

**CORPORATE AND PUBLIC SERVICES
OVERVIEW AND SCRUTINY COMMITTEE**

**Agenda Item
No. 10**

DATE: 8 MARCH 2016

**CORPORATE AND PUBLIC SERVICES FINANCIAL PERFORMANCE –
FORECAST REVENUE AND CAPITAL OUTTURN FOR 2015/16**

Ward(s) All

Portfolio:

Councillor Andrew - Economy, Infrastructure and Development
Councillor Harris - Community, Leisure and Culture
Councillor Harrison – Clean and Green
Councillor Arif - Shared Services and Procurement
Councillor Bennett - Personnel and Business Support
Councillor Bird - Leader of the Council

Summary of report

This report summarises the forecast revenue and capital financial position for 2015/16, based on the performance of the nine months to December 2015, for services within the remit of the Corporate and Public Services Overview and Scrutiny Committee.

The services that fall under this scrutiny panel fall under two Directorates as part of the operational reporting lines of the Council. Whilst all services listed here fall under this scrutiny panel the accountability for the services is split between the Change and Governance Directorate and the Economy and Environment Directorate

Reason for scrutiny

To inform the committee of the forecast financial position for 2015/16 to allow the scrutiny of the financial performance of the services within the panel's remit.

Recommendation

To note that the forecast 2015/16 year end financial position for services under the remit of this Panel is as follows:

1. A revenue **underspend of £1,547k**, net of the use of and transfer to earmarked reserves and implementation of action plan.
2. A capital **underspend of £4,972k**, of which £4,223k will be requested to be carried forward into the next financial year with the remaining **£749k** being true under-spend.

Background papers

Various financial working papers

Revenue and Capital Outturn 2014/15 (Pre-Audit), and updates for 2015/16 presented to the Committee on 10 September 2015 and 26 November 2015.

2015/16 Budget Books on Council's Internet and Intranet.



Signed:

**Executive Director for Economy
and Environment:** Simon Neilson
Date: 22 Feb 2016



Chief Finance Officer
: James Walsh
Date: 22 Feb 2016

Resource and legal considerations

The council is required to set a balanced budget and requires services to operate within their approved budget allocation. Any variances are required to be managed as far as is reasonably possible. The revenue and capital financial monitoring is reported quarterly to overview and scrutiny committees along with corrective action plans when variances arise. All accounting entries are undertaken in line with the required corporate and statutory accounting guidance and standards.

Citizen impact

Resource allocation is aligned with service activity and is undertaken in accordance with the council's corporate plan priorities.

Environmental impact

Services within the remit of this overview and scrutiny committee 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 where possible, with any remaining variances against budget identified in the report.

Equality Implications

Services consider equality issues in setting budgets and delivering services. Irrespective of budgetary pressures the council must fulfil its 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 Forecast Revenue Outturn 2015/16

- 1.1 The forecast revenue outturn for 2015/16 for the services under the remit of the Corporate and Public Services Overview and Scrutiny Committee (as at the end of December 2015) is an underspend of **£1,547k**, net of the use of earmarked reserves. The predicted revenue outturn shown is based on actual information from the Oracle system, and discussions with managers regarding year end forecast and achievement of approved savings.
- 1.2 **Table 1** below shows the forecast outturn for each service. Note that the service headings have changed since the quarter 3 scrutiny report due to a restructures as follows:
- Communications, Programme Delivery and Shared Services as reported in quarter 3 are merged under the title 'Information, Communication and Technologies*'. The post room is now reported under Integrated Facilities Management (previously Shared Services).
 - Planning and Building Control, as reported to quarter 3 scrutiny, has been reallocated to other service headings as part of the Economy and Environment restructure. Building Control is reported within Leisure & Community Health, Planning Services and Development Management are reported within Engineering and Transport. Planning Policy and Directorate Support are reported within Development & Delivery and Strategic Regeneration respectively.

