

## Cabinet – 12 January 2011

### Revised Draft Corporate Budget and Draft Formula Grant Settlement 2011/12

**Portfolio:** Councillor C Towe – Finance and Personnel

**Service:** Finance – council wide

**Wards:** All

**Key decision:** No

**Forward plan:** No

#### 1. Summary of report

1.1 This report presents the second draft revenue and capital budget proposals for 2011/12, together with an update on funding following receipt of the draft formula grant settlement on 13 December 2010. The final budget, including any changes arising from consultation arrangements, will be presented to Cabinet on 9 February 2011 and will include the impact of the final settlement, before being considered by Council on 24 February 2011. The budget proposals include a council tax freeze for 2011/12.

#### 2. Recommendations

2.1 That Cabinet note the following for consultation:

- a) The current draft net budget requirement of £246.086m;
- b) The provisional formula grant settlement of £137.104m, after the rolling in of £16.689m of specific grants as summarised in **Appendix 4**;
- c) Total reduction of £6.224m from specific grants, which will be reduced by £183k new un-ring fenced grants, with the requirement to passport reductions to the area of activity that the grant relates to, as shown in section 4.8;
- d) A council tax freeze for 2011/12 (funded from Council Tax Freeze Grant of £2.712m), resulting in no change to the council tax at Band D, of £1,384.64 excluding precepts;
- e) Total full year effect of revenue investments of £0.459m and efficiencies of £2.152m arising from previous budget decisions, as set out in **Appendix 1**.
- f) Total revenue investment of £5.755m, relating to cost pressures, legislative requirements, and reduced levels of income or grant, as set out in section 4.5 and **Appendix 2**;
- g) Total savings, efficiencies and income generation proposals of £17.253m as set out in section 4.6 and **Appendix 3**, noting the increase of £619k additional waste savings within Street Pride;
- h) Approve the transfer of added sums funding from annual revenue costs to part of the pensions valuation, as noted in section 4.15;

- i) The current draft capital programme of £55.448m for 2011/12, and an indicative capital programme of £35.362m for 2012/13 and £23.634m for 2013/14, as set out in **Appendix 5**.

2.2 That Cabinet refer this report to all scrutiny and performance panels for further consultation, to enable their comments to be considered, prior to Cabinet meeting on 9 February 2011 to make it's final budget recommendations to full Council.

### **3. Background Information**

3.1 The draft revenue budget proposals were presented to Cabinet on 17 November 2010 and referred to scrutiny panels at their meetings in November and December. Recommendations from scrutiny panels, and the results from budget consultation was then presented to Cabinet on 15 December 2010.

3.2 The draft capital programme was presented to Cabinet on 15 December 2010.

3.3 The draft formula grant settlement was announced on 13 December 2010. This is a 2 year settlement and covers the period 2011/12 to 2012/13. The draft settlement includes a number of grants that have been unringfenced and rolled into this single funding mechanism, totalling £16.689m.

### **4. Resource and legal considerations**

#### **Legal**

4.1 In recent years central government has capped the level of council tax rises. For 2010/11 this was capped at a maximum of 4.5% for council tax increases and a maximum net budget requirement increase of 3.5%. Capping principles are determined on a year by year basis. The Parliamentary Under Secretary of State announced that the government expected the average Band D council tax increase to be at a 16 year low in 2010/11, and have since announced the intention to fund the council tax increase up to 2.5% in 2011/12 only. The draft proposals within this report include a council tax freeze (funded from Council Tax Freeze Grant), and a 0.24% increase in net budget requirement.

#### **Financial**

##### **Revenue**

4.2 The budget has been constructed in accordance with the Medium Term Financial Strategy (MTFS) and all relevant corporate financial protocols and presents a balanced draft revenue budget, resulting in:

- A focus on a policy-led budget setting approach using corporate priorities established by cabinet
- A total draft net budget requirement of £246.086m
- Provision for inflationary pressures of £5.089m
- Provision for known budget pressures, including cost pressures, legislative requirements and reduced levels of income or grant, of £5.755m
- Full year impact of growth approved in the 2010/11 budget and fallout of one-off investment of £0.459m

- No planned contribution to balances in 2011/12, as the current provision is deemed sufficient to ensure minimum opening reserves are in line with the MTFS
- Proposed savings, efficiencies and fees and charges increases of £17.253m, net of specific grant reductions
- Full year impact of savings approved in the 2010/11 budget of £2.152m

4.3 **Table 1** below provides a summary of the council's net draft budget requirement 2011/12, excluding precepts, compared to the 2010/11 budget

<b>Table 1 : Draft Net Budget Requirement 2011/12</b>	
	<b>£m</b>
<b>2010/11 Approved by Council on 22 February 2010:</b>	<b>245.496</b>
Adjustment to Formula Grant baseline	(0.899)
Grants rolling in to Formula Grant (Appendix 4)	16.689
<u>Changes:</u>	
Inflationary pressures	5.089
Financing Options / Service Cost Pressures (Appendix 2)	5.755
Provision for corporate pressures	(3.456)
Full year effect of 2010/11 growth and fallout of one-off investment (Appendix 1)	(0.459)
Proposed savings options 2011/12 (Appendix 3)	(17.253)
Full year effect of 2010/11 savings (Appendix 1)	(2.152)
Council Tax Freeze Grant	(2.724)
<b>2011/12 Draft net budget requirement:</b>	<b>246.086</b>

The Government has announced a one off council tax freeze grant of £2.712m for Walsall in 2011/12 (this will be included in the settlement for 2012/13, but we are not aware of how this will be treated beyond 2012/13). The actual grant will not be known until April 2011, although we currently assume £2.724m based on the current council tax base for 2011/12.

#### Available Resources

4.4 **Table 2** provides an analysis of funding to meet this requirement, including the draft formula grant settlement announced on 13 December 2010. The final settlement is expected in late January, and will impact on the final budget if it changes from the draft. Further work is in hand to finalise the impact of any shortfall or surplus on the collection fund and its impact on the council tax increase/net budget requirement. These proposals represent an early indication of the draft budget position, based on Cabinet priorities, costs and funding information. It may therefore change as further information becomes available and consultation feedback is received.

<b>Table 2 : Estimated available resources for 2011/12</b>	
<b>Source of Funding</b>	<b>£m</b>
Estimated Formula Grant	137.104
Estimated Council Tax	108.982
<b>Total Resources to fund net budget requirement</b>	<b>246.086</b>

## Investment

- 4.5 The draft 2011/12 revenue budget includes £0.459m fall out of one-off growth relating to investment decisions made by Council in February 2010 where a part year cost effect only was included in 2010/11. In addition further growth proposal totalling £5.755m has been identified as a very high priority by Cabinet as being essential to meeting cost pressures, legislative requirements and reduced levels of income or grant. Details can be found at **Appendix 1 and 2**. The budget assumes that any education-related pressures will be accommodated from the schools DSG.

## Savings Options

- 4.6 In order to set a balanced budget, and after a review of available resources from formula grant and council tax, and taking into account additional known and likely pressures, savings options of £17.253m are included in the draft budget proposals within this report for consultation (**Appendix 3**). The proposed savings options reported to Cabinet on 17 November 2010 amounted to £16.634m, thus an increase of £0.619m relating to additional waste disposal savings within Street Pride. These savings have been identified using the principles of Working Smarter. Further full year effect savings of £2.152m are included relating to decisions taken in relation to the 2010/11 budget (**Appendix 1**). This has enabled Cabinet to use available resources to target priority services, and allowed some targeted investment in high priority areas, such as meeting Cabinet's Cleaner, Greener agenda.

## Formula Grant and Specific Grants

- 4.7 The Government provides funding to councils through formula grant, specific grant (which must be used to deliver government specific outcomes), and un-ring fenced grants which the council can decide how to utilise. For Walsall in 2011/12 the provisional settlement has been confirmed as £137.104m. This includes a number of grants that have been un-ring fenced and rolled into this single funding mechanism totalling £16.689m (listed in **Appendix 4**), plus the rolling in of personal social services grant and some LSC funding. The net effect of this is a reduction in cash of £17.401m. The summary of funding for 2011/12 and the comparison with 2010/11 is shown in **Table 3** overleaf :-

<b>Table 3 : Funding 2011/12</b>			
	<b>2010/11</b>	<b>2011/12</b>	<b>Movement</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Formula Grant	137.243	137.104	-0.139
Grants rolling in to Formula Grant	16.689	-	-16.689
Personal Social Services	0.562	-	-0.562
LSC funding	0.011	-	-0.011
<b>Total Formula Grant</b>	<b>154.505</b>	<b>137.104</b>	<b>-17.401</b>
Impact on Specific Grants			
Education / Childrens ABG now stopped or moved into DSG	2.096	-	-2.096
Movement of specific Education / Children's grants to Early Intervention	16.935	14.751	-2.184
Other non Education ABG now stopped	0.657	-	-0.657
Housing & Council Tax Benefit Subsidy Admin Grant	3.514	3.247	-0.267
School Modernisation Funding	0.089	-	-0.089
City Challenge	0.003	-	-0.003
Playing for Success	0.080	-	-0.080
Music Support Grant	0.848	-	-0.848
	<b>24.222</b>	<b>17.998</b>	<b>-6.224</b>
<b>Total Funding 2011/12</b>	<b>178.727</b>	<b>155.102</b>	<b>-23.625</b>

4.8 In addition there have been changes to specific grants issued from other government departments such as the department for education. For 2011/12 these total £17.998m compared to £24.222m in 2010/11, a reduction of £6.224m. In addition, the Council reduced its revenue budget by £4.593m in response to the Governments emergency budget in June 2010, along with £6.021m with the ceasing of the Working Neighbourhood Fund on 31 March 2011.

4.9 The following is a high level resume of the changes in specific grants :-

- A number of Education / Children's Area Based Grants now stopped totalling £2.096m. This included School Development grant; primary and secondary national strategy grants; travel advisors; flexible 14-19 funding
- Reduction following the movement of 23 specific Education / Children's Services grants into a single Early Intervention Grant, resulting in a reduction of £2.184m.
- Area Based Grants for non education services now stopped, totalling £657k. It is proposed to stop or reduce the activities that this grant funds. Examples include : Stronger Safer Communities, Prevent, Young People Substance Misuse, Community Cohesion, Petitions, Child Poverty, Climate Change Planning
- Reduction in Housing and Council Tax Subsidy Grant of £266k. This will be part funded from a £200k investment, leaving £66k to be consumed within existing budgets.
- School modernisation grant of £89k ceases so it is proposed that the service will also be ceased.

