

**DATE: 3 JANUARY 2017**

**CORPORATE AND PUBLIC SERVICES FINANCIAL PERFORMANCE – FORECAST  
REVENUE AND CAPITAL OUTTURN FOR 2016/17**

**Ward(s)** All

**Portfolio:**

Councillor Sean Coughlan – Leader of the Council  
Councillor Jeavons – Deputy Leader and Regeneration  
Councillor Julie Fitzpatrick – Community, Leisure and Culture  
Councillor Jones – Clean and Green  
Councillor Diane Coughlan – Social Care  
Councillor Nawaz – Personnel and Business Support

**Summary of report**

This report summarises the forecast revenue and capital financial position for 2016/17, based on the position to October 2016, for services within the remit of the Corporate and Public Services Overview and Scrutiny Committee.

The position is a revenue underspend of £0.430m based on a net use of reserves of £4.031m. There is also an expectation that of capital resources of £76.725m there will be capital carry forwards totalling £3.407m.

**Reason for scrutiny**

To inform the committee of the forecast financial position for 2016/17 to allow the scrutiny of the financial performance of the services within the panel's remit.

**Recommendation**

To note that the forecast 2016/17 year end financial position for services under the remit of this Panel is as follows:

1. A revenue **underspend of £0.430m**, net of the use of and transfer to earmarked reserves and implementation of action plans.
2. A capital **carry forward request of £3.406m**.

**Background papers**

Various financial working paper

Revenue and Capital Outturn 2015/16 (Pre-Audit)

Corporate and Public Service Financial Performance – forecast revenue and capital outturn for 2016/17 (18 October 2016)

Corporate Budget Plan and Treasury Management and Investment Strategy 2016/17.

**Signed:**

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**Executive Director for Economy  
and Environment:** Simon Neilson  
**Date:** 15 December 2016

A handwritten signature in dark ink, clearly legible as 'Julie Alderson'.

**Executive Director for Change :  
and Governance:** Julie Alderson  
**Date:** 15 December 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. Work continues to bring the outturn in line with the budget.

## **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 2016/17

1.1 The forecast revenue outturn for 2016/17 for the services under the remit of the Corporate and Public Services Overview and Scrutiny Committee is an underspend of **£0.430m**, net of the use of earmarked reserves and implementation of action plans. This is an increase in underspend of £0.196m from the previously reported £0.234m underspend. The predicted revenue outturn shown is based on actual information from the Oracle system as at the end of October 2016, 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.

**Table 1 - Forecast Revenue Outturn 2016/17**

Service	Annual Budget £000	Year End Forecast £000	Year End Variance £000	Net (Use)/ Transfer of Reserves * £000	Variance Net of Reserves £000
Budget Restraint	3,131	0	(3,131)	0	(3,131)
Clean and Green Services	17,617	17,561	(56)	224	168
Communities & Partnerships	1,574	1,916	342	(391)	(49)
Democratic Services	1,389	1,463	74	(34)	40
Economy & Environment Management	(5)	163	168	(68)	100
Electoral Services	494	492	(2)	0	(2)
Finance	4,013	4,173	160	(210)	(50)
Human Resources	2,957	2,925	(32)	(45)	(77)
Information, Communication and Technologies	4,566	4,808	242	(320)	(78)
Integrated Facilities Management	3,915	5,481	1,566	(136)	1,430
Internal Audit	275	275	0	0	0
Legal	1,564	1,533	(31)	0	(31)
Leisure, Culture & Operations	4,566	4,972	406	29	435
Money Home Job	5,977	7,380	1,403	(1,403)	0
Planning, Engineering & Transportation	9,057	8,930	(127)	394	267
Procurement	442	570	128	(54)	74
Programme Management	667	1,713	1,045	(909)	136
Regeneration & Development	674	1,600	926	(679)	247
Regulatory	1,469	1,549	80	10	90
Smarter Workplaces	250	263	13	(13)	0
<b>TOTAL</b>	<b>64,593</b>	<b>67,766</b>	<b>3,173</b>	<b>(3,604)</b>	<b>(430)</b>

\*including windfall income and action plan

1.3 The predicted outturn includes use of reserves of **£5.293m** (where approval has been given by Cabinet for additional funds for specific services) and requests for transfer to reserves of **£1.262m**. A breakdown of reserves is detailed in **Appendix 1**.