| Table 1 - Forecast Revenue outturn 2015/16 | | | | | | |
|---|----------------------|--------------------------|--------------------------|---|--------------------|---|
| Service | Annual Budget | Year End Forecast | Year End Variance | (Use of Reserve s) / Transfer to Reserve s | Action Plan | Variance Net of Reserves (Under)/ Overspend £k |
| | £k | £k | £k | £k | £k | |
| Clean and Green Services | 17,993 | 17,372 | (621) | (92) | - | (713) |
| Communities & Partnership | 1,759 | 2,334 | 575 | (637) | - | (62) |
| Democratic Services | 1,704 | 1,673 | (31) | (7) | - | (38) |
| Development & Delivery | 420 | 1,017 | 597 | (463) | - | 133 |
| Electoral Services | 501 | 504 | 3 | - | - | 3 |
| Engineering & Transportation | 10,207 | 9,362 | (845) | 907 | - | 62 |

| | | | | | | |
|---|---------------|---------------|--------------|----------------|--------------|----------------|
| Finance | 4,529 | 4,604 | 75 | (250) | - | (175) |
| Human Resources | 3,224 | 3,276 | 52 | (168) | - | (116) |
| Information, Communication and Technologies * | 4,938 | 4,711 | (227) | (146) | - | (373) |
| Integrated Facilities Management | 4,192 | 4,866 | 674 | (2) | - | 671 |
| Internal Audit | 422 | 406 | (16) | (58) | - | (74) |
| Legal | 1,561 | 1,405 | (157) | (12) | - | (169) |
| Leisure & Community Health | 456 | 439 | (17) | (188) | - | (205) |
| Libraries Heritage & Arts | 6,064 | 5,830 | (235) | (96) | - | (330) |
| Money Home Job | 7,018 | 8,872 | 1,854 | (1,215) | (639) | (0) |
| Procurement | 429 | 664 | 235 | (235) | - | (0) |
| Regeneration Management | 45 | 318 | 273 | (273) | - | 0 |
| Regulatory Services | 1,782 | 1,777 | (5) | (57) | - | (62) |
| Smarter Workplaces | 245 | 386 | 141 | (141) | - | (0) |
| Strategic Regeneration | 327 | 1,421 | 1,094 | (1,194) | - | (100) |
| | 67,817 | 71,236 | 3,419 | (4,328) | (639) | (1,547) |

1.3 The predicted outturn includes use of reserves of **£6,124k** (where approval has been given by Cabinet for additional funds for specific services), requests for transfer to reserves of **£1,736k** and transfer of windfall income of **£60k**. A breakdown of reserves is detailed on **Appendix 1**.

1.4 The following provides an analysis of the primary reasons for the forecast material variances;

- Clean and Green – underspends on fuel and employee costs
- Development and Delivery – underachievement of markets income net of shops windfall income
- Finance – holding of posts vacant in advance of 2016/17 savings proposals
- Human Resources – vacant posts
- Information, Communication and Technologies – vacant posts and underspends on supplies and services
- Integrated Facilities Management – shortfalls in income offset by vacant posts and energy underspends
- Legal – additional income from settlement of a legal case with a school
- Leisure & Community Health – income shortfall due to closure of leisure centres for Active Living, and vacant posts
- Libraries, Heritage & Arts – vacant posts
- Money Home Job – overspend prior to use of reserve and action plan due to supporting vulnerable clients with their housing.
- Strategic Regeneration – underspends within directorate support from vacant posts and centralised stationery

Appendix 2 provides a detailed breakdown by service area of reasons for variances

- Where overspends are predicted, managers are required to identify remedial action that can be made within the service, and to report as part of an action plan. The only action plan item is within Money Home Job (£639k) which is improved collection of housing benefits overpayments.

1.5 **Appendix 3** details the risks associated with this forecast and the total financial exposure to risk has been calculated as **£598k**. Risks are items that are uncertain at present and therefore not included in the overall forecast. If circumstances change and any of these risks become probable, it will then form part of the overall forecast, and actions will need to be identified and implemented to offset any resulting pressure.

1.6 Included within the approved budget for 2015/16 are £7,820k of approved savings relating to services within the remit of this committee (details are available in the corporate budget book). An update on the achievement of 2015/16 approved savings is reported monthly to CMT as part of the corporate performance report. Any savings that are not forecast to be achieved in year are required to have alternative savings identified and are managed closely through the relevant service management teams and in liaison with the relevant portfolio holder.

