

## Council – 26 February 2015

### Corporate Budget Plan and Treasury Management and Investment Strategy 2015/16 Approved by Cabinet on 4 February 2015 and Recommended to Council

**Portfolio:** Councillor S. Coughlan – Leader of the Council (Lead Portfolio)

**Related Portfolios:** All

**Service:** Finance – council wide

**Wards:** All

**Key decision:** Yes

**Forward plan:** Yes

#### 1. Summary

1.1. This report contains Cabinet's final recommendations on the budget for Council approval, as amended following the receipt of final levies and precepts, the Settlement and specific grant allocations.

1.2. The report contains two sections as follows:

**Section A for Council information** - Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses. This section was approved by Cabinet on 4 February 2015 and is included for information for Council to use in its decision making on the final budget.

**Section B for Council approval consists of:**

- **Part 1** – The Revenue and Capital Budget Plan comprising the final revenue and capital budget plan following consideration of the proposals by scrutiny panels and public consultation, along with precepts and levies, as approved by Cabinet.
- **Part 2** - 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. 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 Council is asked to note:

- a) That at the time of despatch of this report, the fire and rescue precepting authority had not formally notified the authority of its final council tax levels. Estimates have been used in this report and final figures will therefore be provided at the Council meeting of 26 February 2015 should they differ for those.
- b) That the draft council tax requirement at 2.2.1 d)III below is equivalent to a 1.99% council tax increase over 2014/15, and therefore not subject to a council tax referendum.

## 2.2 Council is asked to approve, subject to receipt of the final fire and rescue precept, any further final allocations of specific grant or technical/legislative guidance changes (if required substitute figures will be provided to Council on 26 February):

### 2.2.1 Revenue

- a) The allocation of revenue resources for 2015/16 as set out in Section B: Part 1 "The Revenue and Capital Budget Plan".
- b) That 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 £10.15m, as set out in **Annex 3** of the budget plan.
- c) The final levies below for outside bodies.

LEVY	AMOUNT (£)
West Midlands Passenger Transport Authority	12,849,678
Environment agency	74,551

- d) The following statutory determinations (references are to the Local Government Finance Act, 1992 as amended):
  - I. **£625,433,021** 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. **£531,730,054** being the aggregate income which the council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.
  - III. **£93,702,967** being the amount, by which the aggregate at (d) (I) above exceeds the aggregate at (d) (II), calculated by the council in accordance with Section 31A(4) of the Act, as its council tax requirement for the year.
  - IV. **£1,438.32** being the amount at (d) (III) above, divided by the council tax base of **65,147.51**, 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 (d) (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
£958.88	£1,118.69	£1,278.51	£1,438.32
E	F	G	H
£1,757.95	£2,077.57	£2,397.20	£2,876.64

- e) The precept from the Fire and Rescue Authority and the precept from 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.

PRECEPTING AUTHORITY	VALUATION BANDS			
	A	B	C	D
Police And Crime Commissioner	£71.03	£82.87	£94.71	£106.55
	E	F	G	H
Fire & Rescue	£130.23	£153.91	£177.58	£213.10
	A	B	C	D
	£36.62	£42.73	£48.83	£54.94
	E	F	G	H
	£67.14	£79.35	£91.56	£109.87

- f) That having calculated the aggregate in each case of the amounts at (d) (v) and (e) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts of council tax for 2015/16 for each of the categories of dwellings shown below.

A	B	C	D
£1,066.53	£1,244.29	£1,422.05	£1,599.81
E	F	G	H
£1,955.32	£2,310.83	£2,666.34	£3,199.61

- g) 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.
- h) 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.
- 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.

## 2.2.2 Capital

- a) The allocation of capital expenditure plans as set out in Section B: Part 1 “The Revenue and Capital Budget Plan”.
- b) That the 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.

<b>CAPITAL PROGRAMME 2015/16</b>	
<b>MAINSTREAM (COUNCIL FUNDED) SCHEMES</b>	<b>ESTIMATED VALUE £</b>
<b><i>Prior Year Approvals</i></b>	
Social IT Systems Review & Enhancement	550,000
Rushall Primary / EDC alterations	350,000
Libraries Universal Digital Offer – a 21 <sup>st</sup> century Public Library service	54,840
Active Living – Oak Park and Bloxwich Leisure Centres	14,969,854
Bentley Employability and Learning Hub	115,000
Walsall Market	1,750,000
<b><i>Rolling Programme Schemes</i></b>	
Proactive Memorial Safety in Walsall cemeteries	60,000
Public Lighting ‘Invest to save’ for replacement LED lighting	250,000
Highway Maintenance Programme	1,900,000
Highway Maintenance – funding shift from revenue	100,000
Retained Housing Land Inspection/Maintenance of LSVT sites	50,000
Preventative adaptations and Supporting Independence	250,000
Health Through Warmth – Safety Net support	150,000
Aids & Adaptations – statutory element	750,000
<b><i>New Capital Bids</i></b>	
Leamore Park additional fencing	14,000
A single library management system for Black Country	210,000
Walsall Gala Baths refurbishment	1,000,000
Mayrise system mobile working	138,000
Traffic signals – replacement of obsolete equipment	200,000
Traffic signals – invest to save conversion to LED lighting	650,000
LEX remediation works	405,000
ICT essential upgrade to Blackberry server	16,501
ICT essential upgrade to Windows 2003 servers	110,000
<b><i>Council Wide bids</i></b>	
Funding to support essential works including Health & Safety, and other projects that cannot be guaranteed at start of year	1,000,000
Provision for match funded external schemes	350,000
Reserve list projects – allocation to be drawn upon in year	60,000
<b>Total</b>	<b>25,453,195</b>