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

- Budget Restraint – A Council-wide initiative took place where budget realignments were completed to centralise all underspends forecast, including

bringing forward of operational savings. These underspends are reported within their original Directorates, but expenditure can only be approved at a Corporate level.

- Clean and Green – mainly relating to overspend in salary and agency costs in waste and grounds maintenance and under-recovery of taxi licensing testing income.
- Integrated Facilities Management – mainly shortfall in design fee income.
- Leisure, Culture & Operations – mainly income shortfall and supplies and services overspend.
- Planning, Engineering & Transportation – shortfall in planning income.
- Programme Management – overspend on agency to cover vacant posts.
- Regeneration Development – income shortfall in markets and asset management and agency costs.

**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. Action plans of £563k are in place for the following service areas:

- Money Home Job (£438k) to improve collection of housing benefits overpayments, release discretionary housing budgets and increased court cost income.
- Integrated Facilities Management (£125k) to increase efficiency in energy usage and reduce maintenance expenditure.

There is also £990k windfall income across several service areas - see **Appendix 1** for details.

- 1.5 **Appendix 3** details the risks associated with this forecast and the total financial exposure to risk has been calculated as **£1.125m**. 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 2016/17 are £7.452m of approved savings relating to services within the remit of this committee. An update on the achievement of 2016/17 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.

Savings of £388k have been identified as not being achievable, as follows:

- (a) Cease operation of the creative development team unless it can become self sustaining by 2017/18 (£16k). Alternative savings have been identified.
- (b) Management restructure within Economy & Environment (£229k). This has been mitigated across the directorate and an element added as an investment requirement for 2017/18.
- (c) Integrated Facilities Management (IFM) - Review of structure (£143k). Plans are being developed to address this saving.

- 1.7 **Appendix 4** shows the forecast revenue position of each service area prior to the Budget Restraint exercise.

## 2 Capital Outturn 2016/17

- 2.1 The forecast capital outturn for 2016/17 for the schemes under the remit of this panel (as at the end of October 2016) is a capital **carry forward request of £3.406m**, mainly due to re-profiling of spend of Smarter Workplaces, Walsall Markets and works to the Council House into 2017/18. The position is summarised on **table 2** below.

**Table 2 - Forecast Capital Outturn 2016/17**

Service	Annual Budget	Actual to Date	Year End Forecast	Variance	Over/ (Under) Spend)
	£000	£000	£000	£000	£000
<b><u>Council Funded</u></b>					
<b>Clean &amp; Green Services</b>					
Additional bins (RCCO)	653	441	653	0	0
Allotment and community garden strategy - Borneo Street	71	0	71	0	0
Fryers Road Sprinkler System	268	0	268	0	0
Jerome K Jerome Statue	8	0	8	0	0
Leamore Park additional funding	6	0	6	0	0
Mayrise System Mobile Working	40	17	40	0	0
Rushall skatepark (RCCO)	12	12	12	0	0
Replacement of wooden trim trail at King George v playing fields	23	0	23	0	0
St Peters Church - repairs to surrounding walls	25	0	25	0	0
Pocket Parks Chuckery Green	3	3	3	0	0
Pocket Parks Edible Garden	4	4	4	0	0
Walsall Arboretum Car Park	434	10	434	0	0
Walsall Arboretum Restoration Programme - illuminated Park proposals	8	0	8	0	0
Walsall Green Pathways (RCCO)	3	2	3	0	0
Willenhall Memorial Park	23	0	4	(19)	0
<b>Communities and Partnerships</b>					
Improving Security in Local Partnerships	4	0	4	0	0
<b>Finance</b>					
Uninsured Property Damage	22	22	22	0	0
Finance Direct / Oracle	20	(2)	20	0	0
<b>Human Resources</b>					0
HR Itrent upgrades (RCCO)	25	3	25	0	0
<b>Information, Communication and Technologies</b>					
Bring your own device security layers	51	0	51	0	0
Council wide IT planned rolling replacement and upgrade	83	0	83	0	0
Data backup system replacement	220	0	55	(165)	0
Data Centre Power Backup	310	0	40	(270)	0
Essential upgrade to Blackberry Server	12	0	12	0	0
Essential upgrade of Windows	77	10	77	0	0
ICT essential software licence charges	9	0	9	0	0