2 Capital Outturn 2015/16

2.1 The forecast capital outturn for 2015/16 for the schemes under the remit of this panel (as at the end of December 2015) is an underspend of **£4,972k**, as shown in **table 2** below.

| Table 2 - Forecast Capital Outturn 2015/16 | | | | | |
|---|----------------------|-----------------------|--------------------------|--------------------------------------|----------------------------|
| Service | Annual Budget | Actual to Date | Year End Forecast | Variance before carry forward | Over/ (Under) spend |
| | £k | £k | £k | £k | £k |
| Council funded | | | | | |
| Clean and Green Services | | | | | |
| Allotment and community garden strategy | 46 | - | 42 | (4) | - |
| Allotment Improvement Programme | 7 | 13 | 7 | - | - |
| Depot relocation | - | (30) | (30) | (30) | - |
| Fryers Road Sprinkler System | 268 | - | - | (268) | - |
| Illuminated Park proposals | 125 | 117 | 125 | - | - |
| Jerome K Jerome Statue | 8 | - | 8 | - | - |

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Leamore Park additional funding | 14 | - | 14 | - | - |
| Rushall Skatepark | 16 | - | 16 | - | - |
| Mayrise System Mobile Working | 138 | 101 | 138 | - | - |
| Walsall Green Pathways (RCCO) | 27 | 14 | 27 | - | - |
| Willenhall Memorial Park | 58 | 21 | 58 | - | - |
| Communities and Partnership | | | | - | |
| Improving security in local neighbourhoods | 4 | - | 4 | - | - |
| Development & Delivery | | | | - | |
| Black Country Business Property Investment Programme (RCCO) | 2 | - | 2 | - | - |
| Enabling works to Office development (Gigaport) | 126 | 126 | 126 | - | - |
| New Homes Bonus (RCCO) | 343 | 33 | 343 | - | - |
| Primark & Co-op development | 993 | 891 | 993 | - | - |
| Regenerating Walsall | 190 | 126 | 161 | (29) | - |
| Remediation of Lex | 405 | - | - | (405) | (405) |
| Rushall Olympic Football Club | 117 | 33 | 80 | (37) | - |
| Shop maintenance | 17 | - | 17 | - | - |
| Walsall Market | 90 | 82 | 90 | - | - |
| Engineering & Transportation | | | | | |
| Additional Highway Maintenance-council funded | 100 | 100 | 100 | - | - |
| Caldmore Road one way scheme | 125 | 5 | 25 | (100) | - |
| Challenge funding (RCCO) | 213 | 213 | 213 | - | - |
| Highways maintenance | 1,641 | 1,148 | 1,641 | - | - |
| Mill Lane Road Safety | 39 | 2 | 39 | - | - |
| Public Lighting replacement LED lighting (RCCO) | 272 | 3 | 272 | - | - |
| Replacement of traffic signal control equipment | 200 | 161 | 200 | - | - |
| Retained Housing Land | 53 | 39 | 53 | - | - |
| Traffic signals infrastructure conversion LED signal operation (RCCO) | 654 | 269 | 654 | - | - |
| Walsall TCTP ring road acquisition | 7 | - | 7 | - | - |
| Finance | | | | - | |
| Finance Direct/Oracle | 363 | 333 | 363 | - | - |
| Uninsured Property Damage | 28 | 20 | 28 | - | - |
| Human Resources | | | | - | |
| Human Resources i-trent upgrades | - | 48 | 48 | 48 | 48 |
| Information, Communication and Technologies | | | | - | |
| Bring your own device security layers | 51 | - | - | (51) | - |
| Digital mono printer | 5 | - | 5 | - | - |
| Essential upgrade to Blackberry | 17 | 5 | 5 | (12) | - |