<b>NON-MAINSTREAM CAPITAL PROGRAMME – SCHEMES</b>	<b>ESTIMATED</b>
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<b>FUNDED FROM EXTERNAL SOURCES 2015/16</b>	<b>VALUE £</b>
Basic Need	4,393,150
Devolved Formula Capital	573,944
Capital Maintenance	2,415,181
Active Living – Oak Park and Bloxwich Leisure Centres	1,561,717
Aldridge Airport – development of Walsall Country Park including the Top Hangar (match funding may be required for resurfacing of access road)	2,000,000
Beacon Lodge, Community Activity Centre	20,000
Barr Beacon Event Arena	20,000
Allotments and Community Gardens	5,000
Outdoor fitness equipment	25,000
Forest Arts Centre hall conversion	100,000
LTP Highway Maintenance Programme	2,415,000
Integrated Transport Block / Local Transport Plan 2015/16	1,247,000
Darlaston Strategic Development Area Access Project	4,945,132
Disabled Facilities Grant	1,632,000
Community Capital Capacity Grant	797,000
<b>Total</b>	<b>22,150,124</b>

<b>LEASING PROGRAMME 2015/16</b>	
<b>PORTFOLIO</b>	<b>EXPENDITURE £</b>
Environment & Transport portfolio – vehicles and equipment	2,115,832
Community, Leisure & Culture portfolio – leisure equipment	588,000
<b>Total</b>	<b>2,703,832</b>

<b>CAPITAL PROGRAMME RESERVE LIST ITEMS 2015/16</b>	
<b>MAINSTREAM (COUNCIL FUNDED) SCHEMES</b>	<b>ESTIMATED VALUE £</b>
Willenhall Lawn Cemetery extension	1,200,000
Local History Centre upgrade of computers	18,252
Darlaston Swimming Pool refurbishment	150,000
Walsall Country Park	68,500
Security improvement programme	5,000
Retained Housing Land Inspection & Maintenance of LSVT sites	50,000
Residential Parking – Construction of new residential parking facilities (verge parking)	250,000
Promotion of Community Health & Safety	240,000
Local safety schemes	400,000
Regenerating Walsall	200,000
Preventative Adaptations and Supporting Independence	750,000
Aids & Adaptations – statutory element	250,000
Leasing v Buy	2,560,000
<b>Total</b>	<b>6,141,752</b>

### 2.2.3 Treasury Management

- a) Section B – Part 2 – The Treasury Management and Investment Strategy 2015/16, including the council’s borrowing requirement and the adoption of the prudential indicators, **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 at Section B sets out the revenue and capital plans for service delivery for 2015/16 and beyond.

## 4. **Council priorities**

- 4.1 The budget process is an annual cycle aiming to support delivery of council priorities within the available resources. It aims to achieve this through the delivery of efficiencies, income reviews and service reviews and redesign to redirect existing and reducing resources to areas of high council priority. This budget has been prepared using the council’s priorities as outlined in the Corporate Plan which was approved by Cabinet on 4 February 2015.

## 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 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 of the budget plan. 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 The legal duty for a council's finances falls within s151 of the Local Government Act 1972. Arrangements for the proper administration of their affairs is secured by the s151 Officer (the Chief Financial Officer).
- 7.2 Cabinet recommend the revenue budget and draft capital programme to Council. Council are responsible for making a calculation in accordance with sections 31A to 37 of the Local Government Finance Act 1992 (as amended). This includes the statutory determinations (aggregate gross expenditure, gross income, council tax requirement for the year and setting the council tax for a financial year).
- 7.3 Under the Local Government Act 2003 (s25), an authority must set a council tax and balanced budget, giving 14 days notice of the council tax level prior to the date of billing. The council must set a budget before 11 March of each year. This will include the Chief Financial Officer's report that deals with the robustness of the budget and the adequacy of the reserves for which the budget provides, together with an assessment of risk. This is provided at Annex 3 of the budget plan.
- 7.4 The Local Government Act 2003 and supporting Regulations require the Council to have regard to' the Prudential Code and to set prudential indicators for the next three years to ensure that the council's capital investment plans are affordable, prudent and sustainable. The Act requires the Council to set out its treasury strategy for borrowing and to prepare an annual investment strategy (as required by investment guidance issued subsequent to the Act); this sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. This is provided at Part 2 of the budget plan.
- 7.5 In recent years central Government has capped the level of council tax rises. For 2015/16, the Government have announced that local authorities will again need to seek approval of their electorate via a local referendum if they propose to increase council tax levels by 2% or above as confirmed as part of the local government settlement on 4 February 2015.
- 7.6 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. Our approach to consultation was reported to Cabinet in October and December and is set out in section 10 of this report and in the attached document: Section A: The Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses.
- 7.7 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. Failure to meet the requirements in the Public Sector Equality Duty, may result in

the council being exposed to costly, time-consuming and reputation-damaging legal challenges.