Service	Annual Budget	Actual to Date	Year End Forecast	Variance	Over/ (Under) Spend)
	£000	£000	£000	£000	£000
ICT requirement to cater for transitioned services	46	1	46	0	0
Money home job core IT system (RCCO)	52	0	52	0	0
Smarter workplaces	18	4	18	0	0
Customer facing services being accessed by citizens	53	0	27	(27)	0
Wide format printer/laminator	22	22	22	0	0
<b>Integrated Facilities Management</b>					
Asbestos Removal	110	57	110	0	
Council Building Information Modelling	272	0	0	(272)	(272)
Planned property maintenance	170	38	170	0	0
Replace heating & ventilation system within First Stop Shop	100	0	0	(100)	0
Replace heating & ventilation system within link block	100	0	20	(80)	0
Safe water supplies	60	19	60	0	0
Solar PV panels	158	15	15	(143)	0
Statutory Testing	180	118	180	0	0
Civic Centre essential maintenance	149	5	149	0	0
Fire risk assessment	132	80	404	272	272
Improving the customer experience - Council House	773	9	50	(723)	0
<b>Leisure, Culture &amp; Operations</b>					
Active Living - Bloxwich (PWLb)	514	514	514	0	0
Active Living - Oak Park (PWLb)	1,367	1,367	1,367	0	0
Bentley Community Facility	20	0	10	(10)	0
Gala baths refurbishment	388	388	388	0	0
Headstone safety in Cemeteries (RCCO)	30	18	30	0	0
Leisure Management System	51	10	51	0	0
Libraries Universal Digital Offer	66	0	0	(66)	(66)
Open Plus in Libraries	409	8	12	(397)	0
Single Library Management System	107	3	6	(101)	0
The New Art Gallery Walsall	0	(6)	0	0	0
<b>Money Home Job</b>					
Aids and adaptations	775	129	775	0	0
Health through warmth	387	11	387	0	0
<b>Planning, Engineering &amp; Transportation</b>					
Black Country Route Highway Safety Barrier	170	167	170	0	0
Caldmore Road one way scheme	91	91	91	0	0
Challenge funding (RCCO)	198	0	198	0	0
Hatherton Road Car Park	80	0	80	0	0
Highways maintenance	3,097	2,671	3,097	0	0
Migration of Urban Traffic control analogue comm network	125	2	125	0	0

Service	Annual Budget	Actual to Date	Year End Forecast	Variance	Over/ (Under) Spend)
	£000	£000	£000	£000	£000
Public Lighting invest to save LED (RCCO)	57	49	57	0	0
Replacement dev management, building control & land charge ICT system	30	0	30	0	0
Replacement of obsolete traffic signal control equipment	150	96	150	0	0
Upper Rushall Street car park repairs	100	2	100	0	0
Walsall TCTP ring road acquisition	6	0	6	0	0
<b>Programme Management</b>					
Darlaston SDA	266	0	266	0	0
M6 Junction 10	650	0	650	0	0
<b>Regeneration &amp; Development</b>					
New Homes Bonus	277	3	277	0	0
Primark & Co-op development	21	17	21	0	0
Regenerating Walsall	223	0	100	(123)	0
Rushall Olympic Football Club	7	1	7	0	0
Shop maintenance	17	9	17	0	0
Bloxwich Market Stalls	25	12	25	0	0
Bloxwich Heritage Project	10	0	4	(6)	0
Brownhills Land Acquisition	416	415	415	(1)	(1)
Walsall Market	500	0	100	(400)	0
<b>Smarter Workplaces</b>					
Property (prudential)	530	1	3	(527)	0
ICT	307	0	0	(307)	0
<b>Total Council Funded</b>	<b>16,275</b>	<b>6,868</b>	<b>12,811</b>	<b>(3,464)</b>	<b>(67)</b>
<b><u>Externally Funded</u></b>					
<b>Clean &amp; Green</b>					
Allotment Improvement Programme External	25	0	25	0	0
Jerome K Jerome Statue	2	2	2	0	0
Palfrey Park	7	0	7	0	0
Pocket Parks Chuckery Green	21	21	21	0	0
Pocket Parks Edible Garden	8	8	8	0	0
Reedwood Park	36	26	36	0	0
Rushall skatepark Externally funded	111	111	111	0	0
Walsall arboretum restoration programme (PRU)	425	10	425	0	0
Waste infrastructure capital grant	227	0	227	0	0
<b>Leisure, Culture &amp; Operations</b>					
Active Living Bloxwich (Grant)	538	198	538	0	0
Active Living Oak Park (Grant)	1,112	55	1,112	0	0
Forest Arts Centre (Hall conversion -Arts Council)	9	9	9	0	0
Pelsall Village Centre	0	0	0	0	0
The New Art Gallery Walsall (Grant)	63	24	63	0	0



