

**COMMUNITY SERVICES AND ENVIRONMENT
SCRUTINY AND PERFORMANCE PANEL**

**Agenda Item
No. 6**

DATE: 23 JULY 2012

DRAFT REVENUE AND CAPITAL OUTTURN 2011/12 (PRE-AUDIT)

Ward(s) All

Portfolio:

Councillor Z Ali – Public Protection
Councillor T Ansell – Transport and Environment
Councillor A Harris – Leisure and Culture
Councillor I Shires – Community Engagement and Voluntary Sector

Summary of report

This report summarises the draft revenue and capital outturn position for the year ended 2011/12, subject to external audit, for services within the remit of the Community Services and Environment Scrutiny and Performance Panel.

Recommendation

To note that the draft 2011/12 year end financial position for services under the remit of the Community Services and Environment Scrutiny and Performance Panel, is a revenue underspend of £163,744 against budget of **£64.806m** (net of use of earmarked reserves/ carry forwards), and a capital underspend of **£0.420m** (net of approved carry forward into 2012/13).

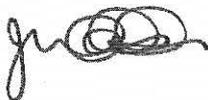
Background papers

Various financial working papers.
Quarterly reporting to Scrutiny Panels throughout year
2011/12 Budget Books on Council's Internet and Intranet

Reason for scrutiny

To inform the panel of the pre-audit financial position for 2011/12.

Signed:



Chief Finance Officer: James T Walsh
Date: 27 June 2012



Executive Director: Jamie Morris
Date: 27 June 2012

Resource and legal considerations

The accounts were monitored and reported on as part of the budget guidelines and all entries into the final accounts have been undertaken in line with the required accounting guidance and standards.

Citizen impact

The budget is aligned with service activity within service plans within the directorate. Investment has been targeted at service improvement, stability and user demand.

Environmental impact

Services within the remit of this panel have a direct influence and impact on the environment.

Performance management

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, wherever possible. Corrective action plans were put in place to mitigate overspends. Variances against budget are identified in the report.

Equality Implications

Services consider equality issues in setting budgets and delivering services. Irrespective of budgetary pressures the council must fulfil equal opportunities obligations.

Consultation

Consultation was undertaken as part of the budget setting process and throughout the financial year on the financial position and reporting thereof.

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1 Revenue Outturn 2011/12

1.1 The draft revenue outturn for 2011/12 for the services under the remit of the Community Services and Environment Scrutiny and Performance Panel is an underspend against budget of **£0.164m** (net of the use of earmarked reserves / carry forwards). This position is subject to external audit which will take place during July. Table 1 provides a summary by service, and a full analysis of the material variances is shown in **Table 3** following.

Service	Annual Budget £	Year End Actual £	Year End Variance £	Use of Reserves / Approved carry Forward £	Variance Net of Reserves (Under)/ Overspend £
Engineering & Transportation	20,050,620	21,016,875	966,255	(620,185)	346,070
Regulatory Services	4,150,264	3,940,177	(210,087)	13,889	(196,198)
Street Pride	20,844,428	20,199,963	(644,465)	248,069	(396,396)
Strategic Transportation	(12,442)	(52,037)	(39,595)	(1,783)	(41,378)
Leisure & Community Health	8,749,386	8,827,858	78,472	21,938	100,410
Libraries, Heritage & Arts	8,020,526	8,304,918	284,392	(250,990)	33,402
Walsall Adult and Community College	862,425	819,275	(43,150)	42,906	(244)
Walsall Partnership	2,140,872	4,843,216	2,702,344	(2,711,755)	(9,411)
	64,806,079	67,900,245	3,094,166	(3,257,911)	(163,745)

1.2 The budget for 2011/12 included approved savings of £4.335m, £4.305m (99.3%) of these were achieved with the remaining being offset by underspends elsewhere as £30k was not achieved due to reduced income from car parking charges.

1.3 The outturn includes net use of and transfers to reserves of £3.258m where approval was given by Cabinet for additional funds for specific services, and also includes approved carry forwards from 2011/12 to 2012/13 where applicable. **Table 2** provides a summary of these.

