retraining opportunities and helps support research for local businesses.	The service is used by all sections of the community and offers a safe, neutral environment in which residents can learn to be responsible members of society.
Local History Centre	<ul style="list-style-type: none"> Local History Centre 	359,925	-7,399	Non policy previous years saving: -£7k on operational restructure				
New Art Gallery	<ul style="list-style-type: none"> New Art Gallery 	907,449	-25,950	Non policy savings: Deletion of vacant staff post -£11k Reduction in programming -£9k Improved income generation and efficiencies -£6k	Currently the New Art Gallery provides exhibitions, activities and events to attract older people to visit the Gallery. The challenging and exciting exhibitions stimulate thought and debate and the Garman Ryan Collection provides an opportunity to explore art through the family collections of Kathleen Garman and Sally Ryan. The Gallery works directly with some older individuals and groups to encourage them to take part, volunteer and get involved.	The New Art Gallery works extensively with schools, offering an education programme to encourage children and young people to explore creativity and to engage with the collections. It also works with students from higher education establishments, supports and mentors young artists and provides structured work experience opportunities, particularly for looked after children.	The New Art Gallery has a perceptible impact on the number of visitors to Walsall and thus on the local economy and gives Walsall a positive profile both nationally and internationally. An improved conferencing facility will provide a venue for local and regional businesses to use the New Art Gallery thereby attracting a wider clientele and increasing use.	In addition to its high quality temporary exhibitions programme (offering Walsall people the opportunity to see and experience art that is frequently only seen in London) the New Art Gallery engages directly with local people and communities and provides exhibitions and events which celebrate their diversity and create a wider understanding of the many different cultures in Walsall and the region.
Creative Development	<ul style="list-style-type: none"> Creative Development Team (CDT) 	237,051	-50,850	Non policy previous years saving: -£8k increase in income from wider commissioning from other services and agencies Non policy savings: Savings on current team accommodation -£13k restructure of team -£30k	40% of CDT development work supports health projects; e.g. cancer awareness, smoking cessation and teenage pregnancy. CDT have skills in social marketing and creative methods for public health campaigns with hard to reach communities.	20% of CDT work is with young people. Work with looked after young people and work in schools around the personal, social and health education curriculum.	CDT are promoting local creative businesses and supporting partnership funding bids, including developing 3 new social enterprises in 2013 which creates free lance work for local people. The team are committed to supporting Walsall Creative Network for one year.	CDT work supports local groups in all aspects of setting up local festivals and community events. The work has been commended for its effectiveness in generating social cohesion.
Forest Arts	<ul style="list-style-type: none"> Forest Arts centre Music service Festive decorations 	657,601	0					

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Museums	<ul style="list-style-type: none"> Walsall Museum Leather Museum 	412,364	-104,200	<p>Non policy previous years saving: -£4.5k operational remodelling of the museum services Policy saving: closure of Walsall Museum -£70k Non policy saving: Increase efficiencies and income generation at the Leather Museum -£30k</p>	The Leather Museum will remain providing opportunities for older people to explore the history and heritage of Walsall. Walsall Museums make a valuable contribution to the positive mental health of the older people in Walsall, providing a wealth of opportunities for people to engage and to participate. Museums offer opportunities for regular volunteering. Events and publications celebrate Walsall's achievements and create a sense of place and local identity.	The remaining Leather Museum will continue to offer an educational programme for children and young people and work closely with schools to provide both formal and informal leaning opportunities. Children will have the opportunity to explore the history of Walsall's leather trade and discover how this has affected the development of the town as it is now and will be in the future. Education is at the heart of the museum services, working closely with Walsall primary schools to deliver a unique range of hands on activities that offer children and young people a deeper understanding of Walsall's history, development and traditions. Museums also work with organisations such as Walsall College supporting courses and offering resources and work placements for college students and adult learners.	The Leather Museum collects and showcases collections from Walsall businesses both past and present. This offers an opportunity to see how Walsall has developed economically and creates pride in the achievements of Walsall businesses. It also provides a destination for visitors to the town. A recent study demonstrated that the economic impact of Black Country Local Authority Museums was over £7.7 million in 2010/11. (Source: Black Country Museums Partnership leaflet). Surveys have shown that approx 5% of Museum visitors are from overseas.	The Leather Museum offers access to the historical evidence of how communities in Walsall lived and developed.
Clean & Green Services								
Grounds maintenance	Grounds maintenance of parks, highways & public open space	2,389,362	-85,646	<p>Policy saving: Reducing maintenance in cemeteries -£50k, reduction in staffing levels within the depot - £36k,</p>	The budget funds the maintenance of cemetery sites, including grass cutting, general maintenance, litter picking and shrub bed/flower bed maintenance. Together with an on site presence, this creates a clean, well maintained environment for people, particularly elderly people, to visit deceased relatives and friends. Reduced maintenance and on site presence in cemeteries may make them less attractive			Reduced maintenance and on site presence in cemeteries may make the parks less attractive for people to visit and more complaints are likely.

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Green spaces	<ul style="list-style-type: none"> • Cemetery maintenance & burials • Management of greenspaces, including parks & open spaces • Allotments • Arboricultural & green spaces improvement 	2,430,269	-342,885	<p>Policy savings: Reduce playground maintenance -£49k Reduce grants to allotments -£20k Removal of subsidy for football, cricket pitches & bowling green £90k</p> <p>Non policy savings: Restructuring by further integrating Greenspaces into Clean & Green Services -£126k Increasing income from timber management -£10k, Reduction in staffing levels within the depot -£48k</p>	The budget provides strategic direction, improvement and use of green spaces together with maintenance of parks equipment to allow people to visit, exercise and generally improve their health and well being by using the facilities.	The budget provides strategic direction, improvement and use of green spaces together with maintenance of parks equipment to allow people, particularly young people, to visit, exercise and generally improve their health and well being by using the facilities.	N/A	The budget provides strategic direction, improvement and use of green spaces together with maintenance of parks equipment to allow people to visit, exercise and generally improve their health and well being by using the facilities.
Total Leisure and Culture		16,495,247	-1,575,845					

Public Health and Protection Portfolio Cash Limit

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Public Health								
Public Health & Protection	All council public health activity	75,617	0	The Council will receive a further £0.844m public health grant in 2014/15. It is anticipated that this will fund current activity on commissioning and delivery of parenting training, substance misuse, increasing participation in physical activity and improved wellbeing, and domestic abuse				
Regulatory Services								
Environmental Health and regulatory services management, including Trading Standards	<ul style="list-style-type: none"> • Environmental Health including food sampling, infectious disease control, environmental crime, noise nuisance, and animal health and licensing. • Pest Control • Dog Warden • Trading Standards • Licensing of premises • Licensing of Hackney Carriages & Private Hire 	2,981,420	-249,000	Non policy saving: Restructure of regulatory services, specifically general enforcement functions - £249k	The intention is to continue to provide health and hygiene services together with response to rogue trading that tends to target the elderly and vulnerable in their homes. A focus will be maintained on the health and safety aspects of the food supply chain.	We are to continue with the work carried out on combating the sale of age restricted products to minors including alcohol and tobacco. Complaints regarding the safety of consumer goods are investigated and appropriate action taken where necessary.	We provide advice and guidance to businesses and signpost them to other sources of information to help them to provide competitive and legal goods and services whilst also ensuring that the workforce is kept safe and accidents are minimised.	The primary function of Regulatory Services is to enforce those laws that have been enacted to create a safe environment for citizens in which to live and work including environmental crime, statutory nuisances, trading malpractices, health and hygiene in food premises, health and safety in the workplace, unauthorised encampments, doorstep crime and a lot more.
Communities and Partnerships								
Community safety and Preventing Violent Extremism	<ul style="list-style-type: none"> • Community Safety • Anti - social behaviour • Community cohesion 	830,059	77,185	Non policy saving: Redesign of the community safety service -£23k Service investment - restatement of ASB saving of £100k	Enabling people, including vulnerable groups such as the elderly, to live their lives within a safe environment.	Supporting children and young people (in partnership with Children's Services) to not commit anti social behaviour or crime.	Supporting local businesses to trade within a safe environment e.g. tackling the issues of street drinking and anti social behaviour	The service/budget fully contributes to this priority enabling the Borough's Community Safety priorities, with other agencies to be delivered. For example tackling Anti-Social Behaviour, the causes of crime e.g. drug and alcohol abuse, promotion of community cohesion whilst managing the potential for community tensions within the Prevent agenda.
Total Public Health & Protection		3,887,096	-171,815					