Service	Annual Budget	Actual to Date	Year End Forecast	Variance	Over/ (Under) Spend)
	£000	£000	£000	£000	£000
<b>Money Home Job</b>					
Aids and Adaptations contributions	10	0	10	0	0
Disabled facilities grant	2,145	1,566	2,145	0	0
Off Gas Scheme	650	58	650	0	0
<b>Planning, Engineering &amp; Transportation</b>					
Capital Block DFT Fund	2,374	1,044	2,374	0	0
Challenge funding	1,599	1,071	1,599	0	0
Development of Highways Asset Management Plan (HAMPS)	61	18	61	0	0
Low emission Strategy	1	1	1	0	0
LTP including bridge strengthening 2010/11	244	50	244	0	0
LTP Yorks Bridge	100	5	100	0	0
Managing Short Trips	544	226	544	0	0
DFT Pot hole funding	140	127	140	0	0
Mill Lane Road Safety	2	1	2	0	0
Pedestrian Crossing on Northgate	19	0	19	0	0
<b>Programme management</b>					
Accessing Growth	243	243	243	0	0
Darlaston SDA	1,125	979	1,125	0	0
Growth Deal	45,952	6,802	45,952	0	0
Growth Deal - LTB	1,325	1,225	1,325	0	0
Local Transport Plan (LTP)	1,417	201	1,417	0	0
<b>Regeneration &amp; Development</b>					
Black Country Enterprise Zone	47	46	46	(1)	(1)
Gigaport Partner Contribution	41	21	31	(10)	0
Regenerating Walsall - Private Contributions	12	4	12	0	0
Willenhall Townscape Heritage Initiative – Heritage Lottery Fund	53	42	53	0	0
<b>Smarter Workplaces</b>					
Police Move Civic Centre	12	0	12	0	0
<b>Total Externally Funded</b>	<b>60,697</b>	<b>14,191</b>	<b>60,686</b>	<b>(10)</b>	<b>(1)</b>
<b>Total</b>	<b>76,972</b>	<b>21,059</b>	<b>73,497</b>	<b>(3,474)</b>	<b>(68)</b>
<b>Carry forward Request</b>					<b>(3,406)</b>

Acronyms used above are listed in **Appendix 5**.