Table 2 - Analysis of 2011/12 Use of Earmarked Reserves/Carry Forwards		
Service	Amount £	Explanation
Use of Carry Forwards from 2010/11		
Leisure & Culture	(31,500)	Green Spaces – software package
Regulatory Services	(20,000) (903)	Community Safety - IDVA grant Community Safety - Community Consultation
Street Pride	(56,876)	New Fleet System
Walsall Partnership	(183,457)	Performance Reward Grant
Use of Other Specific Reserves		
Engineering & Transportation	(34,912) (64,160) (12,319) (150,000) (49,197) (1,756,621)	Pay & Grading Protection Redundancy costs IFRS – grant received in advance Potholes money Traffic Signals – carbon saving money Roads
Strategic Transportation	(1,783)	Pay & Grading protection
Street Pride	(5,250) (13,062)	Apprentice funding Pay & Grading protection
Leisure & Community Health	(297,512) (85,000) (27,347) (27,466) (65,833) (8,077)	IFRS – money received in advance Leisure Centres – free swimming grant Green spaces – embankment costs Redundancy payments Pay & Grading protection Bryntysilo dilapidation costs
Libraries Heritage and Arts	(414,512) (193,199) (62,432)	IFRS – money received in advance Redundancy payments Pay & Grading protection
Regulatory services	(7,044) (13,182) (5,000) (8,517) (548) (5,617) (12,000)	Pay & Grading protection Redundancy payment Flood Risk grant ASB improvement grant Sport England grant Accelerated Neighbourhood Training ASB champions
Walsall Adult and Community College	(674,015) (118,807)	Use of reserve WLLA – use of reserve
Walsall Partnership	(185,757) (2,429,919) (54,510) (10,869) (5,706)	Area Partnerships Working Neighbourhoods Fund Redundancy payments Communities for Health Pay & Grading Protection
Transfer to reserves 2011/12		
Engineering & Transportation	1,365,419 22,156 20,433 36,697 2,319	Street Lighting PFI reserve School Strategy grant Bikeability grant 2010/11 Bikeability grant 2011/12 Windfall income – NNDR refunds
Street Pride	215,757 92,500	Windfall income – sales of co-mingled waste Green bins to be issued in 2012/13

Regulatory services	1,961	Windfall Income – NNDR community safety
Walsall Partnership	5,000	LINKS
	49,500	NHS contribution for projects in area partnerships
Leisure & Community Health	66,852	Windfall income – bereavement services
	13,831	Windfall income – NNDR refund
	483,998	Various grants and windfall income
Libraries, Heritage & Arts	165,687	Various grants and windfall income
	253,109	Windfall income – NNDR refund
Walsall Adult & community College	835,729	Skills Funding Agency
Carry Forwards 2011/12 to 2012/13 (approved by Cabinet 20/6/12)		
Regulatory Services	59,504	Community Safety – pathway plan
	15,000	Community Safety – individual diversionary offender management
	6,336	Community Safety – Walsall intelligence network
	3,898	Community Safety – local services support grant
Street Pride	15,000	Targeted communication to reduce contamination in recycling bins
Walsall Partnership	25,000	Community development – reach up tower
	50,000	Funding of 12 week consultation of Healthwatch
	18,915	Continuation of PVE
	10,048	Increasing community engagement
Total Use of Reserves	(3,257,911)	

1.4 The main reasons for the underspend position for services within the remit of the Panel are as follows:

Service	Variance £	Reason for variance
Leisure & Community Health	100,410	Overspends in the following areas: Leisure Centres prior year energy costs £67k, pay & grading £54k, Green spaces transport £54k, Bryntysilio residual costs £15k, venue hire income shortfall £5k & First Stop Shop agency staff £18k are offset against underspends within catering of (£103k) mainly due to employee vacancies.
Libraries, Heritage & Arts	33,402	Forest Arts £11k overspend due to health & safety works, creative development £13k shortfall in management fee, libraries increased supplies & services £8k.