7.8 An Equality Impact Assessment (EqIA) is the chosen procedure, by the council, for checking lawfulness of decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. Further detail is provided in section 11 of this report.

7.9 Council members have been issued with guidance on their responsibilities in relation to setting a budget and under the public sector equality duty and all members have been provided with access to a full copy of the Policy, Procedure and Services equality impact assessments undertaken to assist them in their decision making.

## **8. Property implications**

8.1 Any direct property implications as a result of service redesign and revenue savings proposals are assessed as part of the budget process.

## **9. Staffing implications**

9.1 Staffing implications are assessed and included as part of the budget process. There has been positive and meaningful consultation with both employees and the trades unions. The contribution of the trades unions will be important in the council achieving its key aims and objectives particularly in these challenging times. Officers and members will continue to consult widely with them in all aspects of service design and delivery.

## **10. Consultation**

10.1 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 broad range of consultation methods to better understand what matters most to residents and how our decisions affect them.

10.2 Consultation is an integral part of the budget process and a wide programme of consultation was undertaken to consult with a wide range of stakeholders (i.e. councillors via scrutiny, council tax payers, service users, and potential service users as appropriate, NNDR rate payers, voluntary and community organisations, etc.).

10.3 Consultation focused on the budget proposals with a direct impact on service delivery, with feedback reported to Cabinet on 17 December 2014. Further, on 4 February 2015, Cabinet considered a further separate report outlining consultation findings, including feedback from service specific consultation and at this meeting Cabinet approved the response to each of the policy proposals. This report is provided for information to Council, attached at Section A.

10.4 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 are required to follow approved treasury management policies and procedures.

## **11. Equality implications**

11.1 Equality impact assessments were undertaken on proposals as they developed. These assessments along with required actions were reported to Cabinet, to allow them to consider any revisions required to the final budget before recommendation to Council. Following review, a number of changes were made to the proposals by Cabinet, as highlighted in the following paragraphs and section 12 of this report. A copy of each of the full EqIA's has been placed in each of the political group rooms and are available to view on the Committee Information pages of the Council's website. All Council members have been contacted and advised of the different ways to access the documents, including a personal copy being available on request.

11.2 Assessing the impact of proposed changes to policies, procedures, services and organisational change is not just something the law requires, it is a positive opportunity for the council to ensure it makes better decisions, based on robust evidence.

11.3 Failure to meet the requirements in the Public Sector Equality Duty may result in the council being exposed to costly, time-consuming and reputation-damaging legal challenges. An Equality Impact Assessment (EqIA) is the chosen procedure for checking lawfulness of decisions in relation to the impact on people with certain characteristics protected by the Equality Act 2010. These are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion and belief
- Sex
- Sexual orientation

### **11.4 Information required in the EqIA**

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

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

### 11.5 What course of action does the EqlA suggest?

An EqlA should clearly identify the option(s) chosen, and their potential impacts, and document the reasons for this decision. There are four possible outcomes:

#### **A. No major change required**

When no adverse impact is identified and all opportunities to promote equality have been taken. To make this judgement, concrete evidence must be provided that people with protected equality characteristics (all groups) will not be affected adversely.

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

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

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

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

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

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

### 11.6 Evaluation of Equality Impact Assessments

All managers responsible for policy proposals and operational proposals with the confirmed requirement for an EqlA carried out the EqlAs, taking into account feedback from people with protected characteristics, whether they were service users or respondents to the public consultation on Walsall Council Budget 2015/16. There were 42 proposals that have undergone an EqlA for policy, procedure and services (PPS).

11.7 Ongoing support was provided to these managers by Finance and the Equality, Safety and Wellbeing team, particularly in relation to identifying outcomes from the EqlAs. The table below shows the outcomes for the 42 proposals.

<b>Decision</b>		<b>Number of EqlAs</b>
<b>A</b>	No major change required	13
<b>B</b>	Adjustments are needed to mitigate adverse impact and to better promote equality	12
<b>C</b>	Continue despite possible adverse impact	14
<b>D</b>	Stop and rethink the proposal	3
<b>Total</b>		<b>42</b>

- 11.8 Where the outcomes showed B: adjustments were needed to mitigate adverse impact to better promote equality or C: continue despite possible adverse impact, the action plan had to show the adjustments needed, how to reduce the impact or justify why it should continue despite the impact. Where the outcomes showed D: stop and rethink the proposal, potential withdrawal was considered. All EqlAs that have resulted in B, C and D outcomes were further reviewed by the Equality, Safety and Wellbeing team.
- 11.9 B, C and D outcomes have been considered by Cabinet, giving opportunity to comment and where applicable, amend the budget in terms of its fairness, equality duties and objectives as well as future shaping of the services. These suggestions were fed back to the managers and EqlAs and consultation responses were finalised on this basis.
- 11.10 The 3 proposals classed as D: Stop and Rethink have all been withdrawn or replaced with an alternative proposal. 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.