Regeneration & Transport Portfolio Cash Limit

Activity	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
					IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Property Services								
Building Services	<ul style="list-style-type: none"> Property management of all council operational buildings - revenue & capital Energy management and conservation Redundant buildings Building logbook process management Statues, memorials & clocks 	2,702,759	9,400	Investment: +£217k contractual inflation Non policy saving: Service redesign -£208k	Ensures services occupy sites and buildings safely and legally to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge. School patrol wardens ensure public safety at locations of assessed higher risk including for those most vulnerable. Proposals carry risks that schools are not willing to fund wardens and that some crossings are no longer provided at lower category locations.	Ensures services occupy sites and buildings safely and legally to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge. School patrol wardens ensure public safety at locations of assessed higher risk including for those most vulnerable. Proposals carry risks that schools are not willing to fund wardens and that some crossings are no longer provided at lower category locations.	Ensures services occupy sites and buildings safely and legally to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge.	Ensures services occupy sites and buildings safely and legally to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge. School patrol wardens ensure public safety at locations of assessed higher risk including for those most vulnerable. Proposals carry risks that schools are not willing to fund wardens and that some crossings are no longer provided at lower category locations.
Facilities Management	<ul style="list-style-type: none"> Management of central office accommodation and town halls Curatorial service Cleaning & caretaking School crossing patrols Plant maintenance 	1,441,941	-182,931	Investment: +£7k contractual inflation Policy Saving: New model for funding for category two school crossing patrol wardens -£85k Non policy saving: Service redesign and restructure -£105k	Supports services to occupy sites and buildings safely and legally to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge.	Supports services to occupy sites and buildings safely and legally to effectively serve our customers.	Supports services to occupy sites and buildings safely and legally to effectively serve our customers.	Supports services to occupy sites and buildings safely and legally to effectively serve our customers.
Asset Management	<ul style="list-style-type: none"> Strategic asset management (including disposals/acquisitions) Estates service & land terrier Management of the non-operational estate- unclassified land & premises, shops & commercial premises & farms Asset management database 	643,405	-92,000	Non policy saving: Service redesign and restructure -£92k	Ensures that the council has availability of sites and properties of the right type and at an appropriate cost in localities to effectively serve our customers.	Ensures that the council has availability of sites and properties of the right type and at an appropriate cost in localities to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge.	Ensures that the council has availability of sites and properties of the right type and at an appropriate cost in localities to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge.	Ensures that the council has availability of sites and properties of the right type and at an appropriate cost in localities to effectively serve our customers. Proposals carry some risk of implementation owing to both reduced capacity and loss of knowledge.
Design and Project Mgt	<ul style="list-style-type: none"> Building design Project management & procurement Contract & procurement Framework management 	-6,459	-32,000	Non policy saving: Service redesign and restructure -£32k	Ensures delivery of property related projects to agreed cost, time and quality in line with service delivery and business need. Reduction or removal of in-house design function puts reliance on supply chain to successfully deliver outcomes.	Ensures delivery of property related projects to agreed cost, time and quality in line with service delivery and business need. Reduction or removal of in-house design function puts reliance on supply chain to successfully deliver outcomes.	Ensures delivery of property related projects to agreed cost, time and quality in line with service delivery and business need. Reduction or removal of in-house design function puts reliance on supply chain to successfully deliver outcomes.	Ensures delivery of property related projects to agreed cost, time and quality in line with service delivery and business need. Reduction or removal of in-house design function puts reliance on supply chain to successfully deliver outcomes.
Smarter Workplaces		194,160	0		Supports the operation of the Council's major office buildings in support of all outcomes	Supports the operation of the Council's major office buildings in support of all outcomes	Supports the operation of the Council's major office buildings in support of all outcomes	Supports the operation of the Council's major office buildings in support of all outcomes

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
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Strategic Regeneration								
Strategic Transportation and Major Scheme Development and Contract Management	<ul style="list-style-type: none"> • Transportation strategy, policy & scheme development • Transportation capital programme management • Sub / regional joint working and partnership development • Darlaston strategic development area (DSDA) major project development & implementation 	302,617	0		N/A	N/A	Team are responsible for the design and submission of major transport projects, in support of economic development for submission ultimately to the Dept for Transport for support as well as implementation of currently approved schemes for delivery through the approved capital programme resources.	N/A
Economic Growth Programme	<ul style="list-style-type: none"> • Think Walsall / business support • Social enterprise development • Promoting inward investment • Employment & skills programme • Local enterprise partnership / Black Country working • Growth sector development • Economic intelligence • Service management • Town & district centre management 	401,394	0		N/A	N/A	The Economic Growth Programme supports the creation of new jobs and supports local people into sustainable employment through the delivery of: Invest Black Country, Supply Chain / Purchasing Development (Think Walsall), an Employment Sector targeted Growth Service, Employability & Skills Support, access to External Funding, all complemented by an Economic Intelligence Service.	N/A
Walsall Work Programme	<ul style="list-style-type: none"> • Walsall Works apprentices programme 	0	0		N/A	N/A	Walsall Works supports the development and delivery of a pre -apprenticeship programme that aims to support up to 250 beneficiaries to access the support they need to move into a full apprenticeship with up to an additional 450 entering sustainable employment as a full apprentice.	N/A
Planning Services								
Building Control	<ul style="list-style-type: none"> • Investigating & enforcing / prosecuting against breaches in planning control • Building regulation applications • Planning applications • Advising & dealing with dangerous structures 	211,110	0		N/A	N/A	The team supports developers and investors to achieve their desired end result, a safe and secure building that is compliant with the approvals granted, by providing on-going support, guidance and inspections to ensure regulatory compliance.	Ensure the citizens of Walsall and visitors have a safe, healthy and sustainable built environment in which they live, work and enjoy leisure time through the legislation of the Building Act and Building Regulations

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Development Management	<ul style="list-style-type: none"> • Planning advice to applicants, agents and developers • Processing planning applications • Defending planning appeals • Planning enforcement activity 	295,495	-35,181	Non policy savings: Following recent restructure in development management -£35k	N/A	N/A	The Planning service proactively guides applicants through the planning process, it aims to move them towards achieving approval within set timeframes (e.g. 13 weeks for major schemes). In achieving success, this supports the creation of appropriate housing and commercial developments, supporting the expansion of existing employers and encouraging new businesses to invest in Walsall, increasing the number of new jobs available for local people.	The service ensures that all approved planning permissions pay regard to and support the development of environments which are safe, support the development of inclusive communities and provide sustainable environments within which both our residential and business communities can be sustained. This is achieved whilst enhancing and safeguarding the natural and built environment in the public interest through the determination of planning applications, defending appeals and enforcing against breaches in planning control
Land Charges and Central Administration	<ul style="list-style-type: none"> • Maintaining local land charges register • Undertake land & property searches • Maintain a local land & property gazetteer (LLPG) • IT development & support 	436,496	-55,618	Non policy savings: Restructure of directorial support -£47k Offering up of additional budget no longer required -£9k	N/A	N/A	The land charges team provide businesses and prospective investors to make informed decisions in relation to the purchase of land and property. Maintains and makes available the authorities statutory land charge register to the public and responds to enquiries from: businesses, developers, professional bodies and citizens in relation to proposals by the authority which have not yet implemented, together with the discharge of planning conditions and the administration / consultation associated with the issuing of hot food and liquor licences.	N/A

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Planning Policy	<ul style="list-style-type: none"> Producing, reviewing & monitoring planning policy 	455,809	0		N/A	N/A	The planning policy team was jointly responsible for the production and approval being secured for the BC Joint Core Strategy (JCS). They are now responsible for developing the next steps arising from this, its implementation by: preparing, explaining and monitoring the development plan/s and the site allocation document (SAD) together with any area action plans (AAP's), which identifies areas and sites for business growth and development across the Walsall borough.	The work of this team in the production of an approved BC Joint Core Strategy and the subsequent plans (SAD / AAP etc.) that fall from it, will provide an effective framework that will guide the development of Safe and Sustainable Communities, both in Walsall and across the Black Country.
Development & Delivery								
Development and Delivery	<ul style="list-style-type: none"> Promoting and facilitating Development in the borough Major employment project delivery (including key Town Centre sites) Employment land assembly and preparation (including enterprise zones) Town and district centre management Strategic business engagement Securing external funding Landscape design Natural and built environment 	1,238,720	-88,076	Non policy savings: Deletion of vacant regen officer post in Project Delivery - £34k Deletion of vacant regeneration offer post in SRF - £34k Increase development and delivery income target - £20k .	N/A	N/A	Team directly supports the delivery of the BC Enterprise Zone, development and delivery of key employment sites supporting City Deal and the Strategic Economic Plan and Town Centre developments with the aim of creating new jobs for the benefit of local people. The team also work with existing business to help them sustain their businesses and where possible assist with their future growth proposals. The service also provides a Town and District Centres Management Team which helps supports existing businesses and those who are looking for new retail premises.	The team supports development proposals which will ultimately provide new jobs which will mean that communities will be more able to sustain themselves and be less reliant on benefits. The team also supports the development of vacant sites with the aim of bringing them into sustainable productive use.
Markets	<ul style="list-style-type: none"> Delivery of Walsall markets service 	-200,690	-38,908	Investment: +£7k contractual inflation Non policy previous years savings: -£1k impact of staffing efficiencies Non policy savings: Reduction in budget for agency / call out staff - £30k Other operational efficiencies - £15k	N/A	N/A	The service manages markets in Walsall, Bloxwich and Willenhall which enable market traders to operate their businesses and provide jobs for their employees.	The markets service ensure that the markets are operated safely in order to protect traders and shoppers.