- Playing for Success DCSF Grant ceases so it is proposed that the service will also be ceased
- Preventing Homelessness grant has been increased by £61k, along with a new £122k Lead Local Flood Authority Grant.
- Two education grants have not yet been confirmed, including the Music Support Grant of £848k. Music Education is the subject of a national review (the Henley review) its findings are expected at the end of January and should include recommendations on the funding of the service.
- Learning Disability and Health Reform Grant of £6.459m in 2011/12 and £6.612m in 2012/13 – this grant is simply a redirection of funding from the NHS to Walsall, thus a net nil impact on the budget.
- NHS funding to Support Social Care and Benefit Health of £3.874m in 2011/12 – funding will be direct to the NHS, although the Council will have a role to play in how the funding will be allocated.

### Collection Fund

4.10 The collection fund is a fund 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. Any surplus or deficit calculated as at January 2011 will impact on the council's net budget requirement for 2011/12. No surplus/deficit is expected for 2010/11.

### Settlement 2012/13

4.11 **Table 4** shows the anticipated reduction in 2012/13. The settlement announced only the first of the two years of the comprehensive spending review. This is because the government will be revamping the distribution formula. There is a 7 month consultation scheduled for the new year. One of the major thrusts will be for local authorities to keep the business rates generated within the area rather than pooling for national redistribution. Taken at its literal face value this would disproportionately affect those authorities such as Walsall who currently receive significantly more back than is generated in the borough.;

<b>Table 4 : Funding 2012/13</b>			
	<b>2011/12</b>	<b>2012/13</b>	<b>Movement</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Formula Grant	137.104	126.445	-10.659
Specific Grants <sup>1</sup>	24.719	25.036	0.317
<b>Total Funding</b>	<b>161.823</b>	<b>151.481</b>	<b>-10.342</b>

<sup>1</sup> Assumes HB subsidy grant remains at 11/12 levels

## General Fund Reserves and Risks

- 4.12 Councils must set and maintain a budget sufficient to cover all known expenditure and headroom for unknown expenditure. It is prudent for councils to maintain adequate general reserves and contingencies and a risk assessment is used to determine appropriate levels. Chief finance officers are required to formally report to members on the adequacy of reserves, and this will be included in the February budget report.
- 4.13 The current MTFS requires opening general reserves of between 2.25% and 5% of the net general fund revenue budget. In 2011/12 this equates to a balance of between £5.54m and £12.3m.
- 4.14 The key risks identified within the draft budget include the national and local economic situation and general demographic trends, including their impact on the demand for council services and income generation; and the current pay and grading and equal pay project. Given the financial challenges facing local authorities and this council in future years, the chief finance officer may recommend a higher than minimum level of reserves to ensure stability and the adequate management of future unknowns. There is no provision to replenish reserves in 2011/12, as the current level of reserves is considered sufficient to ensure an opening working balance of at least the minimum required, and providing the current financial years overspend position does not worsen.

## Pensions

- 4.15 Added years granted to former employees who have retired in previous years are charged to the revenue account as 'added sums' on a "pay as you go" system. Clarification is currently being explored with West Midlands Pension Fund on whether it is possible to convert these payments into funded benefits under LGPS (Miscellaneous) Regulations 2009. Should this be acceptable to the pension fund it is proposed that this will be enacted.

## Capital

- 4.16 **Table 5** shows currently estimated resources to fund the mainstream capital programme for 2011/12 to 2013/14 – as shown in **Appendix 5a**.

<b>Table 5: Estimated Mainstream Capital Resources</b>			
<b>Category</b>	<b>2011/12 £m</b>	<b>2012/13 £m</b>	<b>2013/14 £m</b>
Unsupported borrowing – borrowing funded from revenue	8.971	7.159	6.731
Capital receipts projected	1.500	1.500	1.500
Invest to Save / Cash flow Mgt	0.000	0.647	0.733
Carry forward of 2010/11 underspends	0.950	0.000	0.000
<b>Total resources</b>	<b>11.421</b>	<b>9.306</b>	<b>8.964</b>

- 4.17 Supported borrowing allocations allow the council to borrow up to the amount of the allocation and Government provide an amount within Walsall's Formula Grant to fund the cost of borrowing (debt charges). The formula grant settlement announced by the Government on 13 December 2010 stated that there will be no supported borrowing for 2 years from 2011/12. Funding for schemes previously supported by borrowing will now be provided by Government grant, but indications show that the amount of grant available will be considerably reduced.
- 4.18 Capital receipts projections are based on professional estimates of property colleagues.
- 4.19 General unsupported borrowing relates to additional borrowing which is funded from the council's own resources – generated through savings, and/or paid for via council tax. Council's 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 £9m of additional unsupported borrowing to fund high priority items in 2011/12.
- 4.20 Invest to save is a capital scheme that can be paid for out of savings it will generate over a short period of time.
- 4.21 In line with the capital strategy, the draft programme is constructed using capital proposal forms submitted by services. The estimated costs of these proposals are summarised in **table 6**. See **Appendices 5b and c** for further details of the projects.

<b>Table 6: Capital Schemes by Category</b>	
<b>Category</b>	<b>2011/12 £m</b>
Corporate commitments	2.147
Prior year approvals	4.195
Criteria 1 – critical to life and limb	0.200
Criteria 2 – will cost the council more in the long term if we don't do them	3.359
Criteria 3 – critical to service inspection/delivery outcomes	0.240
Capital insurance reserves	1.280
<b>TOTAL</b>	<b>11.421</b>

- 4.22 Schemes are recommended to go ahead as they represent council priorities, for a number of reasons:
- Corporate commitments - annual commitments that must be in the capital programme i.e for infrastructure projects, though the amounts may be varied.
  - Prior year approvals - projects that have started or received prior Cabinet approval and funding in 2011/12 is required for their completion.
  - Schemes which are critical for health and safety reasons, or which will cost the council more in the long run or are critical to deliver a specific service outcome.
  - Capital insurance reserves: in a number of areas as insurance reserves to protect the council's position, for which funding is available should the need arise to draw it down.
- 4.23 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.

- 4.24 **Appendix 5d** shows the indicative externally funded programme bids by portfolio for 2011/12 to 2013/14. 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. At this point in time a number of grants have not been confirmed, therefore there is likely to be some movement as the budget process progresses.
- 4.25 The 2011/12 leasing programme of £16.108m (£5.424m of new starts) is analysed in **Appendix 5e**. Leasing minimises the call on capital resources by spreading the acquisition cost over some years. Revenue funds are needed to finance operating leases. The revenue implications of the leasing programme of £2.872m (new starts of £0.703m + £2.169m of existing leases) for 2011/12 are included in the draft revenue budget.
- 4.26 The prudential system allows borrowing to fund the purchase of leased items. This expenditure would be treated as capital expenditure and not revenue meaning the council would buy the assets outright. The decision to lease or buy depends on several variables, for example, the costs of borrowing and the residual value of the asset at the end of its leased life. Before each drawdown, our leasing advisors produce a report and recommend which financing approach is most appropriate. A rigorous evaluation is then undertaken before a decision to lease or buy is made, ensuring value for money.
- 4.27 The prudential system requires the setting of indicators for the likely level of capital expenditure each year. Decisions to lease or buy cause total expenditure to fluctuate during the year. Therefore regular monitoring reports to cabinet and Corporate Management Team on the council's financial performance will include prudential indicators.
- 4.28 Currently ongoing projected capital resources can fund the existing programme. New starts above the level indicated in this report will only be able to be afforded from 2012/13 onwards if new capital resources are found or projects identify efficiencies to fund the revenue streams arising from the use of USB.

## **5. Citizen impact**

- 5.1 The budget is aligned with service activity in service plans, and prepared using the principles of the Working Smarter programme. The savings and efficiencies reduce net cost and dampen the need for council tax increases. A stable financial position ensures activity is targeted on service delivery and driving improvement.

## **6. Community safety**

- 6.1 The draft budget provides funding for community safety initiatives.

## **7. Environmental impact**

- 7.1 Savings options for 2011/12 consider the impact on the environment. The new carbon trading scheme starts fully in April 2011, therefore it is essential that the council reduces its carbon footprint to ensure we reduce the number of carbon allowances we are required to purchase from April 2012 onwards.

## **8. Risk management issues**

- 8.1 Service managers undertake comprehensive risk assessments of their budgets by identifying risk factors associated with potential changes to service delivery and funding streams to ensure that adequate corporate budgetary provision is available to cover unforeseen future events. This risk management approach has been in place for several years and is used to inform the level of earmarked reserves and working balance. A detailed statement on the adequacy of general and earmarked reserves and provisions will be included within the final budget report in February, along with a comprehensive financial assessment of the key risks to the 2011/12 budget.
- 8.2 Managers are required to deliver their services within budget and there are comprehensive performance arrangements in place to monitor and manage this.

## **9. Equality implications**

- 9.1 Service managers have regard to equalities in setting budgets and delivering services. Equality impact assessments have been undertaken on options and the overall budget which have been independently assessed by the councils Equality and Diversity team. These have been refined as feedback is received on the budget as part of the consultation process.

## **10. Consultation**

- 10.1 The council is statutorily obliged to consult with representatives of non-domestic ratepayers before setting the budget for the following financial year. Public consultation started in September and includes:
- Budget consultation packs sent to key community and voluntary sector organisations, and also published on the council's website.
  - Interviews of older people at Age Concern road shows
  - Discussions held with service users and young people, met people with learning disabilities, and gathered feedback at the Centre for Independent Living
  - Business consultation with representatives from the business community on 28 September 2010, a follow up meeting will take place on 11 January 2011
  - On line budget simulator tool launched on 8 October 2010 until 5 November 2010 for residents to review budget prioritisation
  - A Workforce Management JNCC has been established to consult with employee representatives and discussion on budget options which started formally on 22 November
  - Consultation with schools on schools budgets.
- 10.2 A detailed report was presented to Cabinet on 15 December 2010 providing consultation findings in order for Cabinet to take these into consideration in finalising their budget proposals.