#### Cumulative Equality Impact Assessment

- 11.11 The council recognises that, in determining the saving proposals, account is taken of relevant knowledge and information within the relevant area or directorate as well as from service users or potential users. However, it is possible that there will be people that will be impacted on by more than one reduction or service change outside the managers' areas of influence. This is referred to as 'cumulative impact' and the council will seek to understand such an impact, particularly in relation to people with protected characteristics.
- 11.12 The Equality, Safety and Wellbeing team have analysed outcomes of the EqlAs particularly where adjustments or potential adverse impacts were identified. The aim was to consider how different budget reductions may affect people of the given group and to ascertain if people of that particular group may be affected by more than one proposal. Demographic information from *Walsall: An Equality & Diversity Profile 2014*, at [www.walsall.gov.uk/equalityprofile.htm](http://www.walsall.gov.uk/equalityprofile.htm), based on Walsall census was also considered in order to ascertain implications for wider social trends in Walsall.
- 11.13 The analysis showed that certain proposals were indeed related, particularly when grouped within broader categories, such as:
- Social and Educational
  - Health
  - Employment
  - Council services
  - External Facilities and Highways

11.14 If a particular group was affected by more than one proposal within the same category or similar category (e.g. Health and Employment) such an impact was deemed to be cumulative. This was based on the possibility of a reduction in one area potentially exacerbating issues or barriers of this group in another area that was also subject to a reduction.

#### Walsall Equality and Diversity Profile – key issues

11.15 For those protected characteristic groups identified as having potential cumulative impact the Walsall: An Equality & Diversity Profile 2014 identifies:

- Walsall has an estimated resident population of 272,200, of whom 49.2% are male and 50.8% are female.
- Walsall has a greater proportion of children than England as a whole. One factor may be Walsall's higher proportion of minority ethnic groups – who tend to have higher than average birth rates.
- The number of children has begun to grow nationally following many years of declining birth rates. For every 1,000 Walsall women of child bearing age there were 70.7 live births in 2013 – which gives the borough a higher fertility level than the national average of 62.2.
- Young Adults (late teens – early 20s) in Walsall experienced a dip in population that isn't seen nationally. One explanation is that there are no major higher education institutions based in the borough so many people in this age group leave the borough to study.
- In comparison to England, Walsall has a lower proportion of working age people.
- Walsall has a higher proportion of people above retirement age than nationally (but only up to the ages of around 80, when this pattern reverses). For people aged 80+ yrs Walsall has fewer very elderly residents due to life expectancy levels below the national average. Within this group there are more females than males in this age group due to higher life expectancy amongst women compared to men.
- Around one in ten Walsall residents suffer from a long-term health problem or disability that substantially limits their day-to-day activities. This affects 28,100 people, and at 10.4% of the borough's population is above the national average of 8.3%. A similar number of Walsall residents (10.3%) find their day-to-day activities limited a little – again higher than the national average (9.3%). Overall, health problems and disabilities limit the daily lives of one in every five people in Walsall.

#### Impact – Findings and Mitigating Actions

11.16 All 9 equality characteristics defined by the Equality Act were considered. It was concluded that there does not appear to be cumulative impact on the following characteristic groups:

- Gender reassignment
- Marriage and civil partnership
- Race and minority ethnic people
- Religion and belief
- Sexual orientation

11.17 We identified cumulative effect in relation to the following protected characteristics:

- Age - in relation to children under 16 and adults 16-64 and older people 65+
- Disability – children under 16 and disabled adults 16+
- Pregnancy and maternity
- Sex - in relation to women

11.18 This means that people with these protected characteristics are likely to be affected by more than one proposal and some of which are inter-dependent, e.g. a person using one service that is being reduced may also be using a number of other services that are being reduced in the same or similar category, e.g. Social and Educational and Employment...etc.

11.19 The impact on each protected characteristic group and mitigating actions taken or to be implemented are identified in the sections below.

#### 11.20 Protected Characteristic Group – Age - Children under 16

The cumulative impact on children can be broadly summarised into 3 categories – services available to all children, specialist services for some groups of children and services aimed at youth.

Certain social and educational services that are open to all children, such as Children Centres, Toy Library, Outdoor Adventure, Libraries and Museums were subject to proposed reductions. These have been carefully considered taking into account greatest need, feedback from service users and geographical position. A range of mitigating actions have been put forward with concrete actions for services to implement.