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Server | | | | | |
| Essential upgrade to Windows 2003 | 110 | 28 | 30 | (80) | - |
| ICT essential software licence charges | 9 | - | - | (9) | - |
| ICT requirements to cater for blending transitioned services | 192 | 143 | 152 | (40) | - |
| IT planned rolling replacement and upgrade | 317 | 154 | 154 | (163) | (80) |
| Replace Wide Area Network data circuits | 16 | 15 | 15 | (1) | (1) |
| Replenish smarter workplaces capital | 68 | 46 | 51 | (17) | - |
| Integrated Facilities Management | | | | - | |
| Asbestos removal | 256 | 20 | 256 | - | - |
| Civic Centre essential maintenance | 566 | 413 | 566 | - | - |
| Collingwood Centre roof | - | (2) | - | - | - |
| Demolition of redundant buildings | 77 | 6 | 77 | - | - |
| Fire risk assessment | 114 | 43 | 114 | - | - |
| Freer Street structural works | 12 | 12 | 12 | - | - |
| Heating & ventilation system, First Stop Shop | 50 | - | - | (50) | - |
| Heating & ventilation system within link block | 50 | - | - | (50) | - |
| Improving the customer experience when visiting the Council House | 350 | - | 350 | - | - |
| Planned property maintenance | 160 | 8 | 160 | - | - |
| Safe water supplies | 144 | 47 | 144 | - | - |
| Solar PV panels | 423 | - | 223 | (200) | (200) |
| Statutory Testing | 147 | 92 | 147 | - | - |
| Leisure & Community Health | | | | - | |
| Active Living - Bloxwich (PWLb) | 8,394 | 7,666 | 8,431 | 37 | 37 |
| Active Living - Oak Park (PWLb) | 9,690 | 7,286 | 9,588 | (102) | (37) |
| Bentley Community Facility | 105 | 73 | 83 | (22) | (12) |
| Forest Arts Centre (renovation of sports hall) | 10 | 7 | 10 | - | - |
| Gala baths refurbishment | 1,000 | 246 | 1,000 | - | - |
| Headstone safety in Cemeteries (RCCO) | 60 | 23 | 60 | - | - |
| Libraries Universal Digital Offer | 55 | 44 | 55 | - | - |
| New Art Gallery Walsall | 43 | 20 | 43 | - | - |
| Single Library Management System | 210 | - | 31 | (179) | (100) |
| Willenhall EACT Changing Provision (RCCO) | 75 | 39 | 75 | - | - |
| Money Home Job | | | | - | |
| Aids and Adaptations | 50 | 14 | 50 | - | - |
| Health through warmth | 316 | 61 | 316 | - | - |
| Rivers House | 12 | 12 | 12 | - | - |
| Planning & Building Control | | | | - | |

| | | | | | |
|---|---------------|---------------|---------------|----------------|--------------|
| Replacement development management, building control & land charge ICT system | 32 | 2 | 2 | (30) | - |
| Smarter Workplaces | | | | - | |
| Smarter Workplaces | 380 | 299 | 380 | - | - |
| Total Council Funded | 30,255 | 20,690 | 28,461 | (1,794) | (750) |
| Externally Funded | | | | | |
| Clean and Green Services | | | | | |
| Jerome K Jerome Statue | 8 | - | 6 | (2) | - |
| King George V playing fields S106 | 13 | 12 | 13 | - | - |
| Palfrey Park | 7 | - | 7 | - | - |
| Reedwood Park | 53 | 9 | 48 | (5) | - |
| Rushall Skatepark | 160 | - | 43 | (117) | - |
| Walsall arboretum restoration programme (PRU) | 527 | 105 | 105 | (422) | - |
| Waste infrastructure capital grant | 237 | 9 | 9 | (228) | - |
| Development & Delivery | | | | - | |
| Black Country Business Property Investment Programme | 63 | 62 | 63 | - | - |
| Black Country Enterprise Zone | 54 | - | 22 | (32) | - |
| Gigaport | 200 | 47 | 200 | - | |
| Old Square - Zurich Contribution | 12 | 9 | 12 | - | - |
| Regenerating Walsall - Private Contributions | 15 | - | 9 | (6) | - |
| Willenhall Townscape Heritage Initiative | 407 | 353 | 376 | (31) | - |
| Engineering & Transportation | | | | | |
| Black Country New Road-Footpath & Cycle Improvements | 8 | 5 | 8 | - | - |
| Capital Block DFT Fund | 2,104 | 1,263 | 1,904 | (200) | - |
| Challenge funding | 1,725 | 1,297 | 1,725 | - | - |
| Highways Asset Management Plan | 81 | 18 | 18 | (63) | - |
| LTP Highway Maintenance – Bridges | 2,002 | 27 | 50 | (1,952) | - |
| LTP including bridge strengthening | 300 | 256 | 300 | - | - |
| Low emission strategy | 1 | - | 1 | - | - |
| Mill Lane Road Safety | 18 | - | 18 | - | - |
| Pedestrian Crossing on Northgate | 40 | 29 | 40 | - | - |
| Leisure & Community Health | | | | - | |
| Active Living Bloxwich (Grant) | 994 | - | 994 | - | - |
| Active Living Oak Park (Grant) | 1,163 | - | 1,163 | - | - |
| Libraries Heritage & Arts | | | | - | |
| New Art Gallery Walsall (Grant) | 360 | 233 | 360 | - | - |
| Pelsall Village Centre | 129 | 130 | 129 | - | - |
| Money Home Job | | | | - | |
| Aids and Adaptations | 1,173 | 303 | 1,173 | - | - |
| Disabled facilities grant | 1,632 | 1,630 | 1,632 | - | - |