**Background papers**

Various financial working papers.  
Equality Impact Assessments  
Budget Consultation

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**James Walsh**  
**Chief Finance Officer**  
23 December 2010



**Cllr Chris Towe**  
**Finance and Personnel**  
23 December 2010

## FULL YEAR EFFECT OF PREVIOUS YEARS GROWTH AND FALLOUT OF ONE OFF INVESTMENTS

DESCRIPTION	DIRECTORATE	SUB SERVICE AREA	ANNUAL NET SAVING		
			2010/11	2011/12	Movement
			£	£	£
<b>CHILDRENS PORTFOLIO</b>					
Additional Child Concern Workers to support the development of localised integrated working.	CHILDREN'S SERVICES	Universal Services	0	(100,000)	(100,000)
<b>TOTAL CHILDRENS PORTFOLIO</b>			<b>0</b>	<b>(100,000)</b>	<b>(100,000)</b>
<b>COMMUNITIES AND PARTNERSHIPS PORTFOLIO</b>					
Maintain the operation of the recently digitised CCTV system for 24 hr operation. Yr 1 costs to mainstream the activity, year 2 onwards will generate income and streamline costs to offset the initial costs	NEIGHBOURHOOD SERVICES	Public Safety	65,000	0	(65,000)
Revised neighbourhood management model	NEIGHBOURHOOD SERVICES	Neighbourhood Management	450,000	395,000	(55,000)
<b>TOTAL COMMUNITIES AND PARTNERSHIPS PORTFOLIO</b>			<b>515,000</b>	<b>395,000</b>	<b>(120,000)</b>
<b>LEISURE, CULTURE AND ENVIRONMENT PORTFOLIO</b>					
Arboretum Restoration Programme - Stage 2 heritage lottery Fund bid. Increase in investment as identified in 2009/10.	NEIGHBOURHOOD SERVICES	Leisure & Community Health	40,000	30,000	(10,000)
<b>TOTAL LEISURE, CULTURE AND ENVIRONMENT PORTFOLIO</b>			<b>40,000</b>	<b>30,000</b>	<b>(10,000)</b>
<b>REGENERATION PORTFOLIO</b>					
<b>Reducing leased office accommodation</b> - Over the next 3 years there is an opportunity to move out of Tameway Tower, Townend house and other leased accommodation resulting in reduced costs to the council. The Civic complex does not have the capacity to absorb more staff and therefore alternative council accommodation will need to be converted. Capital bids have been made for conversion.	REGENERATION	Property Services	(49,500)	(10,700)	38,800
<b>Saving relating to the reducing of leased accommodation.</b>	REGENERATION	Property Services	(220,000)	(642,500)	(422,500)
<b>Development Control Income</b> Review of income targets - pressure arising from under achievement of income for planning applications due to current economic conditions. In year 3 2011/12 the income figure will be refreshed. This bid is in the context of the Council having taken a number of years to build up a stable professional team within planning, in the face of a severe national shortage. This has resulted in the Council achieving top quartile performance and a stable team (in comparison to most other local authority planning teams).	REGENERATION	Planning Services	0	(278,704)	(278,704)
<b>TOTAL REGENERATION PORTFOLIO</b>			<b>(269,500)</b>	<b>(931,904)</b>	<b>(662,404)</b>
<b>SOCIAL CARE AND HEALTH PORTFOLIO</b>					
Older persons - Demographic Growth. Increase in investment as identified in 2009/10.	SOCIAL CARE AND INCLUSION	Adults	72,133	335,656	263,523
Learning Disability Demographic Growth - new cases 08/09. Increase in investment from 2009/10.	SOCIAL CARE AND INCLUSION	Adults	240,000	480,000	240,000
Increase in demand within mental health services. Dementia statistics show this is a national issue not just at Walsall.	SOCIAL CARE AND INCLUSION	Mental Health and Dementia	570,071	685,649	115,578
Increase in client demand within learning disabilities	SOCIAL CARE AND INCLUSION	Learning Disability	45,000	90,000	45,000
Increase in demand within older peoples services.	SOCIAL CARE AND INCLUSION	Older People	143,036	(72,584)	(215,620)
<b>TOTAL SOCIAL CARE AND HEALTH PORTFOLIO</b>			<b>1,070,240</b>	<b>1,518,721</b>	<b>448,481</b>
<b>BUSINESS SUPPORT PORTFOLIO</b>					
Creation of 3 business analyst posts to support council wide efficiency activity. Funding is for one-off set up costs and it is expected that year 2 + the posts will generate sufficient efficiencies to cover the cost of the posts and achieve further savings for the council.	RESOURCES	Business Solutions	120,000	0	(120,000)
Reduction in housing benefit administration grant	RESOURCES	Revenues	180,000	200,000	20,000
<b>TOTAL BUSINESS SUPPORT PORTFOLIO</b>			<b>300,000</b>	<b>200,000</b>	<b>(100,000)</b>

DESCRIPTION	DIRECTORATE	SUB SERVICE AREA	ANNUAL NET SAVING		
			2010/11	2011/12	Movement
			£	£	£
<b>FINANCE AND PERSONNEL PORTFOLIO</b>					
Additional capital financing regarding the reduction in capital due to falling land values. Increase in investment as identified in 2009/10.	CENTRAL	Central	382,500	467,500	85,000
<b>TOTAL FINANCE AND PERSONNEL PORTFOLIO</b>			<b>382,500</b>	<b>467,500</b>	<b>85,000</b>
<b>TOTAL FULL YEAR EFFECT OF PREVIOUS YEARS INVESTMENT</b>			<b>2,038,240</b>	<b>1,579,317</b>	<b>(458,923)</b>

### FULL YEAR EFFECT OF PREVIOUS YEARS SAVINGS

DESCRIPTION	DIRECTORATE	SUB SERVICE AREA	ANNUAL NET SAVING		
			2010/11	2011/12	Movement
			£	£	£
<b>LEISURE, CULTURE AND ENVIRONMENT PORTFOLIO</b>					
<b>Increase in burial and cremation fees/charges</b> including organ added to fee at rate of 7.5% ( benchmarked with other authorities)	NEIGHBOURHOOD SERVICES	Public Safety	(15,041)	(31,210)	(16,169)
<b>Reduction in events programming expenditure</b>	NEIGHBOURHOOD SERVICES	Libraries & Arts	(38,000)	(57,000)	(19,000)
Increase the catering management fee to schools for 2010/11	NEIGHBOURHOOD SERVICES	Leisure & Community Health	(21,817)	(39,756)	(17,939)
May Gurney RPI reduction in 2009/10 - contract to be reviewed in 2011/12.	NEIGHBOURHOOD SERVICES	Street Pride	(60,000)	0	60,000
Reduction in waste arisings	NEIGHBOURHOOD SERVICES	Street Pride	(107,000)	(117,000)	(10,000)
Additional income generation from the schools' music service	NEIGHBOURHOOD SERVICES	Libraries & Arts	(26,813)	(40,219)	(13,406)
Closure of Willenhall Leisure Centre - includes security/boarding up costs in year 1	NEIGHBOURHOOD SERVICES	Leisure & Community Health	(58,500)	(295,565)	(237,065)
<b>TOTAL LEISURE, CULTURE AND ENVIRONMENT PORTFOLIO</b>			<b>(327,171)</b>	<b>(580,750)</b>	<b>(253,579)</b>
<b>REGENERATION PORTFOLIO</b>					
<b>Fee levy on non Education premises energy units for reinvestment in energy saving (0.02% pa).</b> This will be charged on top of the energy suppliers unit costs as a levy in recognition of the savings achieved through corporate energy procurement. This budget will then be used by the Council to invest in energy saving measures in non Education buildings to reduce energy consumption and carbon emissions. A corresponding capital bid has been made for these works.	REGENERATION	Property Services	(56,000)	(112,000)	(56,000)
<b>Reduction in temporary staffing costs</b>	REGENERATION	Across Directorate	0	(150,000)	(150,000)
<b>Funding of temporary staffing costs via WNF.</b> Adding budget back from 2009/10.	REGENERATION	Across Directorate	0	150,000	150,000
<b>Increased fee income and smarter charging -</b> This will require that all activity is charged to projects including time charging. This fee recovery is dependent on the capital programme size particularly Education and on the basis that the Primary Capital programme PCP is not delivered through the BSF LEP. A full VFM analysis will be necessary on the PCP route will be required including the risk of putting too much work through a single supplier - i.e. the LEP	REGENERATION	Property Services	(32,000)	(51,000)	(19,000)
Restructuring of Design & Project Management, Building Services, Procurement, Estates & Asset Management, leading to reduced costs	REGENERATION	Property Services	(100,000)	(200,000)	(100,000)
Restructure within Land Charges team and deletion of 2 posts	REGENERATION	Planning Services	(10,582)	(50,982)	(40,400)
<b>TOTAL REGENERATION PORTFOLIO</b>			<b>(198,582)</b>	<b>(413,982)</b>	<b>(215,400)</b>
<b>TRANSPORT PORTFOLIO</b>					
Civil Parking Enforcement income	NEIGHBOURHOOD	Engineering & Transportation	(76,000)	(117,500)	(41,500)
Increase in general pay and display charges and increase in long and medium stay car parking	NEIGHBOURHOOD	Engineering & Transportation	(26,000)	(53,000)	(27,000)
<b>TOTAL TRANSPORT PORTFOLIO</b>			<b>(102,000)</b>	<b>(170,500)</b>	<b>(68,500)</b>