- a) **Children Centres (22)**, whilst reducing a number of buildings, will continue to deliver a whole range of activities through outreach work, local access points and will open their services to more customers by widening their definition of the vulnerable.
- b) Relevant assets from the **Toy Library (39)** will be moved to a suitable accessible venue and the possibility of integrating with Spa4ce will be explored.
- c) Alternative proposals developed so that the **Sneyd Watersports** and **Aldridge Airport Activity Centres (62)** can continue to provide activities for mentally and physically disabled children.
- d) **Library services (65)**, whilst reducing a number of buildings, the service proposed a reasonable travel distance to any one library so that children have a suitable choice of a venue. In addition, the service will increase the frequency of its mobile library service and housebound library service. Partnerships with local organisations for book exchange will be established.
- e) The council will aim to bring together **Walsall Museum (67)** and the **Local History Centre (66)** historic collections including archives at a single location open to the public and review opening hours patterns based on need. More materials from the collection will be digitised.

- f) The **Children's Taxi Budget (17)** and **School Transport (27)** are two specialist areas impacting on vulnerable children with disabilities and those who have specific arrangements for attendance at faith schools. The potential impact on these groups has been carefully considered. In order to avoid or manage any potential disadvantage, risk assessments will be undertaken on all cases and support will continue to be provided to those most at risk. In order to manage the additional cost to foster carers, increased mileage rates will be paid. The council's Respite provider (Bluebells) will utilise its minibuses to put in place alternative transport for some of the affected children based on greatest need. Other children will be supported as part of their care plan. Such a provision should meet the needs of the children in respect of faith, special educational needs and any other specific requirements.
- g) A number of budget proposals have been put forward in the **Youth Services (30, 31, 32, 33, 35)**. The areas affected include the Information, Advice and Guidance (IAG), Targeted Youth Work, Targeted Youth Support and Voice of Children and Young People. As a result of these proposals, there will be less Personal Advisers to support young people with specific projects and intervention strategies. The service will therefore develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need, including some of the existing and potential users with protected characteristics, will continue to be supported. Equality and Diversity competencies of in-house staff, particularly where services are de-commissioned, brought in-house or developed in partnerships with schools will be strengthened and any disadvantage and barriers monitored. New technology will be used to allow young people to engage in democracy debates and participate in the UK Youth Parliament.
- h) **Healthy Child 0-5 ages (PH3)** and **Healthy Child Programme, school nursing service, ages 5-19 (PH4)**. These programmes currently provide support to some vulnerable groups, including people with protected characteristics. Public Health will ensure that providers will remodel the service they offer with minimal impact on service users. This may entail prioritising/incentivising safeguarding and looked after children through the procurement process. Concerns will be addressed through close contract monitoring processes.
- i) A number of external facilities and highways have been subject to savings, some of these may impact on children, in terms of maintenance of parks, facilities and roads. In order to continue to support children's play outside and safety, the council will implement a new **Green Space Strategy (58)** that allows for prioritisation of play equipment maintenance for children and young people, access to prams and push chairs and wheelchair users. The review of all existing **traffic signs (102)** (removal of non-required signs) will require a one off investment in order to ensure more efficient maintenance in future. We will ensure that at least one **road name plate (90)** is provided in future and the council will not proceed with the reduction in maintenance of **road markings (101)** as originally proposed. In terms of **maintenance of drainage and streams (100)**, the council will pilot a scheme that will give us more information in terms of affecting people with mobility issues. Finally, although we have made proposals to close the **Pelsall toilets (83)**, alternative accessible toilets will be provided in the Village Centre in daytime hours and on Saturdays.

#### 11.21 Protected Characteristic Group – Age - Adults (16-65)

Some of the savings mentioned in relation to Children will also affect young adults. In addition, there are proposals that will impact on adults with specific characteristics, e.g. learning difficulties or disabilities as well as on adults in general and of all ages.

- a) The budget proposals that have been put forward in the **Youth Services (30, 31, 32, 33, 35)** will also affect young people older than 16 into their early 20s. The areas affected include the Information, Advice and Guidance (IAG), Targeted Youth Work, Targeted Youth Support and Voice of Children and Young People. As set out in further detail in section 11.20. g) above, the service will develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered.
- b) Similarly, the **Healthy Child Programme 5-19 ages (PH4)** mentioned in relation to Children support will affect some young adults. Actions to be taken to mitigate this impact are set out in 11.20. h).
- c) Adult Social Care has put forward a proposal not to launch any new placements for people with learning disabilities and difficulties – the proposal is referred to as **recruitability payments (151)**. There are 15 placements currently ongoing that will be completed by 31 March 2015. There will be an overall service redesign and in order to create new work experience pathways, vocational opportunities will be developed with existing stakeholders and local colleges.
- d) Adult Social Care is also planning to cease **Recruitability Payments to Sheltered Employment Users (156)**. In order to mitigate the potential impact on the people with learning disabilities and difficulties, the apprentices will be able to access employment opportunities within or outside the Council. Other options, such as work placements and work experience will also be developed. Care leavers will be prioritised for any such work placements.
- e) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those with a number of protected characteristics. The council will introduce a hardship grant to support people affected by the review and the design and administration of the fund will be subject to equality considerations.