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Activity	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Housing Services - Links to "My Money, My Home, My Job" within Resources portfolio								
Housing Strategy Partnerships	<ul style="list-style-type: none"> • Work with housing providers, developers & funders to maximise investment, increase the supply of new homes • Develop strategies & policies to improve housing choice & to ensure access to accommodation in the social & private sector 	234,186	-27,149	Non policy saving: Improved operational efficiency -£27k	<p>We have been re-designing service delivery in this crucial public service area. We have focused on the typical and predictable demands from our residents for assistance under the umbrella of 'Help me with my money, my home, my job'. This addresses the high volume demands for help under the 'traditional' service areas of Benefits, Revenues, Housing and Customer Service. We provide a council tax service to all 118,000 households in the Borough and a more targeted service to around 35,000 people who typically need assistance because they do not have enough resources of their own for themselves and their families.</p> <p>These four areas are being integrated into one seamless operation which provides our residents with a vastly improved service. This is achieved through empowering our staff to do their work in a very different way. Once staff empowerment has brought about a totally different service, we find that substantial resources become available through taking out the waste that was causing a less than optimum service and this enables us to make significant financial savings too.</p> <p>The integrated Money, Home, Job service is therefore a significant service improvement in an area where the council has faced, and continues to face, heavy increases in demand as a result of the recession and subsequent welfare reforms at a national level that have hit many Walsall residents hard. The new mindset has allowed us to approach the challenges of welfare reform by the government much more effectively than we would have done. So our support for those affected by the 'bedroom tax' has been comprehensive and joined-up and our approach to taking over responsibility for what was the 'social fund' from the DWP by creating the Walsall Crisis Support Scheme has enabled us to help a lot of residents who have nowhere else to turn in very difficult circumstances.</p>			
Housing Standards & Improvement	<ul style="list-style-type: none"> • Work with landlords, tenants & home owners to ensure housing is safe & healthy to live in • Advice & assistance to private residents and residents • Manage the council's gypsy and traveller site • Work with home owners to bring back empty homes into use 	467,974	-18,525	Non policy saving: Improved operational efficiency -£18k				
Supported Housing	<ul style="list-style-type: none"> • Work with housing providers, CAB & others to prevent and tackle homelessness • Advice, assistance & services to residents in housing difficulty on their housing options • Manage a range of temporary and supported housing schemes • Provide access to a range of accommodation & support services for vulnerable households including rough sleepers, homeless households, gypsies, travellers & refugees 	331,848	-45,123	Policy saving: Improved operational efficiency through changes in arrangements for security at homeless accommodation -£32k Non policy saving: Improved operational efficiency -£13k				
Housing management	<ul style="list-style-type: none"> • Management of the service 	343,574	0					

HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?								
Activity	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Regeneration Management	<ul style="list-style-type: none"> Management of the service Directorate training programme Black Country Consortium 	626,362	-138,468	Non policy savings: Service redesign & restructure inc removal of assistant director post- £117k Review of partnership subscription levels -£16k Reduction of training budgets -£6k	Provides leadership to the directorate making appropriate links across the organisation and partners to support this outcome.	Provides leadership to the directorate making appropriate links across the organisation and partners to support this outcome.	A core role for the directorate, as such the management of the directorate co-ordinates and ensures Walsall Council is best able to support economic outcomes for people and businesses in the borough.	Provides leadership to the directorate making appropriate links across the organisation and partners to support this outcome.
Engineering & Transportation								
Highways Maintenance	<ul style="list-style-type: none"> Highway maintenance and Roadwork's Management 	3,886,810	-97,640	Investment: +£116k contractual inflation Non policy savings: Review of highways maintenance operations on road lining budget -£5k Efficiency savings within the current LaFarge Tarmac contract -£50k Changes in contract reactive maintenance rates -£100k Full review and restructure of the engineering & transportation service, building on the recent senior management review -£59k	The highways maintenance service is essential to ensure quality of life, safety and economic vitality for all areas of the community and will continue.	N/A	The highways maintenance service is essential to ensure quality of life, safety and economic vitality for all areas of the community and will continue.	The highways maintenance service is essential to ensure quality of life, safety and economic vitality for all areas of the community and will continue.
Public Lighting	<ul style="list-style-type: none"> Street lighting PFI 	5,400,068	-8,500	Investment: +£11.5k contractual inflation Non policy previous years savings: -£20k efficiencies from energy savings and use of new technology	Public lighting reduces the perception of crime and increases the confidence of vulnerable people.	Public lighting reduces the perception of crime and increases the confidence of vulnerable people.	Public lighting reduces the perception of increased prosperity and encourages businesses to the area.	Public lighting reduces the perception of crime and makes people feel safe.
Structure & Geotechnics	<ul style="list-style-type: none"> Limestone works Coal shafts General structure works Bridge Maintenance 	213,091	-56,534	Investment: +£1.4k contractual inflation Non policy saving: Full review and restructure of the engineering & transportation service, building on the recent senior management review -£58k	N/A	N/A	Assists with the economic development of the area by ensuring ground conditions are suitable for development.	N/A
Transportation Fwd Planning	<ul style="list-style-type: none"> Road safety, engineering and education Highway development control and Rights of Way 	508,462	-255,000	Non policy previous years saving: -£250k from the reprioritisation of highways maintenance works programme and ceasing lowest priority schemes -£5k from review of service including use of consultants	Delivery of road safety and accessibility programmes.	Delivery of road safety and accessibility programmes.	N/A	Delivery of programmes targeted at those least safe or mobile.

HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?								
Activity	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Pollution Control	• Pollution Control	553,447	-66,000	Non policy previous years savings: -£51k increased prioritisation and general efficiencies Non policy savings: reduction in pollution control resources -£15k	The service addresses and deals with all aspects of flood risk management, pollution control and permitted commercial processes. The elderly are far more vulnerable than the general public to the adverse implications of these areas should they fail to be managed and regulated appropriately.	The service addresses and deals with all aspects of flood risk management, pollution control and permitted commercial processes. Children and young people are far more vulnerable than the general public to the adverse implications of these areas should they fail to be managed and regulated appropriately.	The service ensures that the risk to local businesses from unexpected flood events is minimised through the application of appropriate flood risk management actions. Businesses can then operate effectively and in an approved manner that does not present any risks from their processes to the general public. In doing so, the service ensures local businesses comply with their statutory duties enabling them to continue to provide local employment opportunities that would be at risk should there be a need for enforcement action to be taken.	The service manages and ensures that businesses are able to operate effectively and in an approved manner to ensure compliance with statutory requirements.
Major Projects & Minor Improvements	• Major Projects & Minor Improvements	-7,611	0		Design and supervise the construction of highway features specifically to assist older people.	Design and supervise the construction of highway features specifically to assist children and young people.	Design and supervise improvement schemes to enhance the accessibility of Walsall to encourage businesses to the area.	Design and supervise improvement schemes to enhance the safety of the highways network.
Engineering & transportation management	• Management.	4,575,022	0		The service assists and contributes to the health of all ages with the sustainable travel strategy, air quality, management of commercial processes other pollution activity and particularly related to management of emergency events.	The service assists in education aspects including road safety, workplace experience for potential employment opportunities and with Children's services prepare the statutory Sustainable Modes of Travel strategy.	The government formally recognises the importance of the highway and management and operation of the road traffic network to ensure the benefit to the public and the economy through contributing and facilitating regeneration to create local and regional jobs. The service will continue to support the local economy to this end.	A key objective of the service is to ensure the public highway is made available for use in a safe and sustainable way by all sections of the community. Significant contributions are made to road safety, highway condition through the delivery of new schemes, application of appropriate traffic management arrangements, management and co-ordination of all works on the highway to limit its deterioration, provision of public lighting and dealing with pollution matters whether it be air, noise or contaminants. This service will continue.