DESCRIPTION	DIRECTORATE	SUB SERVICE AREA	ANNUAL NET SAVING		
			2010/11	2011/12	Movement
			£	£	£
<b>SOCIAL CARE AND HEALTH PORTFOLIO</b>					
Establish the level of entitlement and review thresholds for clients receiving direct payments, day care , home care and residential and nursing care services. Implement a fair and equitable entitlements policy covering all client groups, types of care and ensuring cost reductions and ensuring more effective processes of block lower cost placements rather than one off spot rates which are more expensive on a unit cost basis	SOCIAL CARE	Social Care	(3,196,053)	(3,711,463)	(515,410)
Housing 21 income - surplus generated as part of ongoing and annually calculated affordability envelope	SOCIAL CARE	Social Care	0	(310,000)	(310,000)
Sharing local authority buildings with NHS Walsall and charging for their partial occupancy	SOCIAL CARE	Social Care	(20,000)	(50,000)	(30,000)
Review of, and increase in, non-residential care charges including incremental removal of meals subsidy and charging for community alarm rentals.	SOCIAL CARE	Social Care	(266,000)	(276,000)	(10,000)
This is an invest to save bid which will improve day services for people with learning and physical disabilities and relies on Capital investment of £600k for Goscote. The closure of Brewer Street, scheduled for 2009, will bring in a capital receipt. Refurbishment of Goscote will facilitate the transfer the transfer of services from Pinfold, enabling the closure of day services at Pinfold and a further capital receipt from that site.	SOCIAL CARE	Social Care	0	(150,000)	(150,000)
<b>YADS External Residential &amp; Nursing Budgets</b> - reducing the number of existing clients who would be able to receive a service (2 towards the end of 9/10; additional 10 in 10/11 & additional 5 in 11/12).	SOCIAL CARE	Adults	(357,256)	(545,803)	-188,547
<b>Learning disability efficiencies related to supported living packages.</b> This would require in total a 9% efficiency against the total supported living budget. This could be achieved in a variety of different ways (asking individual supported living providers being asked to implement an overall efficiency target, make changes to existing individual supported living packages or reducing the proposed inflationary award to supported living providers which is current care packages or the reduction in the inflation award for 9/10 which is currently modelled using RPI.	SOCIAL CARE	Adults	(285,651)	(464,573)	-178,922
<b>Efficiencies within the external market for learning disability residential and nursing care</b> - using fewer providers, more cost effective providers	SOCIAL CARE	Adults	(571,302)	(929,146)	-357,844
<b>Major projects manager funded via social care reform grant</b> for 2 years whilst undertaking the project management role within the people first project. Adding budget back from 2011/12.	SOCIAL CARE	Adults	0	51,000	51,000
<b>TOTAL SOCIAL CARE AND HEALTH PORTFOLIO</b>			<b>(4,696,262)</b>	<b>(6,385,985)</b>	<b>(1,689,723)</b>
<b>BUSINESS SUPPORT PORTFOLIO</b>					
<b>Increased level of procurement savings</b>	SHARED SERVICES	Procurement	(38,773)	(66,006)	(27,233)
<b>Reduce use of agency workers and increased vacancy management.</b> The service is currently undergoing a significant review and using backfill arrangements for vacant HoS post to deliver services. The use of agency will be reduced in future once the review has been completed.	PROGRAMME DELIVERY	Performance Management	(9,878)	(38,621)	(28,743)
<b>TOTAL BUSINESS SUPPORT PORTFOLIO</b>			<b>(48,651)</b>	<b>(104,627)</b>	<b>(55,976)</b>
<b>FINANCE AND PERSONNEL PORTFOLIO</b>					
Restructuring proposals	COUNCIL WIDE	Council Wide	(417,200)	(665,700)	(248,500)
Reduction of ABG	COUNCIL WIDE	Council Wide	(380,000)	0	380,000
<b>TOTAL FINANCE AND PERSONNEL PORTFOLIO</b>			<b>(797,200)</b>	<b>(665,700)</b>	<b>131,500</b>
<b>TOTAL FULL YEAR EFFECT OF PREVIOUS YEARS SAVINGS</b>			<b>(6,169,866)</b>	<b>(8,321,544)</b>	<b>(2,151,678)</b>

**BUDGET 2011/12 +**  
**SERVICE COST PRESSURES**

REF	COST PRESSURES	SERVICE AREA	ANNUAL PRESSURE	
			2011/12	2012/13
			£	£
<b>COMMUNITIES AND PARTNERSHIPS</b>				
1	Support to non-school Community Associations to assist in building management responsibilities	Walsall Partnership	80,000	80,000
2	Local Involvement Network due to fall out of grant. Renamed Health Watch from 1 April 2011 and subject to a report to Cabinet on 17 November 2010. The council has a statutory duty to undertake this function.	Walsall Partnership	169,000	169,000
3	Shared stray dog reception facility - council took over responsibility for stray dogs from April 2008 (shared responsibility with Police prior to this).	Public Safety	17,000	17,000
4	CCTV surveillance income shortfall	Public Safety	30,000	30,000
5	Disinfestation income shortfall. Additional charges placed on mice treatments led to a decrease in the uptake of service.	Public Safety	20,000	20,000
6	Licensing Income shortfall	Public Safety	20,000	20,000
<b>TOTAL</b>			<b>336,000</b>	<b>336,000</b>
<b>REGENERATION</b>				
7	Black Country Joint Core Strategy (JCS) - recently been approved, and will be the delivery framework for the development of Walsall up to 2026, this investment in the policy team will replace capacity lost as a result of grant fall out and will ensure the production of the individual Development Plans Documents (DPD's) and site allocation plans which are required to provide an appropriate statutory land use policy framework, to enable the future delivery of development and investment in the borough.	Planning & Building Control	81,055	81,055
8	Planning application fee income shortfalls. Investment bid approved for last 2 years to reflect fall in income due to economic downturn, which now falls out. The ongoing slow recovery prevents the achievement of income target as such the investment is to be re-instated.	Planning & Building Control	278,000	278,000
9	Unclassified land and buildings fee shortfall - due to the economic downturn, resulting in a loss of rent income from vacant premises	Property Services	60,000	60,000
10	Black Country Re-investment Society loans to small or medium size businesses in Walsall - total investment of £150k, funded £75k from Council funding and £75k match funded from external resources. Should external funding not materialise, the investment will be reduced accordingly.	Strategic Regeneration	150,000	0
<b>TOTAL</b>			<b>569,055</b>	<b>419,055</b>
<b>SOCIAL CARE AND HEALTH</b>				
11	Learning Disability - Demographic growth, transition - expected change in existing need of current service users	Access, Assessment & Care Mgt	659,000	659,000
12	Older People - Demographic growth - forecast 2.3% increase in people aged 75+	Access, Assessment & Care Mgt	383,097	383,097
13	Mental Health - Demographic growth - forecast increase of 32 people requiring services	Access, Assessment & Care Mgt	390,421	390,421
<b>TOTAL</b>			<b>1,432,518</b>	<b>1,432,518</b>
<b>CHILDRENS SERVICES</b>				
14	Looked after children and Family Contact costs - increased demand on the service.	Corporate Parenting	2,100,000	2,100,000
<b>TOTAL</b>			<b>2,100,000</b>	<b>2,100,000</b>
<b>FINANCE AND PERSONNEL</b>				
15	Reduction in incentive grant relating to Housing Benefits following improvement in performance	Benefits	25,000	25,000
16	Reducing income relating to Housing Benefit overpayment	Benefits	40,000	40,000
17	Revenues: Recovery of court cost income - as council tax collection rate improves, less people default, reducing income from court costs	Revenues	52,000	52,000

## APPENDIX 2

REF	COST PRESSURES	SERVICE AREA	ANNUAL PRESSU	
			2011/12	2012/13
			£	£
18	To fund additional staff to follow up on council tax debts greater than 2 years old. It is anticipated that this will result in additional income to the Collection Fund from the successful recovery of debts.	Revenues	50,000	50,000
19	Electoral services: Collection of personal identifiers from absent voters - Section 14 of Electoral Administration Act 2006 introduced this collection of data - first obtained in January 2007. s60A of Representation of People Regulations 2000 was subsequently amended to require collection of data every 5 years. First renewal exercise has to commence in January 2012, and every January thereafter for update.	Electoral Services	20,000	9,000
<b>TOTAL</b>			<b>187,000</b>	<b>176,000</b>
<b>BUSINESS SUPPORT</b>				
20	ICT: Annual payment to the government for use of secure gateway (previously subsidised). This is a network connection for the Department of Work and Pensions to transfer data securely	Shared Services & Procurement	25,000	25,000
21	Sponsorship income shortfalls	Communications	55,000	55,000
22	Supporting capacity in the Working Smarter programme to ensure delivery of savings in 2011/12 and beyond	Shared Services & Procurement	550,145	550,145
<b>TOTAL</b>			<b>630,145</b>	<b>630,145</b>
<b>COUNCIL WIDE CORPORATE COMMITMENTS</b>				
23	Carbon Management - new mandatory emissions trading scheme that came into force on 1 April 2010. The scheme requires the Council to purchase carbon allowances each year to cover our carbon emissions from all sites the Council occupies or owns including schools and academies. The CSR announced changes to the timing of these payments, which will now be a double purchase in April 2012 for both 2011/12 and 2012/13. The 2011/12 provision will be held back for payment in April 2012. Future years allocations predict an increase in the cost of allowances by tonne.		500,000	1,111,000
<b>TOTAL</b>			<b>500,000</b>	<b>1,111,000</b>
<b>TOTAL SERVICE COST PRESSURES</b>			<b>5,754,718</b>	<b>6,204,718</b>

JRE
2013/14
£
80,000
169,000
17,000
30,000
20,000
20,000
<b>336,000</b>
81,055
278,000
60,000
0
<b>419,055</b>
659,000
383,097
390,421
<b>1,432,518</b>
2,100,000
<b>2,100,000</b>
25,000
40,000
52,000

<b>JRE</b>
<b>2013/14</b>
<b>£</b>
50,000
6,000
<b>173,000</b>
25,000
55,000
550,145
<b>630,145</b>
833,000
<b>833,000</b>
<b>5,923,718</b>