Walsall Adult & Community College	(224)	Small various underspends
Engineering & transportation	346,070	Lower than anticipated car park £520k and Section 74 £128k income offset by underspend on employee costs and private contractor fees.
Regulatory services	(196,198)	Higher than anticipated income for trading standards, environmental health, public health & licensing (£62k); lower than anticipated employee costs (£61k); pest control materials and private contractor fees (£25k); public health private contractor fees (£10K); underspend on void properties (£20k); various underspends (£18k)
Street Pride	(396,396)	Reduction in waste arisings (£158k), lower than anticipated employee costs (£96k) and transport of waste disposal (£176k) offsetting lower than anticipated MOT income £50k; various underspends (£16k)
Walsall Partnerships	(9,411)	Lower than anticipated spend on mobile provision (Reach & MOVE) (£6k); various underspends (£3k)

1.5 The impact of the recession has caused pressures on income targets in previous year, and is anticipated to continue to affect income levels going forward. This has been recognised as part of the budget setting process for 2011/12, with £0.164m investment approved to adjust car park income budgets in year.

2 Capital Outturn 2011/12

2.1 The capital outturn for 2011/12 for the schemes under the remit of this panel is an underspend against budget of **£9.390m**, of which £8.970m has been approved to be carried forward into 2012/13, resulting in a net underspend of **£0.420m**. **Table 4** overleaf provides a summary by service, and a detailed financial analysis by scheme is shown in **Appendix 1**.

Service	Annual Budget £	Final Outturn £	Year End Variance £	Carry forward to 2012/13 £	Variance Net of Slippage £
<u>Mainstream Resources</u>					
Street Pride	1,292,287	1,174,841	-117,446	0	-117,446
Engineering & Transportation	3,223,043	2,229,394	-993,649	964,653	-28,996
Leisure & Culture	1,902,051	1,128,300	-773,751	550,849	-222,9029

Libraries, Heritage & Arts	286,837	111,722	-175,115	175,115	0
Regulatory Services	179,900	175,618	-4,282	4,282	0
Total Mainstream	6,884,118	4,819,875	-2,064,243	1,694,898	369,344
<u>Unsupported Borrowing</u>					
Leisure & Culture	530,813	43,235	-487,578	487,578	0
Total Unsupported Borrowing	530,813	43,235	-487,578	487,578	0
<u>Non Mainstream Resources</u>					
Street Pride	655,623	199,695	-455,928	455,928	0
Engineering & Transportation	2,491,096	1,559,221	-931,875	928,475	-3,400
Leisure & Culture	4,027,492	1,971,094	-2,056,399	2,013,036	-43,363
Libraries, heritage & Arts	3,850,000	1,556,995	-2,293,005	2,293,005	0
Walsall Adult & Community College	182,818	182,818	0	0	0
Walsall Partnership	19,285	15,185	-4,100	0	-4,100
Strategic Transportation	3,196,586	2,098,732	-1,097,854	1,097,854	0
Total Non Mainstream	14,422,900	7,583,740	-6,839,161	6,788,298	50,863
TOTAL	21,837,831	12,446,850	-9,390,982	8,970,775	420,207

Appendix 1

Capital Programme - Outturn 2011-12

Service Area	Annual Budget	Year End Actual	Year End Variance	Carry Forward to 2012/13	Underspend
	£	£	£	£	£
Mainstream					
Street Pride					
Depot relocation	1,173,608	1,172,162	-1,446	0	1,446
Purchase of hot jet pavement cleaning machine	116,000	0	-116,000	0	116,000
Ride on mower	2,679	2,679	0	0	0
Engineering & Transportation					
Beacon Road land slip - contingency	107,838	81,697	-26,141	26,141	0
Combined wind turbine and street lighting	25,000	0	-25,000	0	25,000
Hatherton Road multi storey car park	200,000	153,422	-46,578	46,578	0
Highways maintenance	1,400,000	1,397,676	-2,324	0	2,324
Lighting to save initiatives	250,000	230,500	-19,500	19,500	0