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
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Traffic Mgt	<ul style="list-style-type: none"> • Parking • Traffic Control 	1,653,116	140,000	Investment: +£250k for service pressure, reduction in car parking income Non policy saving: Review of security at car parks -£52k, Full review and restructure of the engineering & transportation service, building on the recent senior management review -£58k	The service operates a range of town centre car parks that are patrolled on a regular basis to aid and promote perception of safety. The proposal will still meet the needs of our customers and support their wellbeing.	N/A	The service ensures that car parking provision is sufficient to meet the demand of businesses and visitors to the town centre with particular emphasis on the provision of affordable parking that helps local people stay in work.	The service provides and manages car parks that facilitate safe access to local services by all sections of the community.
Emergency Planning	<ul style="list-style-type: none"> • Emergency Planning 	253,072	0		Planning for emergencies or significant events is essential to assist all services during such an event with particular emphasis on social care.	Planning for emergencies or significant events is essential to assist all services during such an event with particular emphasis on education and children.	Planning for emergencies or significant events together with implementation of necessary business continuity plans is essential to assist all local and national businesses who may be affected.	Planning for emergencies or significant events is essential to ensure all of the community is safeguarded and risks are minimised leading to a safer community.
Total Regeneration & Transport		27,156,178	-1,088,253					

Environment Portfolio Cash Limit

Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
					IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Strategy	<ul style="list-style-type: none"> • Waste disposal • Depot and support costs • Fleet strategic 	11,449,546	-711,234	<p>Non policy previous year savings: -£600k implementation of W2R waste disposal contract, -£185k reduced usage of fuel through reduced fleet</p> <p>Non policy savings: Reduced gate fee for disposal charges -£300k, Reduction in staffing levels within the depot -£127k, Improving working practices and efficiencies within the workshop / MOT bay -£36k, Increased income via MOT bay & improving working practices and efficiencies within the workshop / MOT bay -£5k, Restructuring -£81k Investment: contractual inflation +£558.5k, Management of road risk +£64k</p>				Reducing fleet and vehicle movements has a positive impact on fuel emissions and climate change etc
Operational	<ul style="list-style-type: none"> • Waste collection • Street cleansing • Public conveniences • Fleet services (excl fuel) 	6,197,215	-301,704	<p>Investment: Contractual inflation +£16.6k Non policy savings: Review trade waste collection service -£30k, Reduction in staffing levels within the depot -£30k, Change of working arrangements for cleansing service -£180k Efficiencies from maximising use of plant & equipment in street cleansing -£50k Improving working practices and efficiencies within the workshop / MOT bay -£28k</p>			Trade waste service will still be facilitated for any business premises within the borough.	A borough wide waste collection and cleansing service will be maintained.
Neighbourhood Services Mgt	<ul style="list-style-type: none"> • Management 	49,873	0					
Total Environment		17,696,634	-1,012,938					

Resources Portfolio Cash Limit

					HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Core services								
My Money, My Home, My Job	<p>The establishment of the integrated 'Money, Home, Job' service is the most advanced significant outcome from the application of the Vanguard Method approach. This service integrates four services which were previously in three different directorates – Benefits, Revenues, Housing and Customer Service. The benefits of this approach relate to empowering staff; improving services; and making substantial financial savings - which are the three objectives of the Working Smarter Programme. Services covered by My Money, My Home, My Job are;</p> <ul style="list-style-type: none"> • Council tax - billing, collection, recovery and enforcement • Non domestic rates (business rates) - billing, collection, recovery and enforcement • Banking hall – corporate income collection service, including cheque processing, car parking money, external payment facilitator (WHG, south staffs water), social care payments, petty cash, internal payment facilitator (most council service transacted). • Welfare rights unit – income maximisation, debt advice, benefits based charging scheme (previously the fairer charging scheme) • Advice, customer application support, assessment, revision, payment, recovery of overpayments, customer queries, complaints and appeals of the following benefits:- <ul style="list-style-type: none"> - Housing benefit - Council tax benefit - Discretionary housing payments - Free school meals • The prevention, detection and investigation of benefit fraud and error, including the application of sanctions. • Training and advisory sessions delivered to partner organisations. • The administration of the housing benefit subsidy and grant claims and returns. <p>The Housing service is shown within the Regeneration & Transport Portfolio.</p>	6,491,865	-315,535	<p>Investment: +£20k to cover shortfall in court fees +£40k additional staff costs +£35k pressures within blue badge scheme +£163k part contribution towards fall out of housing benefit admin grant +£137k discretionary housing payments Non policy saving: Customer focused redesign, reducing roles that are no longer needed -£677k Policy Saving: Increasing income from the blue badge scheme -£33k</p>	<p>We have been re-designing service delivery in this crucial public service area. We have focused on the typical and predictable demands from our residents for assistance under the umbrella of 'Help me with my money, my home, my job'. This addresses the high volume demands for help under the 'traditional' service areas of Benefits, Revenues, Housing and Customer Service. We provide a council tax service to all 118,000 households in the Borough and a more targeted service to around 35,000 people who typically need assistance because they do not have enough resources of their own for themselves and their families.</p> <p>These four areas are being integrated into one seamless operation which provides our residents with a vastly improved service. This is achieved through empowering our staff to do their work in a very different way. Once staff empowerment has brought about a totally different service, we find that substantial resources become available through taking out the waste that was causing a less than optimum service and this enables us to make significant financial savings too.</p> <p>The integrated Money, Home, Job service is therefore a significant service improvement in an area where the council has faced, and continues to face, heavy increases in demand as a result of the recession and subsequent welfare reforms at a national level that have hit many Walsall residents hard. The new mindset has allowed us to approach the challenges of welfare reform by the government much more effectively than we would have done. So our support for those affected by the 'bedroom tax' has been comprehensive and joined-up and our approach to taking over responsibility for what was the 'social fund' from the DWP by creating the Walsall Crisis Support Scheme has enabled us to help a lot of residents who have nowhere else to turn in very difficult circumstances.</p>			

Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Electoral Services	• Elections and electoral administration	665,693	0					
Non-core services								
Finance - Accountancy	• Accountancy, financial reporting, financial management, financial systems, financial strategy and planning, budget setting, financial support and advice to directorates • Treasury Management including cash management and banking	4,186,858	-153,669	Non policy savings: Admin efficiencies and increased income from schools -£70k Improved operational efficiencies (removing vacant post) -£43k Improved operational efficiency through deletion of one post -£31k General staffing efficiencies -£10k	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.			
Finance - Council Wide/Corporate	• External audit fees • CMT • Council wide - added sums, corporate expenses All of the above are required to be accounted for centrally and the majority are non-controllable.	6,134,246	-44,856	Investment: £149k to cover reduction of income in relation to " Right To Buys" Non policy savings: General efficiencies -£27k Reduction in external audit fees -£133k Improved operational efficiency through deletion of vacant admin support post -£31k General staffing efficiencies -£2k				
Financial Administration	• Financial administration – Accounts payable and receivable, debt management and recovery	2,049,538	-76,768	Non policy saving : Through improved operational efficiency deleting 2 posts -£52k Reduce training budgets -£20k General staffing efficiencies -£5k				
Risk and Insurance	• Risk and Insurance - claims handling, insurance fund management, risk management	136,660	-21,717	Non policy saving: Deletion of vacant post -£21k General staffing efficiencies -£1k				
Legal	• Legal Services providing legal advice and dealing with litigation	2,093,417	-6,062	Non policy saving: General staffing efficiencies -£6k				
Democratic and Mayoral	• Members allowances • Group expenses • Members allowances / expenses • Mayoral services / transport / secretary • Constitutional advice • Administration of the council's formal decision-making processes	2,271,527	-2,355	Non policy saving: General staffing efficiencies -£2k				

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Human Resources	<ul style="list-style-type: none"> • HR Direct, Intranet/HR portal • Payroll and pensions/transactional services • HR Specialist Services. The teams within this service are business partner (directorate support), wellbeing and equality and learning and development 	4,383,784	-319,205	Investment: +£77k to offset service pressures Non policy savings: Improved efficiency savings through deletion of posts in the sickness absence reporting centre -£70k Deletion of posts in specialised human resources teams -£143k Reduction of funding of recognised trade union activities -£100k Efficiencies from advertising council job vacancies primarily online rather than in hard copy -£25k General staffing efficiencies -£13k Policy Saving: Reduce participation in the recruitability scheme -£45k	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.			
Internal Audit	<ul style="list-style-type: none"> • An assurance service that provides an independent and objective opinion to the organisation on the control environment • Advisory and related client services which are carried out to improve services and to add value, including the impact of proposed policy initiatives, programmes and projects as well as emerging risks • Prevention, detection and investigation of fraud and corruption; and other irregularities 	671,918	-1,771	Non policy saving: General staffing efficiencies -£2k				
Programme Delivery and Governance								
Programme Delivery and Governance (Inc Business Solutions)	<ul style="list-style-type: none"> • Business Information and Intelligence, Business Analysis, service re-design • Systems Thinking training • Programme and Project Management • Governance Reviews - (of strategic programmes or projects) • Freedom of Information Act/Data Protection Act - (co-ordination and management of all enquiries) • Customer Complaints - statutory - (Social Care and Children's) and non-statutory • Ombudsman - (co-ordination and management of issues and relationship with Ombudsman) • Policy co-ordination - (maintenance of strategies and policy database, production and distribution of monthly policy round-up and legislation tracker, ad hoc support to policy development) • Strategic Planning (production of Corporate Plan and contribution to other strategic documents) 	1,819,093	-160,098	Full year effect of previous years savings: Review of staffing -£99k Non policy saving : Downsizing of the service -£56k. General staffing efficiencies -£5k	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.			
Shared Services and Procurement								

Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
ICT	ICT Services and Support	5,832,518	-195,898	Investment: Contractual inflation £9k Non policy savings: General efficiencies specifically on new telephone system & cancellation of subscription to DWP transactions engine -£40k Deletion of post -£41k Downsizing Infrastructure team -£24k Customer focused redesign of support teams -£90k General staffing efficiencies -£10k	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.			
Post Room	Post room	451,339	-20,038	Non policy saving: Through deletion of 1 post -£19k General staffing efficiencies -£1k				
Print & Design		227,017	-151,420	Policy Saving: Ceasing of in-house service -£150k General staffing efficiencies -£1k				
Procurement	Procurement	-807,602	74,672	Investment: Review of agency arrangements +£265k Non policy saving: From customer focused redesign -£188k General staffing efficiencies -£2k				
Communications	<ul style="list-style-type: none"> • PR and media management • Reputation management • Communications strategy, planning and campaign delivery • Media monitoring and evaluation and Reporting • Internal communications • Social media • Digital and websites (including: council websites and internet) • Marketing (including income generation and the promotion of venues e.g. New Art Gallery, through to the promotion of services e.g. fostering and adoption) • Marketing (publications and promotional materials, sponsorship and advertising) 	579,737	-192,061	Non policy saving: From downsizing of the service -£190k General staffing efficiencies -£2k	Support services are being redesigned in order to improve their value to those providing public services through better integration, capability and staff empowerment. This will enable spending to be reduced over time to the minimum in order to enable the council to invest as much as possible in maintaining and improving, or at least protecting critical public services.			
Total Resources		37,187,608	-1,586,781					

Social Care and Health Portfolio Cash Limit

Service	Activity covered by this Area (per portfolio plan)	Cash Limit 2014/15 £	Cash limit Change £	Change Proposals	HOW DOES THE OVERALL BUDGET MEET STRATEGIC PRIORITIES ?			
					IMPROVING HEALTH INCLUDING WELLBEING AND INDEPENDENCE FOR OLDER PEOPLE	IMPROVING SAFEGUARDING, LEARNING AND LIFE CHANCES FOR CHILDREN AND YOUNG PEOPLE	SUPPORTING BUSINESSES TO THRIVE AND SUPPORTING LOCAL PEOPLE INTO WORK	CREATING SAFE, SUSTAINABLE AND INCLUSIVE COMMUNITIES
Access, Assessment & Care Management	<ul style="list-style-type: none"> Assessment and review 	31,674,854	-800,000	Non policy saving: Reduction in staffing in Access, Assessment and Care Management Services -£800k	The reduction in number of social workers could result in waiting times for assessment, which could have a negative impact on the health and well being of older people. Loss of independence could occur prematurely without timely access to support.			
Strategic Development	<ul style="list-style-type: none"> Response, information, advice and signposting Resource allocation and support planning Whole sector workforce planning and development Preventative services, community alarms, tele-care, tele-healthcare 	5,350,493	-481,797	Investment: +£18k contractual inflation Non policy savings: The phasing out of the apprenticeships scheme -£250k Reduction in staffing for those working on developments for adult social care £250k	Adult social care will continue to meet programme priorities.			
Provider	<ul style="list-style-type: none"> Enablement and re-ablement Direct service provision, re-ablement, response, day and respite care, adult placements 	5,812,669	-138,076	Non policy savings: Reduction in staffing from provider services including development posts £139k	Council will support Telecare development to enable and support people to use assisted technology using a different approach which mainstreams activity. Council will use other means to ensure quality of service across residential and domiciliary care services. Work on the autism strategy will continue within service areas and be co-ordinated by a lead commissioner.			
Management Support & Other	<ul style="list-style-type: none"> Strategic management of the directorate Quality Assurance Team 	285,302	336,344	Investment: +£891k contractual inflation Non policy savings: Review of base budget -£250k Review of quality team -£304k	Adult social care will continue to meet programme priorities			
Safeguarding	<ul style="list-style-type: none"> Safeguarding of vulnerable adults 	555,705	0					

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Commissioning	<ul style="list-style-type: none"> Commissioning of services including residential, nursing, day care, home care, extra care (incl. Housing 21), supporting people and the learning disability and integrated community equipment pooled budgets Housing related support for vulnerable groups Shaping and development of adult social care market 	16,682,638	-4,063,385	<p>Investment: +£265k contractual inflation on numerous contracts, +£149k increase in expenditure funded by grant Non policy previous years saving: £129k full year effect of previous years savings to be funded from in year action plan Policy savings: Re-negotiation of Housing 21 contract -£480k Reduced use of domiciliary care (through re-ablement and call monitoring) -£1m Review preventative low priority services -£300k Review of care costs in extra care housing -£750k Reduction in use of residential care for short term placements -£500k, The use of new Department of Health monies to fund existing services that will enable us to sustain our joint working with health -£1.193m Non policy saving: Reduction in staffing at the JCU -£125k</p>	<p><i>Housing 21</i> - service delivered should not be effected as people will have alternative care provided elsewhere so priorities should continue to be met. <i>Joint Commissioning Unit (JCU)</i> - There will be less capacity in the JCU, at this stage it is difficult to assess impact on priorities. <i>Preventative services</i> - People may require more support from community groups to enable them maintain their health, well being and independence as they may not meet the criteria for formal care services. <i>Extra Care Housing</i> - Extra care support will be targeted on those with the highest level of need. <i>Short term placements</i> - Fewer people will be supported in residential care. More use of re-ablement.</p>			
Mental Health	<ul style="list-style-type: none"> Dudley and Walsall mental health trust Broadway North Mental health assessments and placements Drugs and alcohol teams 	6,568,169	-350,000	<p>Non policy savings: Reduction in staffing -£250k Policy Saving: Closure of residential unit at Broadway North -£100k</p>	<p>A number of social care management posts, user empowerment and welfare rights posts will cease. This will directly impact on Walsall staffing within the partnership as there will be less visible social care managers. Expertise around welfare benefits for mental health users will be lost. The partnership between Dudley & Walsall Mental Health Partnership (DWMHP) will be strained as less staff are available to deliver social care interventions at a time of increasing demands for service and assessments. There might be a dilution in the quality and number of social care interventions and practice might suffer. Management support will be provided by other means and there is now a senior management structure in place. Changes in service at Broadway North may increase anxiety levels for some people until they get used to the new arrangements.</p>			
Total Social Care and Health		66,929,830	-5,496,914					

Draft Capital Programme 2014/15 to 2016/17 - Council funded schemes

Prior Year Approved Projects

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
LEISURE & CULTURE PORTFOLIO					
Neighbourhood Services	Walsall Arboretum - Illuminated Park	To supplement the improvements as part of the restoration programme, and to continue the long tradition of illumination within the park, additional capital funding is requested to deliver an 'Illuminated Park'. Hosting an Illuminated Park would broaden the offer of the park and contribute to audience development objectives, in particular raising awareness of the site, enhancing the users site experience and developing a programme of imaginative, interesting and fun events. Core principles would include illumination of key features such as buildings and plantings, main entrances being lit and maintaining the tradition of 'Illuminations' in Walsall, in line with the visitor centre framework contract.	£108,000	£0	£0
Neighbourhood Services	Willenhall Memorial Park	Landscape improvements to Willenhall memorial park, to include the building of a regional skate park, and improved pedestrian and vehicular access around the park with repairs to existing pathways and boardwalks.	£60,000	£0	£0
Neighbourhood Services	Bentley Library & Family Contact Centre	The construction of a new library in Bentley with a Family Contact Centre, approved in 2012/13, on the basis that the project would be fully funded from a mixture of receipts, covenant releases and approved council funding for that year. The provision of a family contact centre for looked after children assists the Local Authority in meeting the statutory requirement of section 34 of the Children's Act to provide for reasonable contact between children in care and their parents / guardians.	£0	£2,697,500	£150,000
Total Leisure & Culture			£168,000	£2,697,500	£150,000
REGENERATION & TRANSPORT PORTFOLIO					
Regeneration	Primark / Co-op Development	Cabinet resolved at its meeting on 24 April 2013 to undertake the role of developer by building the retail floor space for tenants Primark and Coop. Council approved the scheme on 7 July.	£5,527,113	£0	£0
Total Regeneration & Transport			£5,527,113	£0	£0
Total Prior Year approvals			£5,695,113	£2,697,500	£150,000

New Capital Bids

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
RESOURCES PORTFOLIO					
Resources	ICT Essential Maintenance - Virtual Server infrastructure	To improve the capacity of infrastructure services (virtual servers) that underpin the majority of ICT systems used within the council. The current server virtualisation estate is over committed and struggling to accommodate growth, and this upgrade will allow it to accommodate an increase in the use of systems.	£74,000	£0	£0
Resources	Increase Council Internet Security	To buy additional pieces of hardware to support the increase in the number of users accessing the internet for council business. Part of the Council's internet access services (proxy services) provide staff with secure, monitored and filtered access. This would include upgrade to Active directory 2008/12, additional virus scanning compatibility and Kerberos authentication for staff, giving increased logging and monitoring facilities.	£14,500	£0	£0