| | | | | | |
|--------------------------------|---------------|---------------|---------------|----------------|--------------|
| Off Gas Scheme | 650 | - | 650 | - | - |
| Strategic Regeneration | | | | | |
| Darlaston SDA | 9,000 | 8,015 | 9,000 | - | - |
| Growth Deal | 29,950 | 4,857 | 29,950 | - | - |
| Local Transport Plan | 1,599 | 572 | 1,479 | (120) | - |
| Transport Delivery Excellence | 12 | 12 | 12 | - | - |
| | | | | | |
| Total Externally Funded | 54,697 | 19,253 | 51,519 | (3,178) | - |
| | | | | | |
| | 84,952 | 39,943 | 79,980 | (4,972) | (750) |

- 2.2 The year-end variance not to be carried forward of **£749k** is mainly due to returned tenders / contract prices being less than the estimated budget (i.e. library management system, Solar PV panels, council wide IT planned rolling replacement and upgrade). The remediation of Wolverhampton Road ('Lex') site is now to be funded from the Local Growth Deal.

Acronyms used above are listed in **Appendix 4**.

Appendix 1 - Analysis of 2015/16 Earmarked Reserves

| Service | Amount £k | Explanation |
|---------------------------|--------------|---|
| Use of reserve | | |
| Clean and Green Services | 112 | Additional potential waste arising for 15-16 |
| Clean and Green Services | 66 | New reserve to fund PILON for staff saving |
| Clean and Green Services | 25 | Investment in water recycler |
| Clean and Green Services | 50 | Consultancy work related to waste collections |
| Clean and Green Services | 1 | IFRS - Transition funding |
| Communities & Partnership | 105 | Area Partnerships: Strategic Resource |
| Communities & Partnership | 114 | Area Partnerships: Performance reward grant |
| Communities & Partnership | 271 | Area Partnerships: Six area partnership funding |
| Communities & Partnership | 32 | Area Partnerships: To Fund Area Partnerships |
| Communities & Partnership | 5 | Community Safety Redundancy linked to savings |
| Communities & Partnership | 5 | NHS projects |
| Communities & Partnership | 23 | Domestic Abuse - CS Grant |
| Communities & Partnership | 22 | Community Safety Borough Analyst CS Grant |
| Communities & Partnership | 8 | Cross Border Injunction |
| Communities & Partnership | 11 | Anti- Social Behaviour |
| Communities & Partnership | 41 | CSE Co-ordinator |
| Democratic Services | 7 | Redundancy linked to savings |
| Development & Delivery | 66 | Uncapitalised expenditure |
| Development & Delivery | 8 | High St Innovation |
| Development & Delivery | 5 | IFRS-Town Team Partners |
| Development & Delivery | 6 | Consultant and professional fees - Enterprise Zones |
| Development & Delivery | 72 | Consultant and professional fees - Phoenix 10 |
| Development & Delivery | 5 | BCBPIP Revenue |
| Development & Delivery | 56 | Black country core strategy |
| Development & Delivery | 59 | Old Square Development |
| Development & Delivery | 7 | Asset Management - Pleck Boxing Club |
| Finance | 232 | Qlikview RCCO |
| Finance | 18 | Equal pay |
| Human Resources | 30 | Human Resources staffing |
| Human Resources | 138 | Redundancy linked to savings |