LTP including bridge strengthening	550,898	179,550	-371,348	369,676	1,672
Town centre on street parking	59,307	59,307	0	0	0
Walsall TCTP ring road acquisition	630,000	127,242	-502,758	502,758	0
Lesiure & Culture					
Pelsall library, childrens centre and health centre	389,887	389,887	0	0	0
Allotment improvement programme	103,726	11,107	-92,619	92,619	0
George Rose park development	299,180	30,356	-268,824	268,824	0
Palfrey park - HLF	65,517	65,517	0	0	0
Sneyd reservoir overflow replacement	0	-455	-455	0	455
Walsall arboretum lido 2011/12	175,000	2,224	-172,776	172,776	0
Walsall arboretum restoration programme	467,938	467,938	0	0	0
Memorial safety	100,000	82,552	-17,448	0	17,448
Streetly crematorium mercury abatement	45,803	45,803	0	0	0
Demolition of Willenhall leisure centre	205,000	0	-205,000	0	205,000
Greenspace improvement plan	50,000	33,369	-16,631	16,631	0
Libraries, Heritage & Arts					
Introduction of Radio Frequency Identification (RFID) in libraries	232,800	111,648	-121,152	121,152	0
Library modernisation plan	54,037	74	-53,962	53,962	0
Regulatory services					
Improving security in local neighbourhoods	29,900	25,618	-4,282	4,282	0
Relocation of CCTV control room	150,000	150,000	0	0	0
Total Mainstream	6,884,118	4,819,876	-2,064,242	1,694,898	369,344
Non Mainstream					
Street Pride					
Ride on mower (RCCO)	2,341	2,341	0		
Waste infrastructure capital grant	653,282	197,354	-455,928	455,928	
Engineerign & transportation					
LTP Highway Maintenance	2,115,667	1,447,167	-668,500	668,500	
Contaminated land grant - Oakridge Drive	4,061	4,061	0		
Development of Highways Asset Management Plan (HAMPS)	206,026	18,321	-187,705	187,705	
St Margarets cycle path	12,745	2,500	-10,245	10,245	
Low emission strategy - Air quality grant	100,000	37,975	-62,025	62,025	
Traffic signal energy/carbon saving measures	52,597	49,197	-3,400		3,400
Leisure & Culture					
Anchor Meadow MUGA	0	0	0		0
Blackwood Park Pavillion	36,780	38,192	1,412		-1,412
Bloxwich fountain Restoration Programme	1,017	0	-1,017		1,017
Pelsall Common Play Area	49,900	36,320	-13,580	8,575	5,005
Bradbury park improvements	2,046	2,045	-1		1
King George V pathfinder project	674	4,562	3,888		-3,888
Kings Hill park improvement - phase 1	660	660	0		
Kings Hill park improvement - phase 2	185,410	106,469	-78,941	78,941	

NOF for PE & Sport - Aldridge Airport	46,172	24,536	-21,636	21,636	
Oak and Shelfield Parks	0	0	0		0
Palfrey Park - HLF	295,197	217,231	-77,966	77,966	
Play builders programme	19,683	15,340	-4,343		4,343
Pleck Park Senior Citizens Bowling Club	17,000	12,224	-4,776		4,776
Rushall Parks Footpath Works	24,243	5,571	-18,672	400	18,272
Walsall Arboretum restoration project	2,762,442	1,003,044	-1,759,398	1,759,398	
Walsall childrens play fund	368,828	316,656	-52,172	52,172	
Willenhall Memorial Park - contribution	15,250	0	-15,250		15,250
Streetly crematorium mercury abatement	181,743	181,743	0		
The Arboretum Gallery Garden	20,449	6,500	-13,949	13,949	
Libraries, Heritage & Arts					
Pelsall library, childrens centre and health centre	3,850,000	1,556,995	-2,293,005	2,293,005	
Walsall Adult and Community College					
IT & telephone system upgrade and improvement	182,818	182,818	0		
Walsall Partnership					
Programme Paragon - PRG	19,285	15,185	-4,100		4,100
Strategic Transportation					
LTP Integrated Transport Block	2,565,597	1,676,666	-888,931	888,931	
Red Rotes	630,989	422,065	-208,924	208,924	
Total Non Mainstream	14,422,900	7,583,739	-6,839,162	6,788,299	50,863
Unsupported Borrowing					
Walsall Arboretum restoration programme	530,813	43,235	-487,578	487,578	
Total Capital	21,837,831	12,446,850	-9,390,981	8,970,775	420,207