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
Resources	ICT Essential Software License changes	The Council needs to change the software licensing arrangements for certain ICT systems in order to remain within the law and allow for forecast capacity growth. This is primarily driven by having to keep software at certain levels to be compliant with the Governments Code of Connection. Software licensing legislation is complex and it can sometimes inadvertently be misused which can expose the council to potential fines. ICT intend to implement the upgraded systems over the third quarter of 2014 with project completion by the end of the first quarter 2015.	£46,000	£0	£0
Resources	Improvements to ICT security (Protection of Council Information)	To improve the hardware / capacity of the services that secure our email and documents we share publicly. This will allow the council to increase capacity to securely accommodate the increase in the number of partners and officers accessing information off site. By improving the councils ICT security barriers (known as DMZ services), this will allow secure access to internal ICT and external systems from the internet. The new hardware required will allow for the increased number of servers required for expanding the services provided over the web. The new servers would be built with failover and redundancy to suit the council requirement for data centre disaster recovery.	£18,000	£0	£0
Resources	ICT requirements to cater for blending transitioned services into WMBC ICT	Staff now working in Children's Services do not have the standard IT equipment they need to carry out their day to day work. During 2012/13 a number of services and functions transitioned to the Council from external organisations. To achieve the timescales involved in this, interim and temporary solutions were put in place for the final part of the Serco transition. To remove these temporary and interim solutions and to resume a full business as usual function for additional users there needs to be considerable investment in the supporting ICT infrastructure. ICT provision for 250 staff transferred has yet to be resolved.	£445,680	£0	£0
Resources	Social IT Systems Review & Enhancement	Case recording and reporting issues were highlighted in the Ofsted inspection conducted in June 2012. The council has been systematically undertaking a review of both the processes and systems in use in Social Care (specifically Children's), in order to help enable the organisation to customise deliverable outcomes that are client centred. This is supported and driven by key IT systems that are implemented to ensure that staff provide the best possible services and to drive efficiency across the organisation. The current system in use in Adults and Children's is provided by Civica, the name of the software solution is Paris and this was procured 9 years ago. Since the procurement of Paris it has not had any further supplier developments or updates in that time. Options are needed to find a solution that is fit for purpose, part of that solution will be the right system that fits with the business need and differing customer demand. Soft market testing has recently been finalised.	£550,000	£550,000	£0
Resources	Replenish Smarter Workplaces capital pot	Upgrading the Human resources (HR) IT system which manages the council's payroll, following the supplier issuing notice that it was discontinuing support in 2013/14. Pre-approved capital for the smarter workplaces programme is being used to fund the new HR system. This has delayed some smarter workplaces activity but not detrimentally to customers. This bid is to ensure that the smarter workplaces project finishes as the current infrastructure for smarter workplaces is not complete. This will enable the programme to purchase more storage and processing power to continue as planned.	£152,200	£0	£0
Total Resources			£1,300,380	£550,000	£0
REGENERATION & TRANSPORT PORTFOLIO					
Neighbourhood Services	New Car Park Provision - Lucknow Road	This scheme will provide a new off street car park with approximately 22 parking spaces to support the operation and vitality of the businesses at the Lucknow Road local shopping centre. The local shopping centre at Lucknow Road has very limited parking provision to cater for vehicular based passing trade. This limits the opportunity for the retailers to sustain and grow their business whilst also creating localised traffic congestion problems. The car park would improve parking for businesses and their customers, assisting with the safe and efficient access to goods and services by all sections of the community. This will create a more welcoming environment for existing and potential customers of the shopping facilities. The scheme development, planning permission requirements and construction timetable means the scheme will be delivered in April 2014 should the requested funding be allocated.	£168,000	£0	£0

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
Neighbourhood Services	Highway Maintenance Programme / Council Capital Mainstream.	This will enable capital investment for structural highway maintenance. As a Highway Authority we have a legal responsibility to maintain the highway network. Failure to do so inevitably leads to a deterioration of our roads and increased likelihood of accidents. This not only contributes to peoples health and wellbeing but is recognised as a significant factor affecting economic sustainability and growth.	£1,700,000	£1,900,000	£2,100,000
Neighbourhood Services	Public Lighting "Invest to Save" for replacement LED lighting	The objective of this invest to save initiative is; to reduce energy consumption, mitigate the electricity costs, contribute towards climate change plan and reduce the impact on the current change in law proposals. Over the last two years 1203 lanterns on over 25 year old lighting columns have been updated, and continued investment would enable a further 700 replacments in 2014/15. Phase 3 savings from 2014/15 allocation of £15k are estimated from 2015/16.This investment is for replacement of LED's, not lighting columns which form part of the street lighting contract.	£250,000	£250,000	£250,000
Neighbourhood Services	Traffic Signals Infrastructure - conversion to LED signal operation	The council operates over 250 sets of traffic signals across the borough with the majority using outdated, energy hungry technology for the display of signals. This would allow investment in its traffic signal infrastructure to reduce ongoing revenue costs associated with electricity and general maintenance. Currently 27% of the traffic signal infrastructure has been converted to LED technology. This bid will allow 10% of the remaining asset stock to be converted generating savings of £3-5k per annum through reduced energy bills.	£45,000	£40,000	£0
Regeneration	Aids and adaptations (statutory element)	To maintain independence for disabled clients in their own homes by providing relevant equipment and adaptations to property. In addition to this, Disabled Facilities Grant (DFG) is received. This directly assists over 1,100 households with vulnerable disabled residents (meets the statutory DFG need, reduces excess seasonal deaths, minimises slips trips and falls, enables people to stay living safer and longer in their homes). Further £600k added to reserve list.	£400,000	£1,000,000	£1,000,000
Regeneration	Supporting Independence & Preventative adaptations	This project assists directly with two key areas which both enable households to maintain greater independence and live in their homes for longer through a) Providing a low cost adaptation service for those who currently don't meet the statutory disabled facility grant (DFG) criteria – Preventative Adaptations b) Providing capital assistance with community projects to enable residents to access local services – Supporting Independence. Further £500k added to reserve list.	£500,000	£1,000,000	£1,000,000
Regeneration	Health through warmth and related Retro Fit schemes	To provide energy and fuel saving advice and energy efficient heating and insulation works to private homes targeted at help for vulnerable households. The funds have previously helped secure significant investment (circa £22m) from private energy companies and this is expected to be repeated in the future. In 2012/13 the capital investment helped 316 households with works and helped reduce excess seasonal deaths, reduce fuel poverty, minimise illnesses made worse by cold and damp homes and enables people to stay living safer and longer in their own homes. By investing a larger value in 2014/15 this would allow us potential to increase partner income. Further £500k added to reserve list. Further £500k added to reserve list.	£500,000	£750,000	£500,000
Regeneration	Regenerating Walsall	This project relates to the use of capital funding to create a stimulus for regeneration activity and de-risk projects for the private sector with particular emphasis on creating employment opportunities and stimulating housing renewal. This may involve for example, undertaking site investigations, obtaining outline planning consent, and undertaking reclamation and / or demolition work - where this leads to a capital scheme. Similarly, the programme will also support the capital receipts programme by preparing council owned sites for sale. The funding may also be used to enhance the physical environment, in town and district centres and along key employment corridors. Together these activities will help to create the conditions for economic growth and prosperity.	£0	£200,000	£200,000