| | | |
|---|-----|---|
| Information, Communication & Technologies | 113 | Information Management Project |
| Information, Communication & Technologies | 34 | Redundancy costs linked to savings |
| Integrated Facilities Management | 18 | Redundancy costs linked to savings |
| Internal audit | 22 | Redundancy costs linked to savings |
| Internal audit | 32 | Temporary staff and computer audit costs |
| Internal audit | 4 | Web based portal |
| Legal | 12 | Additional Project Indigo costs |
| Leisure & Community Health | 87 | Bloxwich Leisure Centre knotweed |
| Leisure & Community Health | 8 | Inspired Generations |
| Leisure & Community Health | 49 | Outdoor Activity Centre Saving |
| Leisure & Community Health | 33 | IFRS - Marketing Promotion Sport England |
| Leisure & Community Health | 15 | IFRS - Doorstep Sports Club |
| Leisure & Community Health | 10 | IFRS - Walk On |
| Leisure & Community Health | 5 | IFRS - Way Forward Project |
| Leisure & Community Health | 33 | IFRS - Inspired Generations |
| Leisure & Community Health | 12 | IFRS- Planned partnership inspections |
| Leisure & Community Health | 14 | IFRS - Fun 4 Life |
| Leisure & Community Health | 60 | IFRS - Exclusive Burial Rights Levy |
| Leisure & Community Health | 108 | Pension & Redundancy |
| Leisure & Community Health | 14 | Willenhall Lawn Cemetery feasibility |
| Libraries Heritage & Arts | 39 | Festive Decorations |
| Libraries Heritage & Arts | 2 | IFRS – Bookstart |
| Libraries Heritage & Arts | 3 | IFRS - Early Years 13/14 |
| Libraries Heritage & Arts | 24 | IFRS - Arts Council England 11/12 |
| Libraries Heritage & Arts | 6 | IFRS - NAG- ACE - Artist Development Year 3 |
| Libraries Heritage & Arts | 2 | IFRS - NVQ Assessor |
| Libraries Heritage & Arts | 18 | Tate project |
| Libraries Heritage & Arts | 6 | Storage by Local History Centre |
| Libraries Heritage & Arts | 1 | Pension & Redundancy |
| Money Home Job | 544 | Crisis Support Scheme |
| Money Home Job | 44 | Working Smarter |
| Money Home Job | 35 | IFRS - FERIS grant |
| Money Home Job | 30 | Private housing & health safety |
| Money Home Job | 251 | Redundancy costs linked to savings |
| Money Home Job | 26 | IFRS - Repossession grant |
| Money Home Job | 298 | IFRS - Preventing homelessness |
| Planning, Engineering & Transportation | 6 | Shannon's Mill |
| Planning, Engineering & Transportation | 87 | Bus Lane enforcement |
| Planning, Engineering & | 15 | Highways maintenance redundancy |

| | | |
|--|--------------|--|
| Transportation | | costs |
| Planning, Engineering & Transportation | 7 | IFRS -ABG -Sustainable school travel advisors |
| Planning, Engineering & Transportation | 8 | IFRS - DfT - Road safety grant |
| Planning, Engineering & Transportation | 7 | IFRS - Driver Improvement (Dudley MBC) |
| Planning, Engineering & Transportation | 5 | IFRS - Midlands Air Quality funds (B'ham CC) 2013/14 |
| Planning, Engineering & Transportation | 6 | IFRS - Planning fees |
| Planning, Engineering & Transportation | 9 | IFRS - Severn Trent |
| Procurement | 56 | Willenhall Gas Works |
| Procurement | 75 | Adoption of category management approach |
| Procurement | 80 | Children's Improvement Plan |
| Regeneration Management | 80 | Contract review |
| | 33 | Black Country transport director |
| | 47 | Trading Standards Shared Services Pilot |
| Regulatory Services | 10 | IFRS - Health retailer |
| Regulatory Services | 141 | Smarter workplaces |
| Smarter Workplaces | 9 | ERDF TA Walsall contribution |
| Strategic Regeneration | 49 | IFRS-Black Country Invest team |
| Strategic Regeneration | 20 | IFRS LEP / Hestletine funding |
| Strategic Regeneration | 226 | Walsall Works |
| Strategic Regeneration | 433 | Economic Growth Programme |
| Strategic Regeneration | 1,103 | IFRS-City Deal - Welfare Pilot |
| Subtotal | 6,124 | |
| Transfer to reserves | | |
| Clean and Green Services | -101 | Provision to be utilised for dumped redundancy |
| Clean and Green Services | -5 | IFRS - Forestry Commission |
| Clean and Green Services | -55 | IFRS - Section 106 |
| Integrated Facilities Management | -16 | Carry Forward of overspend due to redundancy costs |
| Leisure & Community Health | -22 | Savings achieved early through deletion of post |
| Leisure & Community Health | -60 | Building control fees |
| Leisure & Community Health | -103 | IFRS - Environmental Levy |
| Leisure & Community Health | -21 | IFRS - Exclusive Burial Rights Levy |
| Money Home Job | -13 | Redundancy costs linked to savings |
| Planning, Engineering & Transportation | -113 | IFRS-Section 106 planning |