**BUDGET 2011/12 +  
PROPOSED REVENUE SAVINGS**

REF NO	WORKING SMARTER - SAVING DESCRIPTION	SERVICE AREA	ANNUAL GROSS SAVING		
			2011/12	2012/13	2013/14
			£	£	£
<b>NEIGHBOURHOOD SERVICES</b>					
<b>LEISURE, CULTURE &amp; ENVIRONMENT PORTFOLIO</b>					
<b>Restructuring</b>					
OP 1	Street pride management and supervision re structure	Street Pride	160,000	160,000	160,000
OP 2	Streamlining delivery through the reduction in support staff within creative development team	Libraries & Arts	25,680	25,680	25,680
OP 3	Rationalisation of Walsall Museum - removal of education officer post, visitor assistants posts, temporary exhibitions, reduce hours assistant curator (leather museum).	Libraries & Arts	58,356	62,821	62,821
OP 4	Deletion of vacant post, closure of laboratory and staff reduction within pollution control service.	Engineering & Transportation	101,996	144,042	144,042
OP 5	Reduction in labour costs associated working smarter initiatives 2 FTE posts within waste, 3 FTE posts within street cleansing (agency sweeper driver, 2 man cleansing team).	Street Pride	75,000	75,000	75,000
OP 6	Efficiencies within waste services - improvements in trade waste collection service, reduction of overtime due to zonal working and annualised hours agreement, reduction in agency staff due to reduction in sickness levels.	Street Pride	124,000	124,000	124,000
OP 7	Reduced provision of canteen facility when depot relocated to Pelsall Road	Street Pride	36,000	36,000	36,000
OP 8	Removal of vacant music posts from Forest Arts Centre	Libraries & Arts	104,333	104,333	104,333
<b>Review of operational budgets</b>					
OP 9	Review of security and maintenance contracts at New Art Gallery	Libraries & Arts	71,774	71,774	71,774
OP 10	Operational efficiencies within leisure centres	Leisure & Community Health	30,000	30,000	30,000
OP 11A	Reduction in waste arisings and gate fees	Street Pride	467,500	467,500	467,500
OP 11B	Further reduction in waste arisings as per report to Cabinet 21 January 2011	Street Pride	618,676	618,676	618,676
OP 12	Re-organisation of grounds maintenance activities	Street Pride	214,319	214,319	214,319
OP 13	Depot relocation savings - closure of Aldridge stores, consolidation of supplies and services budgets	Street Pride	53,000	53,000	53,000
OP 14	Reduction in running costs and leasing costs, as a result of a reduction in vehicle numbers, associated with working smarter initiatives	Street Pride	67,000	67,000	67,000
OP 15	Reduction in consumable expenditure in the NVQ centre linked to the college sustainability programme	Walsall Adult & Comm College	1,167	1,167	1,167
OP 16	Restructure of the Library Service	Libraries & Arts	180,000	180,000	180,000
<b>Fees and charges increases</b>					
OP 17	Increase income generated from schools for Forest Arts Centre music.	Libraries & Arts	23,661	23,661	23,661
<b>Policy changes</b>					
P 1	Cease direct council operation of Bentley leisure pavilion and consideration of extending management options with the 3rd sector. Football pitches will continue unaffected.	Leisure & Community Health	50,000	50,000	50,000
P 2	Closure of New Art Gallery on Sundays and bank holidays enabling a saving on staff and utilities.	Libraries & Arts	40,058	40,058	40,058
P 3	Remodelling of library service to reflect social and technological changes, including closer partnerships with the local community to deliver services and the introduction of self service facilities to streamline delivery and release future savings. This will result in fewer libraries directly run by the council, but with longer opening hours in those remaining.	Libraries & Arts	0	673,874	673,874
P 4	Rationalisation of Local History Centre - reduction in the number of posts, opening hours, conservation of and work on collections, outreach work, income generation and general efficiencies.	Libraries & Arts	62,947	62,947	62,947
P 5	Reduction in the business support team	Leisure & Community Health	20,000	60,000	70,000
P 6	Rationalisation of green spaces services - staffing and operational budgets ( 5 posts yr1, +1 post yr 2 and 3).	Leisure & Community Health	130,829	151,658	172,487

**APPENDIX 3**

REF NO	WORKING SMARTER - SAVING DESCRIPTION	SERVICE AREA	ANNUAL GROSS SAVING		
			2011/12	2012/13	2013/14
			£	£	£
P 7	Redesign the sports development team with minor reduction in programme.	Leisure & Community Health	80,000	80,000	80,000
P 8	Increase in bereavement fees & charges; 4.5% (£90k) in year 1, 3% (£60k) in year 2 and 3.25% (£65k) in year 3	Leisure & Community Health	90,000	150,000	215,000
P 9	Cease direct council operation of creches at Oak Park and Bloxwich Leisure Centres, and consideration of extending management options with other service sectors	Leisure & Community Health	10,000	10,000	10,000
<b>TOTAL LEISURE, CULTURE &amp; ENVIRONMENT PORTFOLIO</b>			<b>2,896,296</b>	<b>3,737,510</b>	<b>3,833,339</b>
<b>COMMUNITIES AND PARTNERSHIPS PORTFOLIO</b>					
<b>Restructuring</b>					
OP 18	Staffing restructure within Walsall Partnerships, Working Neighbourhood Fund (WNF) management and strategic intelligence.	Walsall Partnership	150,000	150,000	150,000
OP 19	Reduction in sampling to concentrate on responses to complaints and dealing with local traders, collaborating with other trading standards authorities in the region, where appropriate to provide efficiencies.	Public Safety	49,053	49,053	49,053
OP 20	Rationalise structure combining vacant posts in licensing and reduced hours to enable 2 vacant posts to be deleted (currently covered by agency staff), some regrading and part post deletions.	Public Safety	51,965	51,965	51,965
OP 21	Restructure service deleting the role of head of service, reviewing the number of team leaders and other staff to enable close integration with area partnerships and to allow feasibility of shared services with other black country authorities to be investigated.	Public Safety	183,786	183,786	183,786
OP 22	Through service restructuring, combination of environmental health functions into locality team linked to anti social behaviour (ASB), reassurance and neighbourhood management. Review posts and responsibilities to provide greater flexibility including those of disinfestation and dog warden services.	Public Safety	85,139	85,139	85,139
OP 23	Restructuring the service to accommodate the business support function, and combined with broader support services for public safety. Net of new contribution for admin support from emergency planning the proposal will amalgamate officers from across the service who have a supporting role for service delivery. Delete various posts and regrade others.	Public Safety	39,119	39,119	39,119
<b>Review of operational budgets</b>					
OP 24	Miscellaneous savings in controllable expenditure (legal database, trading standards interlink, equipment required to be in calibration, and reductions in training)	Public Safety	16,000	16,000	16,000
<b>Fees and charges increases</b>					
OP 25	Generation of new income from shared emergency planning service with Sandwell, net of additional costs associated with developing the service.	Public Safety	12,000	12,000	12,000
<b>TOTAL COMMUNITIES AND PARTNERSHIPS PORTFOLIO</b>			<b>587,062</b>	<b>587,062</b>	<b>587,062</b>
<b>TRANSPORT PORTFOLIO</b>					
<b>Restructuring</b>					
OP 26	Following LEAN review of the reactive highways maintenance service with the outcome of deleting vacant posts and restructure.	Engineering & Transportation	83,352	100,022	100,022
OP 27	Restructure of service within engineers - removal of 8 posts and service efficiencies	Engineering & Transportation	237,297	263,145	263,145
<b>Review of operational budgets</b>					
OP 28	Reduction in highways contractual works budget following LEAN review which identified efficiencies in working practices.	Engineering & Transportation	200,000	200,000	200,000
<b>Policy changes</b>					
P 10	Introduction of charges for parking dispensations and increase in costs of residents parking permits (Cabinet report on various options will be presented at its meeting on 15 December, report already presented to scrutiny).	Engineering & Transportation	9,500	9,500	9,500
<b>TOTAL TRANSPORT PORTFOLIO</b>			<b>530,149</b>	<b>572,667</b>	<b>572,667</b>
<b>TOTAL NEIGHBOURHOOD SERVICES</b>			<b>4,013,507</b>	<b>4,897,239</b>	<b>4,993,068</b>
<b>REGENERATION</b>					
<b>Restructuring</b>					
OP 29	Removal of 2 area planning manager posts and the creation of 1 development management manager post at the same grade to lead the teams and the redesignation of the role of team leader posts as part of a restructure of development management.	Planning & Building Control	57,503	57,503	57,503
OP 30	Removal of 2 senior planning officer posts as part of a restructure of development management. An element of the saving will be re-invested in the new structure and therefore is reflected in the saving offered up.	Planning & Building Control	29,578	29,578	29,578

**APPENDIX 3**

REF NO	WORKING SMARTER - SAVING DESCRIPTION	SERVICE AREA	ANNUAL GROSS SAVING		
			2011/12	2012/13	2013/14
			£	£	£
OP 31	Removal of 2 principal building inspector posts as part of a restructure within the building control service. Posts are 35% revenue 65% fee funded, therefore only the revenue element forms the saving.	Planning & Building Control	30,506	30,506	30,506
OP 32	Removal of 1 senior building inspector post as part of a restructure within the building control service. Post is 35% revenue 65% fee funded, therefore only the revenue element forms the saving.	Planning & Building Control	12,643	12,643	12,643
OP 33	The removal of the senior technical support officer building control and the creation of 1 building control supervisor post at a lower grade. Post is 33% revenue 67% fee funded, therefore only the revenue element forms the saving.	Planning & Building Control	3,240	3,240	3,240
OP 34	Removal of 1 building control technical support officer post. Post is 35% revenue 65% fee funded, therefore only the revenue element forms the saving.	Planning & Building Control	7,961	7,961	7,961
OP 35	Following the decentralisation of business support staff from the resources directorate and as part of a service redesign which includes the regeneration technical support team (central admin) to create one directorate business support service resulting in the removal of 8 posts across existing business support staff and regeneration technical support staff (central admin).	Planning & Building Control	50,753	50,753	50,753
OP 36	Removal of 1 development management technical support post in the technical development & support service	Planning & Building Control	24,126	24,126	24,126
OP 37	The removal of the team leader land charges/technical support post as part of a restructure and the creation of 1 local land charges supervisor post at lower grade to supervise land charges team.	Planning & Building Control	10,149	10,149	10,149
OP 38	Removal of vacant policy & performance officer post within the housing strategy & partnerships team and permanent integration of functions within other post holder responsibilities.	Housing Services	33,145	33,145	33,145
OP 39	Removal of 1 building surveyor post in property services as part of service review.	Property Services	35,016	35,016	35,016
OP 40	Ring fenced recruitment to design & project manager team manager post (currently vacant) to the design & project management post holders, following this the removal of the successful candidates post as part of service review.	Property Services	33,079	33,079	33,079
OP 41	Removal of vacant strategic regeneration framework team leader post within the development and delivery service as part of service review.	Development & Delivery	47,986	47,986	47,986
OP 42	Removal of vacant regeneration assistant (conservation) post within the development and delivery service as part of service review.	Development & Delivery	21,229	21,229	21,229
<b>Review of operational budgets</b>					
OP 43	Pooling of all revenue property maintenance budgets across the council would enable a £100k reduction in property management initiative (PMI)	Property Services	100,000	100,000	100,000
OP 44	Removal of external training budget within the housing standards & improvement service	Housing Services	4,000	4,000	4,000
OP 45	Reduction in general office expenses within the housing standards & improvement service	Housing Services	3,000	3,000	3,000
OP 46	Removal of payments to contractors for external works	Housing Services	3,000	3,000	3,000
OP 47	Reduction in consultants fees used to fund housing stock condition surveys within the housing standards & improvement service	Housing Services	3,000	3,000	3,000
OP 48	Reduction in partnership activity/ events with third sector within the housing strategy & partnerships service.	Housing Services	24,546	24,546	24,546
OP 49	Rationalisation of supplies and services budget within the housing service	Housing Services	12,526	12,526	12,526
OP 50	Lease release - previous investment no longer required ( funded via capital instead)	Property Services	63,800	63,800	63,800
OP 51	Efficiency savings arising from the demolition of property	Property Services	30,000	30,000	30,000
OP 52	Removal of overtime allowance budgets within facilities management service	Property Services	24,381	24,381	24,381
OP 53	Rationalisation in supplies and services and transport expenses budgets within the development & delivery service	Development & Delivery	6,000	6,000	6,000
OP 54	Reduction in supplies and services budget within the planning & building control service	Planning & Building Control	1,600	1,600	1,600
<b>Policy changes</b>					
P 11	Closure of Darlaston market - resulting in the removal of agency staff and from negotiating out of the waste removal, energy, and stall erection contracts. The current service is not cost neutral hence a saving will be achieved from the closure.	Development & Delivery	20,000	20,000	20,000