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
Regeneration	Shop Maintenance	The planned maintenance programme is for repairs to council owned shop premises. The authority through Building Condition Surveys has identified a backlog of repairs for various properties. The council benefits from annual income from rentals.	£120,000	£120,000	£120,000
Regeneration	Replacement Development Management, Building Control and Land Charge ICT system	Supply and install a fully integrated Development Management, Building Control and Land Charge ICT system for Walsall Council. Migrate information from existing systems and provide effective maintenance support. The software enables the authority to deliver its statutory functions and provides on line access to information to residents and users of the service.	£98,700	£0	£0
Regeneration	Replace the heating & ventilation system within the First Stop Shop.	The present system is beyond repair and parts for the system are no longer available and a critical piece of the plant in the customer facing environment is subject to major breakdowns causing staff and customers to have to use the facilities in temperatures that are not acceptable. The plan is to replace the old system with new heating and ventilation systems which will control the operating temperature but also improve efficiency and provide future energy savings of circa 12%.	£100,000	£0	£0
Regeneration	Replace the existing heating and ventilation system within the link block.	The present system is beyond repair and parts for the system are no longer available and a critical piece of the plant in the office environment is subject to major breakdowns causing staff to use the facilities in temperatures that are not acceptable. The plan is to replace the old system with new heating and ventilation systems which will control the operating temperature but also improve efficiency and provide future energy savings of circa 12%.	£100,000	£0	£0
Regeneration	Solar PV Panels	The proposal is to install Solar PV panels on the roof of the civic centre. This would meet the objectives of the Carbon Management Plan, which commits the council to a target of reducing CO2 by 30% by 2014 and 40% by 2019 and underpins potential cumulative financial savings to the authority. Estimated savings of £33k per annum expected from reduced energy bills.	£425,000	£0	£0
Regeneration	Walsall Market	Permanent relocation of Walsall Market including the provision of new stalls, associated public realm works and storage facilities in order to provide a facility fit for the 21st century which is attractive to traders, shoppers and other businesses in Walsall Town Centre. We are currently in the process of assessing tenders for the Walsall Market Feasibility Study.	£250,000	£1,750,000	£0
Neighbourhood Services	Retained Housing Land Inspection and Maintenance of LSVT Sites.	During the LSVT of housing stock to Walsall Housing Trust several areas of land were retained by the authority. They included a network of foot paths and access roads within public sector housing estates. These areas did not transfer to the trust and are not classed as public highway. Inspection regimes and any associated essential remedial works will be ongoing throughout the financial year. This will eliminate any potential public liability risk to the Authority, community groups and the travelling public. For clarification this bid is for footpath maintenance used as public highway, whereas there is a separate bid on the reserve list relating to the green spaces at these sites. Further £50k added to the reserve list.	£50,000	£100,000	£100,000
Regeneration	Remodelling of Rushall JMI / Education Development Centre	A feasibility study has identified the potential for remodelling the existing buildings, to resolve significant condition items, and to provide additional accommodation from the existing Education Development Centre, to enable the school's vision for the future to be delivered. Funding to be from the sale of 5 former schools (Little London, Lakeside, Clothier Street, Beechdale, Daw End) as agreed by Cabinet on 11 December 2013.	£3,000,000	£0	£0
Total Regeneration & Transport			£7,706,700	£7,110,000	£5,270,000
LEISURE & CULTURE PORTFOLIO					
Neighbourhood Services	Memorial Safety Management - Pro-active memorial safety in Walsall cemeteries.	The project will assist in ensuring that Walsall Council complies with statutory obligations to provide a safe environment in its eight borough cemeteries in accordance with an agreed memorial management protocol adopted across the four Black Country authorities. This bid is to fund the inspection and making safe of memorials in eight Walsall cemeteries during the financial year particularly memorial mason work to re-fix back to back memorials and to install memorial raft foundations.	£80,000	£80,000	£80,000

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
Neighbourhood Services	Libraries Universal Digital Offer - A 21st Century Public Library Service.	Digital technology is developing rapidly and will continue to have a major impact on the way members of the public obtain and consume information. Members of the public expect a more rapid and interactive experience from technology and that the library service will keep pace with advancing technology and provide an up to date service that will meet their developing digital needs. The purchase of updated public computers, laptops, new digital devices and the provision of wifi in all libraries is essential to meet the needs and expectations of library users and vital to maintain the public service. Funds would provide 62 computers per year, wifi at 10 library sites (year one only), 6 laptops / new digital devices and some updated printers and scanners.	£67,540	£54,840	£54,840
Neighbourhood Services	Broadway West Playing Fields	This bid proposes further improvements at Broadway West Playing Fields to compliment the recent remediation of the playing surface and includes options for upgraded or replacement changing accommodation and the hard surfacing of the car park.	£75,000	£0	£0
Neighbourhood Services	Forest Arts Centre (Renovation of Sports Hall)	The sports hall is the only area of the Forest Arts site that has not been refurbished. Renovation of this space would complete the last phase of the Forest Arts site making it ideal as a multi purpose arts space and potential partnership development of a creative and performance skills facility and would strengthen any future bid by Walsall to become a Black Country "Super Hub" for music and arts education. Work would be include; roofing and balcony works, walls, insulation and cladding works and electrical flooring and decorating works.	£198,800	£0	£0
Total Leisure & Culture			£421,340	£134,840	£134,840
Total New Capital Bids			£9,428,420	£7,794,840	£5,404,840

Capital Investment Earmarked Reserves

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
Council Wide	Funding to support essential works including health and safety, and other projects that cannot be programmed at start of year	Reserve to cover the following - 1. Asbestos removal - the authority is required by legislation to manage asbestos within its properties and to remove to comply with health & safety legislation. 2. Control of legionella - statutory requirement to test all water systems and undertake upgrades and improvements as required. 3. Fire Risk Assessment - statutory requirement to ensure compliance with health & safety. 4. Statutory testing of buildings - statutory testing of gas and electrical systems. 5. Demolition of redundant buildings to provide saleable assets and to increase market value of sites. 6. General repair and maintenance of council buildings. 7. Self insured property damage - excess towards insurance costs 8. Risk Management - unforeseeable events. 9. Review of leasing as the best financing options for acquisition of assets. Further £500k to be added to reserve list.	£1,000,000	£1,000,000	£1,000,000
Council Wide	Capital contingency	Provision to manage unforeseen expenditure following budget approval in February 2014	£669,413	£0	£0
Council Wide	Match funding towards external schemes	Provision should match funding be required towards externally funded schemes. Current proposals include Greenspaces Strategy, Allotments and Community Strategy, Maintenance of the Art Gallery, and resurfacing works to the Arboretum Extension car park.	£250,000	£0	£0
Total Capital Investment Earmarked Reserves			£1,919,413	£1,000,000	£1,000,000
Total Council funded Capital Bids			£17,042,946	£11,492,340	£6,554,840

Draft Capital Programme 2014/15 to 2016/17 - Reserve List (Council Funded)

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
REGENERATION & TRANSPORT PORTFOLIO					
Regeneration	Health through warmth and related Retro Fit schemes	To provide energy and fuel saving advice and energy efficient heating and insulation works to private homes targeted at help for vulnerable households. The funds have previously helped secure significant investment (circa £22m) from private energy companies and this is expected to be repeated in the future. In 2012/13 the capital investment helped 316 households with works and helped reduce excess seasonal deaths, reduce fuel poverty, minimise illnesses made worse by cold and damp homes and enables people to stay living safer and longer in their own homes. By investing a larger value in 2014/15 this would allow us potential to increase partner income. Further £500k added to reserve list. Further to £500k on council funded list of schemes.	£500,000	£0	£0
Regeneration	Carbon Management Programme projects	The Carbon Management Plan commits the council to a target of reducing CO2 by 30% by 2014 and 40% by 2019 and underpins potential cumulative financial savings to the Authority. We have an opportunity to reduce our emissions and save the authority money by investing in carbon saving projects in our buildings. This will require investment to existing building stock. To implement various energy efficiency measures such as the installation of low energy lighting, efficient heating systems, automatic lighting controls, electric heating controls, swimming pool covers, improving buildings thermal insulation, water conservation and renewable energy projects with the aim of reducing the impact of rising energy costs and achieving a reduction in carbon emissions.	£280,000	£280,000	£280,000
Neighbourhood Services	Traffic Signals Infrastructure - replace obsolete control equipment.	The Council needs to invest in its traffic signal infrastructure to replace obsolete equipment and reduce ongoing revenue costs associated with electricity and general maintenance. The Council has a statutory duty to maintain all its traffic signal infrastructure and needs to begin a programme of planned pedestrian crossing replacements to ensure safe and efficient movements of pedestrians all across the borough. Signals will be improved all across the borough at traffic signal locations where the control equipment is now obsolete. The scheme will facilitate the replacement of obsolete traffic control equipment at 6 pedestrian crossings per year, replacing 30 of the current 74 obsolete pedestrian crossings over the five year period. An ongoing investment programme of £200k per year is required to clear the backlog and address future obsolescence's through a planned asset management programme.	£200,000	£200,000	£200,000
Regeneration	Supporting Independence & Preventative adaptations	This project assists directly with two key areas which both enable households to maintain greater independence and live in their homes for longer through a) Providing a low cost adaptation service for those who currently don't meet the statutory disabled facility grant (DFG) criteria – Preventative Adaptations b) Providing capital assistance with community projects to enable residents to access local services – Supporting Independence. Further to £500k on council funded list of schemes.	£500,000	£0	£0
Regeneration	Aids and adaptations (statutory element)	To maintain independence for disabled clients in their own homes by providing relevant equipment and adaptations to property. In addition to this, Disabled Facilities Grant (DFG) is received. This directly assists over 1,100 households with vulnerable disabled residents (meets the statutory DFG need, reduces excess seasonal deaths, minimises slips trips and falls, enables people to stay living safer and longer in their homes). Further to £400k on council funded list of schemes.	£600,000	£0	£0