| | | |
|--|---------------|---------------------------------|
| Planning, Engineering & Transportation | -45 | IFRS-Sustainable Drainage Grant |
| Planning, Engineering & Transportation | -956 | Street lighting PFI |
| Strategic Regeneration | -226 | Local Growth Fund interest |
| Subtotal | -1,736 | |
| Libraries | -5 | Transfer of windfall income |
| Leisure & Community Health | -55 | Transfer of windfall income |
| Subtotal | -60 | |
| TOTAL | 4,328 | |

Appendix 2 – Explanation of 2015/16 forecast Revenue Variations by Service

| Service | Reason / explanation for variance | Variance £k |
|---------------------------|--|------------------------|
| Clean and Green Services | Underspend on fuel usage and cost (£334k), with remainder being vacant posts and reduction in agency spend | -713 |
| Communities & Partnership | Underspend due to keeping posts vacant | -62 |
| Democratic Services | Vacant post and underspend on supplies and services | -38 |

| | | |
|---|---|---------------|
| Development & Delivery | Under recovery of income (£265k) and staff restructure costs (£51k) within Markets, offset by vacant posts (£81k) and shops windfall income (£102k) within Asset Management. | 133 |
| Electoral Services | Overspend on supplies and services. | 3 |
| Engineering & Transportation | Shortfall of planning fees income (£80k), net of vacant posts. | 62 |
| Finance | Predominantly underspends on staffing including use of temporary staff | -175 |
| Human Resources | Underspend due to a number of vacancies | -116 |
| Information, Communication and Technologies | Underspend in: ICT due to vacant posts, charging for staff time and terminating contracts (£231k); Print and Design materials expenditure (£121k); Communications due to delays in recruiting to vacant posts (£9k); and Programme Delivery due to vacant posts (£12k). | -373 |
| Integrated Facilities Management | Shortfall on building and design fees £980k, overspend on reactive maintenance £364k, underspends on salaries, professional fees and energy (£566k), school crossing patrols (£99k), post room (£11k) | 671 |
| Internal Audit | Vacant posts offset by use of temporary staff in year | -74 |
| Legal | Posts being held vacant | -169 |
| Leisure & Community Health | Income shortfalls (£481k) offset mainly from vacant posts | -205 |
| Libraries Heritage & Arts | Underspends on vacant posts | -330 |
| Money Home Job | An overspend of £1.854m is forecast due to supporting vulnerable clients with their accommodation and assisting clients who are in crisis. Reserves of (£1.215m) and action plan of (£639k) to break even. | 0 |
| Regulatory Services | Vacant posts | -62 |
| Strategic Regeneration | Underspend on directorate support (£50k) due to vacant posts and stationery (£50k) as part of savings plan | -100 |
| TOTAL VARIANCE | | -1,547 |