**APPENDIX 3**

REF NO	WORKING SMARTER - SAVING DESCRIPTION	SERVICE AREA	ANNUAL GROSS SAVING		
			2011/12	2012/13	2013/14
			£	£	£
P 12	Introduce charging policy for pre-application advice within the planning service.	Planning & Building Control	12,500	12,500	12,500
<b>TOTAL REGENERATION</b>			<b>705,267</b>	<b>705,267</b>	<b>705,267</b>

**APPENDIX 3**

REF NO	WORKING SMARTER - SAVING DESCRIPTION	SERVICE AREA	ANNUAL GROSS SAVING		
			2011/12	2012/13	2013/14
			£	£	£
<b>SOCIAL CARE AND INCLUSION</b>					
<b>Restructuring</b>					
OP 55	Realignment of the assessment and care management service and redesign of provider services to promote independence amongst service users and ensure stronger partnership working between these two areas to reduce duplication of support roles/work.	Access, Assessment & Care Mgt	3,000,000	3,000,000	3,000,000
<b>Review of operational budgets</b>					
OP 56	Development of the external / voluntary sector community meals market within Walsall, and decommissioning of current Sedexo contract from July 2011 as approved by Cabinet on 13.10.10.	Joint Commissioning	278,000	378,000	378,000
OP 57	Review of Housing 21 (H21) homes to develop multi disciplinary units. Targeting of expensive learning disability/physical disability clients, suitable for support via an extra care Housing 21 placement, to move to the mulit disciplinary units to achieve an overall cost reduction/saving. Gross saving will be offset by costs for rehousing elderly clients who would have potentially moved to H21 placements.	Joint Commissioning	255,000	255,000	255,000
<b>Policy changes</b>					
P 13	Development of the external / voluntary sector transport market within Walsall, and decommissioning of current transport contracts.	Joint Commissioning	100,000	100,000	100,000
P 14	Review of charging areas across the directorate, introduction of a benefits based charging system, and review / maximisation / introduction of other charging areas to bring Walsall in to line with other authorities both nationally and within the West Midlands.	Joint Commissioning	3,500,000	3,500,000	3,500,000
<b>TOTAL SOCIAL CARE AND INCLUSION</b>			<b>7,133,000</b>	<b>7,233,000</b>	<b>7,233,000</b>
<b>CHILDRENS SERVICES</b>					
<b>Restructuring</b>					
OP 58	Reduction in youth justice services management costs as part of Integrated Young People Support Service (IYPSS) service redesign and focus on targeted support which will strengthen the role of senior practitioners.	Integrated Young People Support	74,000	74,000	74,000
OP 59	Implementation of next phase of IYPSS service redesign maximising working smarter principles, which will increase focus on targeted youth support (TYS) for most vulnerable groups of young people.	Integrated Young People Support	435,000	435,000	435,000
<b>Review of operational budgets</b>					
OP 60	Reduction in spend on activity within the teenage pregnancy/conception reduction programme.	Integrated Young People Support	65,000	65,000	65,000
OP 61	Review of activities for young carers	Integrated Young People Support	10,000	10,000	10,000
OP 62	Reduction in overall commissioning resource. Commissioning resource currently consists of the council core budget and positive activities for young people (PAYP) activities grant fund which supports the provision of the young peoples positive activities programme.	Integrated Young People Support	45,000	45,000	45,000
<b>Policy changes</b>					
P 15	Negotiate reduction in overall value of the contract for delivery of information, advice and guidance services with Prospects.	Integrated Young People Support	75,000	75,000	75,000
P 16	Projected savings as part of the council review of essential car user allowance. Changes to essential car user allowance will provide the savings identified within youth offending budget.	Integrated Young People Support	28,000	28,000	28,000
P 17	Negotiate reduction in cost of education services contract with Serco.	Education	2,500,000	2,500,000	2,500,000
<b>TOTAL CHILDREN'S SERVICES</b>			<b>3,232,000</b>	<b>3,232,000</b>	<b>3,232,000</b>
<b>RESOURCES</b>					
<b>FINANCE AND PERSONNEL PORTFOLIO</b>					
<b>Restructuring</b>					
OP 63	Restructure programme within revenues service.	Revenues	53,000	167,500	167,500
OP 64	Home working - this is expected to increase productivity by 10% which will result in staff reduction arising from increased productivity of remaining staff. (Capital bid of £150,000 has been submitted to support this)	Benefits	0	120,000	120,000
OP 65	Reduction in benefits business development team 0.5 FTE	Benefits	15,478	15,478	15,478
OP 66	Enhanced use of telephone systems to improve service delivery rather than requiring staff visits. (Capital bid has been submitted to support this as part of the new operating model for support services)	Benefits	0	31,016	31,016

**APPENDIX 3**

REF NO	WORKING SMARTER - SAVING DESCRIPTION	SERVICE AREA	ANNUAL GROSS SAVING		
			2011/12	2012/13	2013/14
			£	£	£
OP 67	<b>Delivering the new operating model (delivering right, fast and simple) for support services</b> which entails more online resolution, more management accountability and a greater customer focus. This enables streamlining of staff resources needed over time resulting in total savings of £984k in yr 1, £1.383m in yr2 and £1.655m in yr3 onwards. Details are shown below of the individual proposals.	See below			
OP 67A	Implementation of finance restructure in response to finance direct: Reductions in post numbers to reflect managers taking on more direct responsibility for managing their own budgets - supported by improved self-service, on line reporting and forecasting tools, customer contact centre, supported by training. Reducing the need for lower level finance support. Support will be on providing focussed, more added value support to directorates, improved customer relationship management, whilst ensuring S151 responsibilities and financial governance is maintained at the highest level.	Finance	254,000	254,000	254,000
OP 67B	Net saving following previous reorganisation in equalities.	Human Resources & Development	14,276	14,276	14,276
OP 67C	Realignment of work within legal services team following reduction in demand.	Legal	47,000	47,000	47,000
OP 67D	Restructure within human resources.	Human Resources & Development	669,000	1,068,000	1,340,000
<b>Review of operational budgets</b>					
OP 68	Reduction of paid overtime	Benefits	0	2,482	65,000
OP 69	Reduce housing benefit bad debt	Benefits	24,000	24,000	24,000
OP 70	Overpayment incentive - can claim 100% grant from DWP against overpayment errors if this figure is kept below DWP targets.	Benefits	150,000	150,000	150,000
<b>TOTAL FINANCE AND PERSONNEL PORTFOLIO</b>			<b>1,226,754</b>	<b>1,893,752</b>	<b>2,228,270</b>
<b>BUSINESS SUPPORT PORTFOLIO</b>					
<b>Restructuring</b>					
OP 71	<b>Delivering the new operating model (delivering right, fast and simple) for support services</b> which entails more online resolution, more management accountability and a greater customer focus. This enables streamlining of staff resources needed over time resulting in savings of £942k a year. Details are shown below of the individual proposals.	See below			
OP 71A	Reduction in posts as a result of implementing the outcomes of the finance direct programme within finance administration	Shared Services & Procurement	220,000	220,000	220,000
OP 71B	Remove a vacant post and reduction in marketing budget.	Communications	32,000	32,000	32,000
OP 71C	Improved customer focus of business support and reduce bureaucracy.	Shared Services & Procurement	156,000	156,000	156,000
OP 71D	Disband of peripatetic administration team.	Shared Services & Procurement	108,000	108,000	108,000
OP 71E	Integration of current activity within business solutions, programme delivery and performance management. This will include the consideration of a shared intelligence function with key public service partners.	Business Solutions	338,184	338,184	338,184
OP 71F	Re-organisation of roles and responsibilities regarding the function of procurement throughout the council.	Shared Services & Procurement	50,000	50,000	50,000
OP 71G	Staffing reduction and changing the activities of the print and design team to make greater use of existing resources and deliver the same levels of service.	Shared Services & Procurement	30,000	30,000	30,000
<b>Review of operational budgets</b>					
OP 71H	Reduction in marketing and supplies and services budgets	Communications	8,000	8,000	8,000
<b>TOTAL BUSINESS SUPPORT PORTFOLIO</b>			<b>942,184</b>	<b>942,184</b>	<b>942,184</b>
<b>TOTAL RESOURCES</b>			<b>2,168,938</b>	<b>2,835,936</b>	<b>3,170,454</b>
<b>TOTAL ALL DIRECTORATES</b>			<b>17,252,712</b>	<b>18,903,442</b>	<b>19,333,789</b>

**Key to reference numbers :**

OP Operational savings - savings which officers have delegated authority to implement.

P Policy savings - savings which require a Cabinet decision to implement.