#### 11.22 Protected Characteristic Group – Age - Older people

- a) The **Library services (65)** proposal has a potential to adversely impact on older people. Whilst reducing the number of buildings, the service will ensure that there is reasonable travel distance to any one library so that residents have a suitable choice of a venue. In addition, the service will increase the frequency of its mobile library service and housebound library service. Partnerships with local organisations for book exchange will be established. Needs of older service users will be particularly considered when implementing these changes.
- b) The council proposes to cease **the bus service (160)** that provides a mobile First Stop Shop, however it will offer similar support in other council locations, such as libraries in Darlaston and Willenhall. The council will ensure that

residents currently utilising this facility are aware of the change and take on board any suggestions for future development.

- c) As identified for Children under 16 in 11.20.i), a number of external facilities and highways that have been subject to savings will also impact on older people, in terms of maintenance of parks, facilities and roads. The new **Green Space Strategy (58)** will allow for prioritisation of maintenance of equipment and access to wheelchair users. Further action in relation to proposal reference number 102, 90, 101, 100 and 83 is as set out in that section above.

#### 11.23 Protected Characteristic Group – Disabled people - Disabled children under 16

- a) **Short breaks for children (13)** with special needs and children with disabilities will be remodelled. Through this process, the council will ensure that support is targeted and provided fairly according to needs. In order to achieve this, the occupancy rate at our in-house provider Bluebells will be increased and future provision monitored.
- b) **Children's Taxi Budget (17)** and **School Transport (27)** impact on vulnerable children with disabilities and those who have specific arrangements for attendance at faith schools. Actions are as set out at 11.20. f) above.
- c) **Children Centres (22)** will continue to deliver a whole range of activities through outreach work, local access points and open their services to more customers by widening their definition of the vulnerable, in particular ensuring that more parents will be able to access play and stay groups mitigating risks relating to early identification of disability concerns.
- d) Budget proposals in **Youth Services (30, 31, 32, 33, 35)** will also affect disabled children. The service will develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need, including some of the existing and potential users with disabilities, will continue to be supported.
- e) Relevant assets from the **Toy Library (39)** currently used by disabled children will be moved to a suitable accessible venue with the possibility of integrating with Spa4ce being explored.
- f) Alternative proposals have been made so that the **Sneyd Watersports** and **Aldridge Airport Activity Centres (62)** can continue to provide activities for mentally and physically disabled children.
- g) **Library services (65)**, **Walsall Museum (67)** and the **Local History Centre (66)** proposals may also impact on disabled children under 16 and these will be addressed as set out in section 11.20. d) and e).
- h) As identified for Children under 16 in 11.20.i), and for older people, a number of external facilities and highways that have been subject to savings will also impact on disabled children under 16, in terms of maintenance of parks, facilities and roads. The new **Green Space Strategy (58)** will allow for prioritisation of maintenance of equipment and access to wheelchair users. Further action in relation to proposal reference numbers 102, 90, 101, 100 and 83 is as set out in 11.20. i) above.



#### 11.24 Protected Characteristic Group – Disabled people - Disabled adults 16+

- a) **Children Centres (22)**, whilst reducing a number of buildings, will continue to deliver a whole range of activities through outreach work, local access points and open their services to more customers by widening their definition of the vulnerable. The council will particularly ensure that more 16+ young adults can access various activities offered.
- b) **Youth Services (30, 31, 32, 33, 35)** proposals may affect disabled adults 16+. As a result of these proposals, there will be less Personal Advisers to support young people with specific projects and intervention strategies. The service will therefore develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need, including some of the existing and potential users with protected characteristics, will continue to be supported. Equality and Diversity competencies of in-house staff, particularly where services are de-commissioned, brought in-house or developed in partnerships with schools will be strengthened and any disadvantage and barriers monitored. New technology will be used to allow young people to engage in democracy debates and participate in the UK Youth Parliament.
- c) The **Parent Partnership Service (35)** saving will be mitigated by expanding the use of new technology and by an additional £20,000 put into the service through an alternative budget. Implementation of the service changes will be undertaken in consultation with the Parent Partnership Service Steering Group.
- d) Alternative proposals have been developed so that the **Sneyd Watersports** and **Aldridge Airport Activity Centres (62)** can continue to provide activities for mentally and physically disabled children.
- e) **Library services (65)** - the service proposes a reasonable travel distance to any one library so that disabled youth and adults 16+ have a suitable choice of a venue. In addition, the service will increase frequency of its mobile library service and housebound library service. Partnerships with local organisations for book exchange will be established. The council will aim to bring together all of **Walsall Museum (67)** and the **Local History Centre (66)** historic collections including archives (local history) at a single location open to the public and review opening hours patterns based on need. More materials from the collection will be digitised.
- f) The Public Health proposal **Population Mental Health (PH9)** is reviewing how mental health services are commissioned through the Transformation Fund. This will affect some existing provision aimed at minority ethnic people with mental health issues. Future services will be designed in a way that continues to meet the needs of the existing or future service users with these characteristics.
- g) **Recruitability Payments (151)** and ceasing of **recruitability payments to sheltered employment users (156)**, some of whom are 16+. In order to mitigate the potential impact on the people with learning disabilities and

difficulties, the apprentices will be able to access employment opportunities within or outside the council. Other options will also be developed.