Appendix 3 - Risks

| Service Area | Potential Risks | Highest Cost | Risk | Total Estimated Exposure |
|----------------------------|---|--------------|------|--------------------------|
| | | £k | £k | £k |
| | Low Risks | | | |
| Clean and Green Services | Possible loss of income (mainly trade waste) | 15 | Low | 3 |
| Clean and Green Services | Reduction in levels of co-mingled recyclables and/or market value resulting in reduced income | 10 | Low | 2 |
| Clean and Green Services | Increased waste tonnage disposal. | 90 | Low | 18 |
| Electoral Services | Continual risk of by-election in year | 8 | Low | 2 |
| Legal | Risk of further agency staff in legal services. Specialist advice may have to be commissioned if such cases are brought against the Council | 13 | Low | 3 |
| Leisure & Community Health | Possible failure to make additional income | 49 | Low | 10 |
| Leisure & Community Health | Request for Council contribution to free swimming for under 16s is not agreed | 28 | Low | 6 |
| Leisure & Community Health | Risk that loss of income during the closure of Bloxwich cannot be offset by reduced costs. | 38 | Low | 8 |
| Leisure & Community Health | Loss of income while Gala Baths closed for refurbishment | 45 | Low | 9 |
| Money Home Job | Risk of providing support to residents as part of the council tax hardship scheme | 13 | Low | 3 |
| Money Home Job | Risk that £820k additional overpayment income forecast may not be recovered. | 820 | Low | 164 |
| Regulatory Services | Unknown court costs arising from prosecutions | 50 | Low | 10 |
| Regulatory Services | Unknown court costs arising from licensing act appeals | 60 | Low | 12 |
| Regulatory Services | Incursion of additional unauthorised encampments | 10 | Low | 2 |
| Regulatory Services | Incidents of infectious disease either in animal health or human e.g. e-coli, legionnaires | 31 | Low | 6 |

| | | | | |
|--|---|--------------|---------------|------------|
| | Total Low Risks | 1280 | Low | 256 |
| | Medium Risks | | | |
| Planning, Engineering & Transportation | Funding to address repairs and maintenance to road traffic signs concerns resulting from budget reductions | 15 | Medium | 6 |
| Planning, Engineering & Transportation | Reduction in usage of car parks or loss of car parks resulting in less income | 50 | Medium | 20 |
| Planning, Engineering & Transportation | Funding to address gulley cleaning and flooding concerns resulting from budget reductions | 125 | Medium | 50 |
| Planning, Engineering & Transportation | Lower land charges fee income due to lower demand | 50 | Medium | 20 |
| Leisure & Community Health | Bereavement: Impact of a pandemic flu outbreak | 30 | Medium | 12 |
| Libraries Heritage & Arts | The full savings on book fund will not be achieved | 30 | Medium | 12 |
| Money Home Job | Risk of providing further support to vulnerable clients and additional unfunded administrative burden due to the introduction of Universal Credit | 100 | Medium | 40 |
| Regulatory Services | Increase in the number of stray dogs due to economic conditions | 10 | Medium | 4 |
| Regulatory Services | Incursion of additional unauthorised encampments | 10 | Medium | 4 |
| | Total Medium Risks | 420 | Medium | 168 |
| | High Risks | | | |
| Development & Delivery | Further shortfall of market income due to demand | 100 | High | 60 |
| Planning, Engineering & Transportation | Impact of a severe winter, additional gritting required | 100 | High | 60 |
| Integrated Facilities Management | Potential pressures on running costs associated with UTC vacating the Sneyd building | 40 | High | 24 |
| Planning, Engineering & Transportation | Shortfall of planning application fee income due to lower demand | 50 | High | 30 |
| | Total High Risks | 290 | | 174 |
| | Total | 1,990 | | 598 |

Appendix 4 – Acronyms

| Acronym | Description |
|----------|--|
| ABG | Area Based grant |
| ACE | Arts Council England |
| BCBPIP | Black Country Business Property Investment Programme |
| CC | County Council |
| CSE | Child Sexual Exploitation |
| CS Grant | Community Support Grant |
| DFT | Department for Transport |
| EDC | Education Development Centre |
| ERDF | European Regional Development Fund |
| FERIS | Fraud and Error Reduction Incentive Scheme |
| GOLD | Growth Opportunities: Local Delivery |
| ICT | Information and Communication Technology |
| IFRS | International Financial Reporting Standard |
| LABGI | Local Authority Business Growth Incentives |
| LED | Light Emitting Diode |
| LEP | Local Enterprise Partnership |
| LTP | Local Transport Plan |
| MBC | Metropolitan Borough Council |
| NAG | New Art Gallery |
| PCC | Police and Crime Commissioner |
| PFI | Private Finance Initiative |
| PILON | Payment in Lieu of Notice |
| PRU | Prudential |
| PWLB | Public Works Loan Board |
| PV | Photovoltaic |
| RCCO | Revenue Contribution to Capital Outlay |
| SDA | Strategic Development Area |
| SEED | Supporting Employment & Enterprise Development |
| TA | Technical Assistance |
| TCTP | Town Centre Transport Planning |
| UTC | University Technical College |