**GRANTS ROLLING INTO FORMULA GRANT 2011/12**

<b><u>Grant</u></b>	<b><u>Actual Rolled In 2010/11</u></b>
Communities and Local Government	
Supporting People	7,067,337
Economic Assessment Duty	65,000
Department for Transport	
Concessionary Fares (Currently allocated to CENTRO	1,356,692
Other Transport Revenue	112,000
Road Safety Grant	159,805
Rural Bus Subsidy (currently allocated to CENTRO)	20,000
Department for Environment, Food & Rural Affairs	
Animal Health Enforcement	4,401
Department for Education	
LSC Transfer	334,674
Services for Children in Care	385,842
Child Death Review Process	48,253
Department for Health	
AIDS Support	77,000
Preserved Rights	644,765
Mental Health	885,989
Child & Adolescent Mental Health	643,194
Learning Disability Development Fund	251,419
Mental Capacity Act	170,536
Carers	1,540,964
Adult Social Care workforce	830,647
Links	168,611
Personal Social Services *	1,811,382
Mobile Homes Act	817
Housing Services for Older People	110,000
<b>Total Grants rolling in to Formula Grant</b>	<b><u>#####</u></b>

	2011/12 estimated £	2012/13 predicted £	2013/14 predicted £
<b>UNSUPPORTED BORROWING (USB):</b>			
<b>GENERAL USB:</b>			
New General USB	8,220,750	7,158,750	6,731,000
<b>TOTAL</b>	<b>8,220,750</b>	<b>7,158,750</b>	<b>6,731,000</b>
<b>SPECIFIC USB PROJECTS:</b>			
PARIS development phase 2 - Working Smarter	750,000	-	-
	750,000	-	-
<b>TOTAL UNSUPPORTED BORROWING</b>	<b>8,970,750</b>	<b>7,158,750</b>	<b>6,731,000</b>
<b>CAPITAL RECEIPTS:</b>			
Capital receipts available to support the capital programme	1,500,000	1,500,000	1,500,000
<b>INVEST TO SAVE CASHFLOW MANAGEMENT:</b>			
Carbon management - lighting initiatives	-	250,000	250,000
Supported independent living	-	397,400	483,000
<b>CARRY FORWARD OF 2010/11 UNDERSPENDS:</b>			
Shop maintenance	100,000	-	-
General planned property maintenance	350,000	-	-
Highways maintenance	500,000	-	-
<b>TOTAL FUNDING FOR THE CAPITAL PROGRAMME</b>	<b>11,420,750</b>	<b>9,306,150</b>	<b>8,964,000</b>

<b>CAPITAL RECEIPTS</b>	2011/12 £	2012/13 £	2013/14 £
Brought forward including slippage	-		
Estimated receipts:			
General receipts	1,500,000	1,500,000	1,500,000
<b>TOTAL CAPITAL RECEIPTS</b>	<b>1,500,000</b>	<b>1,500,000</b>	<b>1,500,000</b>

<b>SUMMARY OF FUNDING</b>	2011/12 £	2012/13 £	2013/14 £
<b>Total resources available:</b>			
Supported borrowing	-	-	-
Capital receipts	1,500,000	1,500,000	1,500,000
General unsupported borrowing	8,220,750	7,158,750	6,731,000
<b>Resources available for schemes that must be supported</b>	<b>9,720,750</b>	<b>8,658,750</b>	<b>8,231,000</b>
Specific unsupported borrowing	750,000	-	-
Invest to save cashflow management	-	647,400	733,000
Carry forward of 2010/11 underspends	950,000	-	-
<b>Total resources</b>	<b>11,420,750</b>	<b>9,306,150</b>	<b>8,964,000</b>

<b>DEMAND</b>	2011/12	2012/13	2013/14
Supported borrowing schemes	0	0	0
Corporate commitments	2,146,750	1,198,750	1,081,000
Prior Year Approvals	4,195,000	3,570,000	3,620,000
<b>Schemes that must be supported</b>	<b>6,341,750</b>	<b>4,768,750</b>	<b>4,701,000</b>
<b>Total resources</b>	<b>11,420,750</b>	<b>9,306,150</b>	<b>8,964,000</b>
<b>Funding available</b>	<b>5,079,000</b>	<b>4,537,400</b>	<b>4,263,000</b>
Criteria 1 - Critical to life and limb; health and safety etc	200,000	200,000	200,000
Criteria 2 - Will cost the council more in medium long term if we don't do them	3,359,000	2,997,400	2,733,000
Criteria 3 - Proven to be critical to service outcomes	240,000	60,000	50,000
Capital insurance reserves	1,280,000	1,280,000	1,280,000
<b>Total other schemes</b>	<b>5,079,000</b>	<b>4,537,400</b>	<b>4,263,000</b>
<b>Funding surplus/(shortfall)</b>	<b>0</b>	<b>0</b>	<b>0</b>

## DRAFT CAPITAL PROGRAMME 2011/12 to 2013/14: Mainstream (council's own resources)

SERVICE	PROJECT	CAPITAL 2011/12 £	CAPITAL 2012/13 £	CAPITAL 2013/14 £	DETAILS OF PROJECT
<b>Corporate Commitments</b>					
Finance	Project reserve/asset investment reserve	517,544	0	0	To manage unforeseen expenditure following budget approval in February 2011
Shared services and procurement	Council wide IT planned rolling replacement and upgrade	1,629,206	1,198,750	1,081,000	<p><b>Uninterruptible power supply (UPS) for civic/council house IT network.</b> IT equipment can be subject to power fluctuation or loss resulting from issues with external supply. Provision of a UPS to each network cabinet will avoid this. Revenue costs of £4k pa</p> <p><b>Centralised storage of workstation C: drive data.</b> To expand the current corporate network file store</p> <p><b>IT server operating system upgrade.</b> Essential upgrade to the 21 servers within the IT data centre that use Windows 2000 operating system</p> <p><b>CiscoWorks upgrade.</b> The current software has reached the end of its useful life and the new release needs to be purchased</p> <p><b>Cisco telephony expansion.</b> There is a need to expand the gateway that joins together the Cisco and NEC/Philips systems to cater for increased traffic. Revenue costs of £1k pa</p> <p><b>Disaster recovery - second data centre.</b> The council currently operates all centralised IT systems from a single data centre. Opportunities exist to partner with another local authority to share data hosting facilities and provide the foundation for disaster recovery. The bid is to ensure the infrastructure is in place to handle a recovery. In addition there would be ongoing annual unbudgeted revenue costs of £12k (£15k in year 1) relating to infrastructure maintenance.</p> <p><b>Workstation and remote access security.</b> Government Connect (established by DWP) has mandated certain IT security standards which must be implemented across all local government organisations. The council must be able to demonstrate compliance with the latest standards or demonstrate significant progress. This is required to ensure security of data and relates to software. Revenue costs of £203k pa (£180k in year 1)</p> <p><b>IT SQL server database upgrade.</b> All servers may be vulnerable to security loopholes within the software exposing the whole council network to an IT security risk</p> <p><b>IT system log monitoring software.</b> Failure to comply with Government Connect standards will result in the authority being unable to process benefit payments and limit the ability to work with central government</p> <p><b>Telephony consolidation.</b> The council currently maintains two main telephone systems which introduces unnecessary costs and requires IT support staff to be skilled in both systems. There are opportunities for business efficiencies with the Cisco IP system. Revenue costs of £15k in year 1</p> <p><b>Upgrade Altitude call management system.</b> To standardise the call management system across the council to improve the service to customers and simplify support. Revenue costs of £2k pa</p> <p><b>Upgrade to Windows 7.</b> All Microsoft support for Windows XP will cease by April 2014. The current equipment would be refreshed over a short period and reduce the risk of equipment failure. Revenue costs of £88k pa</p>
<b>Sub-total Corporate Commitments</b>		<b>2,146,750</b>	<b>1,198,750</b>	<b>1,081,000</b>	
<b>Prior Year Approvals</b>					
Property services	Release of leased accommodation	200,000	0	0	This is the third year that funding has been made available to meet the council's pledge to release leased accommodation and reduce office accommodation by 20% by 2012.
Education	Barcroft primary	225,000	0	0	The final funding for the new Barcroft primary school that will be located on the Elm Street site
Leisure and community health	Memorial Safety	100,000	100,000	100,000	The Health and Safety Executive requires all burial authorities to control the risk associated with the operation of their cemeteries, including risks from unsafe memorials. This project has provided funding for continual safety work on memorials since 2005/06.
Property services	Shop maintenance	120,000	120,000	120,000	Ongoing maintenance requirement and council obligation to tenants.
Strategic housing	Aids and adaptations	1,500,000	1,500,000	1,500,000	To maintain independence for disabled clients in their own homes by providing relevant equipment and adaptations to property. In addition Disabled Facilities Grant is received.
Property services	General planned property maintenance	500,000	450,000	500,000	To address large value urgent/health and safety items in connection with the council's building portfolio.
Property services	Demolition of redundant buildings to save on rates	200,000	200,000	200,000	Demolition works to redundant council buildings to enhance marketing opportunities for sites and mitigate financial health and safety risks. Funding has been made available since 2007/08
Engineering and transportation	Highways maintenance	950,000	1,200,000	1,200,000	This project is to safeguard progress already made in the condition of Walsall's classified highway network and maintain service levels. This will produce revenue savings of £15k in 2011/12, £25k in 2012/13 and £40k in 2013/14.
Leisure and community health	Dilapidations at Bryntysilio	400,000	0	0	To make good the dilapidations at Bryntysilio following cabinet decision to withdraw
<b>Sub-total Prior Year Approvals</b>		<b>4,195,000</b>	<b>3,570,000</b>	<b>3,620,000</b>	
<b>MUST DO SUB-TOTAL</b>		<b>6,341,750</b>	<b>4,768,750</b>	<b>4,701,000</b>	