- h) A number of external facilities and highways have been subject to savings, some of these may impact on disabled adults 16+, in terms of maintenance of parks, facilities and roads. These cover 58, 102, 90,101,100 and 83 and actions to mitigate are shown in section 11.20.i).
- i) The proposal to **cease the bus service that provides a mobile First Stop Shop (160)** may impact on disabled people 16+. However, the council will offer similar support in other council locations, such as libraries in Darlaston and Willenhall and will ensure that residents currently utilising this facility are aware of the change and take on board any suggestions for future development.
- j) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those will be disabled 16+. The council will introduce a hardship grant to support people affected by the review and design and administration of the fund will be subject to equality considerations.

#### 11.25 Protected Characteristic Group – Pregnancy and maternity

The following proposals impacted on this group and actions to mitigate this have been set out:

- a) **Children Centres (22)**, whilst reducing a number of buildings, will continue to deliver a whole range of activities through outreach work, local access points and open their services to more customers by widening their definition of the vulnerable. The council will develop an integrated model for Early Years to deliver services with health and education that meets need and addresses issues identified. Further consultation will be undertaken with schools to understand and mitigate risk relating to withdrawal of Early Help family support for school age children. Ante-natal pathway will be implemented in partnership with Health to assess the needs of parents and target parenting and other support as appropriate. This will mean that risks relating to domestic abuse and mental health issues will be identified by health visitors and midwives early on and referred for appropriate intervention. Suitable training will be undertaken by all staff before starting the new responsibilities. The new definition of the vulnerable will mean that all parents will be able to access play and stay groups across the borough mitigating risks relating to early identification of disability, special educational need and social care concerns. These activities will be free of charge therefore financial barriers will be mitigated. This will mean that parents will continue to be afforded opportunity to meet other parents to access advice and support and to gain support in relation to social isolation, post natal depression and speech and language development of young children. The council will ensure there are adequate access points for services by retaining some venues in Willenhall South, Brownhills and Pheasey to reduce any negative impact on parents (women in particular) that have barriers to travel.
- b) **Youth Services (30, 31, 32, 33, 35)** proposals in relation to Information, Advice and Guidance (IAG), Targeted Youth Work, Targeted Youth Support and Voice of Children and Young People. As identified the service will develop a new 'needs based resourcing model' and carry out a 'root and branch' internal review of services offered so that those people with greatest need will continue

to be supported. The council will monitor the impact of reduced levels of youth work on teenage pregnancy rates. Equality and Diversity competencies of in-house staff, particularly where services are de-commissioned, brought in-house or developed in partnerships with schools will be strengthened and any disadvantage and barriers monitored.

- c) **Library services (65), Green Spaces (58), traffic signs (102), road name plate (90), road markings (101), maintenance of drainage and streams (100) and Pelsall toilets (83)** may also impact this group, with actions as set out in 11.20. d) and i) above being taken.
- d) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those will be pregnant women or those on maternity. The council will introduce a hardship grant to support people affected by the review and design and administration of the fund will be subject to equality considerations.

#### 11.26 Protected Characteristic Group – Sex, women in particular but all those with caring responsibilities

- a) **Children Centres (22)** – as the pregnancy and maternity group above, the impact and mitigating actions to address this as far as is possible are set out at 11.25. a) above.
- b) Public Health Programmes - **Healthy Child 0-5 ages (PH3) and Healthy Child Programme, school nursing service, ages 5-19 (PH4)** may impact on women or men caring for children. Public Health will ensure that the providers will remodel the service offer with minimal impact on service users. This may entail training of volunteers to offer breastfeeding support and prioritising/incentivising safeguarding and looked after children through the procurement process. Concerns will be addressed through close contract monitoring processes.
- c) The **Review of Council Tax Reduction Scheme (163)** potentially impacts on all different groups of adults, some of those will be women or men with caring responsibilities. The council will introduce a hardship grant to support people affected by the review and design and administration of the fund will be subject to equality considerations.

#### Equalities Summary

11.27 The council has carefully considered the EqlAs where the outcome was to go ahead with the reductions despite potential adverse impact (option C on the form). Great emphasis was put on managing and mitigating this adverse impact to the services' best ability, within available budgets, and in consultation with their service users with protected characteristics. However, we recognise that some service users may potentially see a change in the way their needs are met, particularly in the following areas:

- Reduced local presence of some council services and potentially limited opening hours, particularly in relation to children's child care, community hubs provided by libraries, local history centre, garden waste, Pelsall toilets, road maintenance.

Some of these services/venues provided technical facilities, e.g. computers or play equipment that some local people rely on.

- New venues that parents, older people or young people will have to travel to or walk to which may be further away from their home and may impact on their personal finance and time.
- Refocusing services to those who are in greatest need and developing new assessment/ eligibility criteria may result in some of the existing service users not qualifying for the service in future. This may, for example, include targeted youth work, respite care, or revisions to the council tax reduction scheme.
- Developing services jointly with new partners, decommissioning or re-commissioning services and remodelling new provision may also result in some users no longer qualifying for assistance or their needs not met in the same way as before. Any such newly redesigned service will have to pay attention to staff's equality and diversity competence to continue to support people with protected characteristics.