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
Neighbourhood Services	Retained Housing Land Inspection and Maintenance of LSVT Sites.	During the LSVT of housing stock to Walsall Housing Trust several areas of land were retained by the authority. They included a network of foot paths and access roads within public sector housing estates. These areas did not transfer to the trust and are not classed as public highway. Inspection regimes and any associated essential remedial works will be ongoing throughout the financial year. This will eliminate any potential public liability risk to the Authority, community groups and the travelling public. For clarification this bid is for footpath maintenance used as public highway, whereas there is a separate bid on the reserve list relating to the green spaces at these sites. Further to £50k on the main council funded list of schemes.	£50,000	£0	£0
Neighbourhood Services	Residential parking - Construction of new residential parking facilities (verge parking)	To provide suitable parking facilities in residential areas. Residents continue to raise concerns regarding the lack of suitable parking facilities and how this is contributing to a reduction in road safety whilst also having a detrimental impact on the general environment and street scene. New parking facilities would normally entail the conversion of existing green space or highway verges into formal parking. Every Area Partnership is currently determining their scheme priority for this year with construction expected Qr ¾ and starting a priority process for 2014/15 onward. Every area partnership expected to have one scheme delivered per year.	£250,000	£250,000	£250,000
Neighbourhood Services	Promotion of Community Health & Safety.	This relates to ongoing capital funding to provide traffic calming measures in local communities. As a highway authority there is a statutory duty to deliver a road safety programme. In supporting the delivery of these local schemes it is possible to improve local quality of life and safety creating safer communities. Furthermore increasing public perception of road safety can bring about a change in travel mode which further contributes to the health and well being of individuals while removing anxiety and concern of individuals affected. The Road Safety Programme is developed in detail each year and reported to Cabinet as part of the annual Local Transport Plan. On an investment of £240k it is anticipated that three schemes per year could be implemented and a saving of 50% of all collisions expected, which could achieve a reduction in claims to the council of £350k.	£240,000	£240,000	£240,000
Total Regeneration & Transport			£2,620,000	£970,000	£970,000
LEISURE & CULTURE PORTFOLIO					
Neighbourhood Services	Enable the Local History Centre and the New Art Gallery to develop their collections	Both the Local History Centre and NAG use their collections to provide a unique educational and historic resource for the local and wider communities of Walsall, a cultural and educational service and to develop pride in Walsall. In order to continue to collect and develop their collections both services require adequate storage space which meets certain basic standards. Current facilities are full so a new storage facility is required. In order to meet their storage needs the services propose to rent a warehouse to store both records and art works. This would enable both services to continue to collect. Storage would be provided also for works of art from the Council House.	£63,000	£0	£0
Neighbourhood Services	Willenhall Lawn Cemetery extension - Development of land for burials in Walsall.	The bid is to fund the development of the infrastructure and layout of an extension to Willenhall Lawn Cemetery for continued provision of new graves for the benefit of Walsall residents. There is estimated a 2 year capacity remaining on the current site. Provision is required for future burials which currently run at about 100 full adult burials per year. The amount of available suitable land within its existing boundaries has diminished with usage and in order that new full adult burials may possibly continue for many future years it is necessary to take steps to develop an adjacent piece of land to the east of the cemetery.	£0	£1,400,000	£0

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £
Neighbourhood Services	Open space associated with retained housing land.	Since LSVT was implemented there is a significant portfolio of open space across the borough which falls under the category of former retained housing land. In September 2012, the Council in adopting the Green Space Strategy, actioned a review of the management responsibility for retained housing land, and Green Spaces have now taken on corporate responsibility for the strategic management, maintenance and development of these open spaces, with over 400 identified. The proposal therefore requests a small allocation of funding over the next 5 years to implement a programme to assist with this. For clarification this bid is for public open green spaces, whereas bid ENV1 relates to footpath maintenance used as public highway.	£25,000	£10,000	£10,000
Total Leisure & Culture			£88,000	£1,410,000	£10,000
Council Wide	Funding to support essential works including health and safety, and other projects that cannot be programmed at start of year	Reserve to cover the following - 1. Asbestos removal - the authority is required by legislation to manage asbestos within its properties and to remove to comply with health & safety legislation. 2. Control of legionella - statutory requirement to test all water systems and undertake upgrades and improvements as required. 3. Fire Risk Assessment - statutory requirement to ensure compliance with health & safety. 4. Statutory testing of buildings - statutory testing of gas and electrical systems. 5. Demolition of redundant buildings to provide saleable assets and to increase market value of sites. 6. General repair and maintenance of council buildings. 7. Self insured property damage - excess towards insurance costs 8. Risk Management - unforeseeable events. 9. Review of leasing as the best financing options for acquisition of assets. Further £500k to be added to reserve list.	£500,000	£500,000	£500,000
Total Reserve List			£3,208,000	£2,880,000	£1,480,000

Draft Capital Programme 2014/15 to 2016/17 - Externally funded schemes

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £	Funding Body
CHILDREN'S SERVICES PORTFOLIO						
Children's Services	Basic Need	Confirmed allocation awarded to 2016/17.	£1,160,396	£4,393,150	£4,612,807	Department for Education
Children's Services	Devolved Formula Capital	Confirmed allocation for 2014/15. Future years based on 2014/15 less 5% estimated fall out to Academies per annum.	£564,917	£536,671	£509,838	Department for Education
Children's Services	Capital Maintenance	Confirmed allocation for 2014/15.	£2,784,688	£2,784,688	£2,784,688	Department for Education
Children's Services	Universal Infant Free School Meals capital	Confirmed allocation for 2014/15.	£697,816	£0	£0	Department for Education
Total Children's Services			£5,207,817	£7,714,509	£7,907,333	
REGENERATION & TRANSPORT PORTFOLIO						
Neighbourhood Services	Highway Maintenance / Additional Local Funding	In making this money available the Government stresses the importance of a well maintained transport infrastructure to foster job creation, encourage economic growth and support local communities.	£184,000	£0	£0	Department for Transport specific grant.
Neighbourhood Services	LTP Highway Maintenance Programme	This capital funding known as the maintenance block is distributed by the Integrated Transport Authority. It is entirely provided to local authorities for expenditure on maintenance of the classified highway and bridge maintenance.	£1,832,000	£1,832,000	£1,832,000	Department for Transport via the Integrated Transport
Regeneration	A461 Corridor Highway Improvements Scheme / Major Transport Schemes Programme.	The A461 Corridor Highway Improvements Scheme seeks to address the issue of growing congestion and the lack of traffic capacity along this strategic route. The scheme includes updating four major junctions in the corridor, which involves rearranging the existing junction layouts, updating the traffic signals, updating all pedestrian crossings; and installing CCTV cameras along the route.	£155,000	£3,834,750	£2,334,750	Department for Transport / West Midlands ITA / Black Country LEP
Regeneration	Disabled Facilities Grant	This project directly supports the council's statutory requirement to provide disabled facility grants (DFGs). It is based on the delivery of the ring fenced award of grant money from government. The project has a direct positive impact on the number and subsequent varied costs to the council from the increasing level of demand for home adaptations. This project is a continuation of one already underway and is proposed to continue up to March 2019.	£1,632,000	£1,632,000	£1,632,000	Department of Communities and Local Government. We understand that from 2015/16, this will be included in the Integration Transformation Fund, and paid by Department of Health.
Regeneration	Integrated Transport Block / Local Transport Plan 2014/15	The Government provides each locality with grant funding to help implement the Local Transport Plan in their area. The grant is used for the implementation of small scale capital schemes; development of major capital schemes and to part fund major schemes implementation costs. The programme is designed to address road safety issues, progress the Council's major scheme aspirations; and resource the required 'local contributions' to approved major schemes.	£2,119,000	£0	£0	Department for Transport / West Midlands ITA.

Draft Capital Programme 2014/15 to 2016/17 - Externally funded schemes

Directorate	SCHEME / PROGRAMME OF WORKS	DETAILS OF PROJECT & CUSTOMER BENEFIT	2014/15 £	2015/16 £	2016/17 £	Funding Body
Regeneration	Black Country Business Property Investment Programme (BCBPIP)	The Council, with its Local Authority partners, has a priority agenda to promote economic growth and job creation throughout the borough and Black Country. The Black Country Business Property Investment Programme (BCBPIP), along with a raft of other initiatives and programmes, supports this wider comprehensive approach to business and enterprise growth. The purpose of the Programme is to create the conditions for business and enterprise growth by addressing the need to provide modern floor space to accommodate future business need across the Black Country sub-region. The Programme will also create much needed new jobs.	£4,562,173	£489,958	£0	Department of Communities and Local Government
Regeneration	Darlaston Strategic Development Area Access	The project was developed in response to poor traffic access to and through the Darlaston Green area, especially for heavy goods vehicles. The key transport constraints to the wider economic regeneration of the area were identified as: poor north south access, narrow & weak canal & rail bridges in Bentley Road South and poor east - west access.	£7,144,000	£2,255,000	£619,000	
Total Regeneration & Transport			£17,628,173	£10,043,708	£6,417,750	
SOCIAL CARE & HEALTH PORTFOLIO						
Social Care	Community Capital Capacity Grant	The Department of Health allocates the Community Capacity Capital Grant to local authorities, providing capital funding to support development in three key areas of Social care: personalisation, reform and efficiency. The funding will support the Directorates 5 yr commissioning strategy delivering transformation of Adult Social care provision. Expenditure would cover the following areas; innovative alternatives for residential care, service redesign of intake component of Target Operating model, structural improvements to SCI's property portfolio, capital investment focused on early intervention and prevention and investment in services for people with Autism & Dementia.	£797,000	£0	£0	Department for Health
Total Social Care & Health			£797,000	£0	£0	
Total Externally Funded Capital Bids			£23,632,990	£17,758,217	£14,325,083	