SERVICE	PROJECT	CAPITAL 2011/12 £	CAPITAL 2012/13 £	CAPITAL 2013/14 £	DETAILS OF PROJECT
<b>NEW BIDS</b>					
<b>Criteria 1 - Critical to life and limb; health and safety etc.</b>					
Property services	Fire risk assessment	200,000	200,000	200,000	Works following surveys to ensure the council's non-education buildings comply with fire legislation. Schedule of works provided
<b>Sub-total critical to life and limb; health and safety etc.</b>		<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	
<b>Criteria 2 - Will cost the council more in medium long term (non property) if we don't do them</b>					
Business change	Resources Delivering - Right, Fast and Simple - to deliver ongoing revenue savings of £1.9m (2011/12), £2.3m (2012/13) and £2.6m (2013/14)	500,000	400,000	250,000	<p><b>New HR system - upgrade to Trent.</b> To upgrade the current Trent system to include additional licences and new software to give a full self-service functionality. It will be more cost effective as it is expected that the investment will be recouped via savings on staffing in the 3 years following implementation. Staff savings are already included in revenue</p> <p><b>Hardware and software licences and infrastructure for the web.</b> To provide automatic self-services processes. Savings of £5.1m over 3 years and additional costs of £452k over 3 years</p> <p><b>Customer services telephony.</b> To support contact centre</p> <p><b>Electronic document management system.</b> Council wide investment which will result in savings from staff time, accommodation and storage and improve productivity</p> <p><b>Integration of performance information systems</b></p> <p><b>Management information system portal implementation.</b> To provide automatic self-services processes</p>
Benefits	Increased productivity to be delivered by home working	150,000	0	0	Drivers for implementing home working are improved productivity, reduction in unplanned and sickness absence, reduction in accommodation requirements, fewer car journeys and increased staff motivation. Savings of £120k per year will be achieved if this bid is approved
Adult social care and housing standards and improvement	Supporting independent living - part of the transformation of social care	226,200	397,400	483,000	To enable 55 residents to live independently by providing a range of adaptations at their homes and enabling them to better use the facilities in the community. Private care home places could be decommissioned both in and out of the borough. This would result in a reduction in cost which is not yet included in savings. However it is estimated that the savings could be in the region of £5m over 10 years based on a cost of care reduction of 20%
Adult social care and housing standards and improvement	Preventative adaptations - part of the transformation of social care	1,000,000	1,000,000	1,000,000	To provide adaptations to vulnerable residents who do not meet the current criteria for statutory disabled facilities grant/aids and adaptations. There is currently a waiting list of over 1000 disabled residents and over 3 years this funding would deliver adaptations to 335 that will improve the quality of life.
Access, assessment and care management	PARIS development phase 2 - Working Smarter - unsupported borrowing	750,000	0	0	To develop the Allens centre and provide social care staff with a facility for mobile working. Recommended to be funded by unsupported borrowing which would be paid back over 3 years. This would generate ongoing savings of £250k pa from reduced administration and staffing costs from year 4 after the payback period is complete
Engineering and transportation	Hatherton multi storey car park - safeguarding income	0	200,000	0	£200k was allocated in 2010/11 for the structural repairs to the car park. It is now important to ensure aesthetic modifications are made to meet suitable standards particularly with the associated Tesco development. The council needs to continue to deliver parking facilities that support the local economy and meet public expectations
Strategic housing	Health through warmth	500,000	1,000,000	1,000,000	To provide energy and fuel saving advice and energy efficient heating and insulation works to private homes. There is a grant for this but demand outweighs resources. Over 2200 referrals have been received to date and £1m would deliver health through warmth to at least 335. This project could also fall under criteria 1.
Libraries, heritage and arts	Introduction of Radio Frequency Identification (RFID) in libraries - linked to library saving option 2	232,800	0	0	RFID is used to enable self-service in libraries to enable them to operate at a much lower staffing level. Planning for a long term reduction in the size of its staff will limit the impact on the community. This is linked to the service redesign of libraries and savings of £63k in 2012/13 and £83k in 2013/14 are in the revenue savings proposal. This is dependent on capital bid being successful.
<b>Sub-total will cost the council more in medium long term (non property) if we don't do them</b>		<b>3,359,000</b>	<b>2,997,400</b>	<b>2,733,000</b>	
<b>Criteria 3 - Proven to be critical to service inspection/delivery outcomes</b>					
Leisure and community health	Greenspace improvement plan	50,000	50,000	50,000	The £150k investment will be matched and pump prime £350k of external funding to provide a £500k 3 year programme of investment in Walsall's parks. External funding providers have indicated their support in principle but will not confirm without commitment of funding from Walsall.
Leisure and community health/ property services	Refurbishment of Leckie sons of rest located in Walsall arboretum (St Matthews ward)	190,000	10,000	0	The work is required to enable the outcome of the lottery project at the Arboretum to be achieved. Lottery will not fund the refurbishment but it is a requirement of the arboretum funding that the work is done. The building is in the arboretum conservation area and the park itself is grade 2 listed. Once refurbished the building could be put to much wider use and other options are being considered e.g. wedding ceremonies
<b>Sub-total proven to be critical to service inspection/delivery outcomes</b>		<b>240,000</b>	<b>60,000</b>	<b>50,000</b>	
<b>NEW BIDS SUB TOTAL</b>		<b>3,799,000</b>	<b>3,057,400</b>	<b>2,783,000</b>	
<b>TOTAL SCHEMES</b>		<b>10,140,750</b>	<b>8,026,150</b>	<b>7,684,000</b>	

**DRAFT CAPITAL PROGRAMME 2011/12 to 2013/14: Capital insurance reserves**

Funded schemes to act as insurance to protect the councils positions. This funding is available to be drawn down when required.

Service	PROJECT	CAPITAL 2011/12 £	CAPITAL 2012/13 £	CAPITAL 2013/14 £	DETAILS OF PROJECT
Risk and insurance	Risk management	100,000	100,000	100,000	The funding is utilised where risk assessments have been undertaken or where events dictate that immediate action be taken to manage risks e.g. insurer intervention, regulatory reform
Risk and insurance	Uninsured property damage	200,000	200,000	200,000	The council self insures its assets and is responsible for the first £250k of each claim. Expenditure is only incurred where the council has suffered loss or damage to its property in accordance with the terms and conditions of the insurance policy.
Property services	Asbestos removal	155,000	155,000	155,000	Programme of asbestos removal in council buildings. The council is required by legislation to manage asbestos in its properties and this requires the removal in some areas. Asbestos has to be identified and removed before construction works can commence
Property services	Control of legionella	275,000	275,000	275,000	The council has a duty to manage and control legionella within its buildings. Failure to do this could result in fatalities and prosecution
Property services	Work resulting from the statutory testing of building services	300,000	300,000	300,000	Legislative requirement to undertake electrical testing and carry out resulting works
Engineering and transportation	Lighting invest to save initiatives	250,000	250,000	250,000	Various initiatives to reduce energy consumption and maintenance costs of the lighting service. Trials are scheduled for early November 2010. Savings from reduction in energy consumption and maintenance costs will be confirmed when trials have been completed
<b>TOTAL CAPITAL INSURANCE RESERVES</b>		<b>1,280,000</b>	<b>1,280,000</b>	<b>1,280,000</b>	

## DRAFT CAPITAL PROGRAMME 2011/12 to 2013/14: External Funding (Ring Fenced)

Portfolio	Service	Project	2011/12 £'000	2012/13 £'000	2013/14 £'000	Funding body
Children's services	Education	Basic need	2,650,018	2,650,018	2,650,018	Department for Education
Children's services	Education	Devolved formula capital	868,878	868,878	868,878	Department for Education
Children's services	Education	Capital maintenance	4,711,108	4,711,108	4,711,108	Department for Education
Children's services	Education	Academies	25,726,332	8,120,156	0	Department for Education
<b>TOTAL</b>			<b>33,956,336</b>	<b>16,350,160</b>	<b>8,230,004</b>	
Leisure, culture and environment	Libraries and Arts	Pelsall health centre, library and children's centre	450,000	0	0	Contribution from the Co-op
Leisure, culture and environment	Libraries and Arts	Walsall arboretum restoration programme	2,215,912	2,215,911	0	Heritage Lottery Fund
<b>TOTAL</b>			<b>2,665,912</b>	<b>2,215,911</b>	<b>0</b>	
Regeneration	Development and Delivery	Willenhall Townscape Heritage Initiative - HLF	300,000	350,000	150,000	Heritage Lottery Fund
Regeneration	Development and Delivery	Willenhall Townscape Heritage Initiative - VIEW	150,000	175,000	75,000	Visionary Investment Enhancing Walsall
Regeneration	Strategic Housing	Disabled facilities grant	1,215,000	1,215,000	1,215,000	Department of Communities and Local Government
<b>TOTAL</b>			<b>1,665,000</b>	<b>1,740,000</b>	<b>1,440,000</b>	
Social care & health	Social Care and Inclusion	Department of Health capital allocation	739,992	749,829	0	Department of Health
<b>TOTAL</b>			<b>739,992</b>	<b>749,829</b>	<b>0</b>	
Transport	Strategic Regeneration & Engineering	Local transport plan	2,000,000	2,000,000	2,000,000	Department for Transport
Transport	Strategic Regeneration	Red routes	3,000,000	3,000,000	3,000,000	Department for Transport
<b>TOTAL</b>			<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	
<b>TOTAL GRANT / EXTERNAL FUNDED</b>			<b>44,027,240</b>	<b>26,055,900</b>	<b>14,670,004</b>	

## APPENDIX 5e

PORTFOLIO	2011/12 DRAFT LEASING PROGRAMME			
	NEW CAPITAL EXPENDITURE	REVENUE IMPLICATIONS		
		NEW STARTS	CURRENT LEASES	TOTAL
	£' 000s	£' 000s	£' 000s	£' 000s
<b><u>Leisure, culture and environment</u></b>				
Catering - vehicles	0	0	2	2
Waste - vehicles	0	0	319	319
Street cleansing - vehicles	0	0	3	3
Grounds - vehicles	52	5	7	12
Public safety - equipment	0	0	155	155
Public safety - vehicles	0	0	6	6
<b><u>Fleet services budget - vehicles</u></b>				
Children and young people	89	10	14	24
Catering	134	27	0	27
Couriers	69	6	5	11
Engineering and transportation	41	1	9	10
Fleet services	139	7	2	9
Grounds maintenance	768	26	242	268
ICT	36	3	0	3
Leisure	252	15	130	145
Markets	0	0	14	14
Mayoral	51	3	8	11
Print and design	24	3	0	3
Public safety	41	1	14	15
Social care and health	1,520	191	141	332
Street cleansing	267	4	141	145
Waste	1,941	401	687	1,088
Tarmac - sub lease	0	0	124	124
<b>TOTAL - LEISURE, CULTURE AND ENVIRONMENT</b>	<b>5,424</b>	<b>703</b>	<b>2,023</b>	<b>2,726</b>
<b><u>Social care and health</u></b>				
Social care and health - equipment	0	0	73	73
<b>TOTAL - SOCIAL CARE AND HEALTH</b>	<b>0</b>	<b>0</b>	<b>73</b>	<b>73</b>
<b><u>Business support services</u></b>				
Print and design - equipment	0	0	65	65
Strategic transformation - equipment	0	0	8	8
<b>TOTAL - BUSINESS SUPPORT SERVICES</b>	<b>0</b>	<b>0</b>	<b>73</b>	<b>73</b>
<b>TOTAL LEASING PROGRAMME</b>	<b>5,424</b>	<b>703</b>	<b>2,169</b>	<b>2,872</b>

Note that the revenue implications have been calculated using an indicative rate per £'000 which will fluctuate with market conditions