11.28 This list is not exhaustive and more details are provided in the full EqIA forms. Managers from the areas where potential cumulative impact has been highlighted are collaborating in order to understand the impact fully and implement mitigating actions. This may require sharing data on existing customers, improving our staff training, putting in some transitional arrangements and considering future demand jointly.

11.29 Mitigating action plans from the EqIAs will be appropriately supported and progress tracked through the council's Corporate Equality Group. Any potential disadvantage for any particular groups in future will be monitored and amendments made accordingly. The council will publicise further information relating to these plans in the annual Public Sector Equality Duty reports.

## **12. Amendments to the Revenue Plans and Capital Programme**

12.1 On 29 October 2014 Cabinet presented the Financial Plan 2015/16 to 2018/19: Draft Revenue Budget and Capital Programme for Consultation setting out plans for service delivery, including proposals to meet funding reductions and cost pressures within the context of a four year financial outlook for the period 2015/16 to 2018/19, and a draft capital programme, for onward consultation.

12.2 Portfolio plans identified the indicative revenue cash limit and draft capital programme, summary of services within the portfolio, objectives and future plans, along with a list of revenue savings and efficiencies proposed for each of the 4 year budget plan from 2015/16 to 2018/19 and capital plans where appropriate.

12.3 Further to previous reiterations of the 2015/16 budget proposals to Cabinet on 29 October and 17 December 2014, there have been a number of changes to revenue proposals following extensive budget consultation (as identified in Section A of the attached report - Findings from Budget Consultation Phase Two: Financial Year 2015/16 and Cabinet Responses) and following review of equality impact assessments (as identified in the previous section of this report), as outlined below:

- Removal of saving number 51 – £80,000 in 2015/16 and £100,000 in 2016/17 for the reduction in support to Community Associations.
- Amendment and reduction in saving number 58 from £362,708 to £135,383 in 2015/16 for the greenspaces, countryside and infrastructure maintenance service (reduction of £227,325).
- Amended saving number 62 from £97,000 to £48,500 in 2015/16 for the review of the outdoor adventure service, with £48,500 moving to 2016/17 (changed from the proposed ceasing of the service which has been withdrawn).
- Amendment and reduction in saving number 65 from £385,092 to £288,819 in 2015/16 for the deferral of library closures by 3 months (Reduction of £96,273).
- Amended saving number 69 - £5,367 in 2015/16 for New Art Gallery now to be made from operational staffing changes (the proposed reduction in winter opening hours will no longer be implemented).
- Amendment and reduction in saving number 82 from £477,732 to £226,747 in 2015/16 for street cleansing activity (Reduction of £250,985).
- Removal of saving number 80 - £310,000 in 2016/17 for the introduction of charging for garden waste collection.
- Removal of saving number 96 - £100,000 income in 2015/16 from the charging for district centre car parking (as reported to Cabinet on 17 December 2014).
- Amended saving number 101 - £6,500 in 2015/16 and £28,500 in 2016/17 for reduced maintenance of road markings now to be made from operational general efficiencies within the Engineering & Transportation service.
- Amended saving number 111 - £47,502 in 2015/16 for the ceasing of recruitability now to be made from operational savings.
- Amended saving number 152 - £260,000 in 2015/16 and £20,000 in 2016/17 for the Fallings Heath respite care review and design of staffing provision and targeted increase in occupancy rates (the proposed replacement of residential provision will no longer be implemented).
- Removal of the deferred saving of £90,000 from 2014/15 to 2015/16 for the removal of subsidies for the maintenance of grass sports facilities (as reported to Cabinet on 17 December 2014).

12.4 In total, £1,212,452 of savings proposals have been removed in 2015/16 and £458,500 in 2016/17 - this has been funded as follows:

- Use of alternative funding / collection fund income - £748,310 in 2015/16 and £410,000 in 2016/17.
- Substitute proposals (as set out above) - £319,369 in 2015/16 and £48,500 in 2016/17

- Use of one off reserves - £144,773 in 2015/16.

12.5 One change has been made to the draft capital programme for 2015/16 which is the inclusion of £405k for the remediation of the strategically important Lex site at Wolverhampton Street, Waterfront. The site has been recently acquired by the council from the Homes and Communities Agency (HCA), as per Cabinet's approval of this course of action in April 2014 and subsequent report in December 2014. The site forms a key part of the wider Waterfront redevelopment project, which is aimed at creating a new leisure destination in the town centre.

### Background papers

- Various financial working papers.
- Financial Plan 2015/16 to 2018/19 - Draft Revenue Budget and Capital Programme for consultation – Cabinet 29 October 2014
- Financial Plan 2015/16 to 2018/19 – Update on Draft Revenue Budget and Capital Programme, and outcome of budget consultation to date – Cabinet 17 December 2014
- Equality Impact Assessments
- Corporate Budget Plan and Treasury Management and investment Strategy 2015/16 – Cabinet 4 February 2015

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