## Appendix 1 - Analysis of 2016/17 Earmarked Reserves

Service / Reserve description	Total Approved Reserve	Forecast Use of Reserves	Transfer to Reserves	Net use of Reserves
	£000	£000	£000	£000
<b>Clean &amp; Green Services</b>				
Additional potential waste arising for 15/16	266	(266)	0	(266)
Consultancy work related to waste collections	50	(50)	0	(50)
ICT for Greenspaces	15	(15)	0	(15)
IFRS - DEFRA - Stewardship funding	5	0	0	0
IFRS - Forestry Commission	12	0	0	0
IFRS - Natural England	44	0	0	0
IFRS - Section 106	585	0	77	77
Investment in water recycler for vehicle wash	25	(25)	0	(25)
<b>Communities &amp; Partnerships</b>				
Area Partnerships NHS projects	38	0	0	0
Area Partnerships Performance Reward Grant	217	(40)	0	(40)
Area Partnerships Ryecroft Hub	10	0	0	0
Area Partnerships Six area partnership funding	203	(177)	0	(177)
Area Partnerships Strategic Resource	65	(65)	0	(65)
Borough Analyst Community Safety Grant	11	(11)	0	(11)
Business Crime Initiative	25	(23)	0	(23)
Community Development Links	5	0	0	0
Community Safety contingency	7	(1)	0	(1)
West Midlands Sexual Assault Referral Centre	15	0	0	0
Domestic Abuse Co-ordinator	6	0	0	0
Domestic Homicide Review	19	(19)	0	(19)
Funding projects in Moxley	7	(4)	0	(4)
No Cold Caller Initiative	12	0	0	0
Preventing violent extremism	124	(42)	0	(42)
Voluntary sector commissioning	16	0	0	0
Anti social behaviour	9	(9)	0	(9)
Road safety initiative	0	0	0	0
<b>Democratic Services</b>				
Mayors civic awards				
Funding of temporary staff	25	(25)	0	(25)
Redundancy costs linked to savings	10	(10)	0	(10)
<b>Economy &amp; Environment Management</b>				
Economic Growth Programme	68	(68)	0	(68)
IFRS - Transition funding	13	0	0	0
LGF pipeline pot (was BC transport director)	43	0	0	0

Service / Reserve description	Total Approved Reserve	Forecast Use of Reserves	Transfer to Reserves	Net use of Reserves
	£000	£000	£000	£000
<b>Finance</b>				
Finance Direct - Qlikview	30	(30)	0	(30)
Finance Direct Restructure	47	(47)	0	(47)
Redundancy costs linked to savings	38	(38)	0	(38)
Transformation and Change	95	(95)	0	(95)
<b>Human Resources</b>				
HR staffing	10	(10)	0	(10)
Recruitability Scheme	29	0	0	0
Upgrade of HR system	78	(35)	0	(35)
<b>Information, Communication &amp; Technologies</b>				
Funding of workstreams to deliver essential capital projects	203	(203)	0	(203)
Information Management Project	130	(74)	0	(74)
Redundancy costs linked to savings	23	(23)	0	(23)
Working Smarter	227	0	0	0
Program Delivery Contingency	21	(21)	0	(21)
<b>Integrated Facilities Management</b>				
Redundancy costs linked to savings	11	(11)	0	(11)
<b>Internal Audit</b>				
Use of temporary staff and computer audit costs	15	0	0	0
Supporting the implementation of Internal Audit contract	40	0	0	0
<b>Legal</b>				
Children's Improvement Plan	12	0	0	0
Fund Purchase of Case Mgt System and Heavy Duty Copier	18	0	0	0
<b>Leisure Culture &amp; Operations</b>				
Building Control Fee (ring fenced)	47	0	51	51
Casual Pool Account Pension costs	20	(20)	0	(20)
Consultant review service	10	(10)	0	(10)
Festive Decorations	39	(39)	0	(39)
IFRS - Artist Development	0	(1)	7	6
IFRS - Arts Council England - dilapidations	36	0	0	0
IFRS - Arts Council England 11/12	115	0	0	0
IFRS - Arts Council England 12/13 - Regular Grant	112	0	0	0
IFRS - Bookstart	5	0	0	0
IFRS - British Council Residency	1	(1)	0	(1)
IFRS - Doorstep Sports Club	6	(2)	0	(2)
IFRS - Environmental Levy	569	0	0	0
IFRS - Exclusive Burial Rights Levy	97	(30)	21	(9)

Service / Reserve description	Total Approved Reserve	Forecast Use of Reserves	Transfer to Reserves	Net use of Reserves
	£000	£000	£000	£000
IFRS - Marketing Promotion Sport England 11/12 & 12/13	33	(16)	0	(16)
IFRS - NAG - ABC (Audience Black Country) Membership -	3	0	0	0
IFRS - NAG - Science Project	1	0	0	0
IFRS - NVQ Assessor	1	(1)	0	(1)
IFRS - Paul Hamlyn Foundation/Right to Read	4	0	0	0
IFRS - Walk On	11	0	0	0
IFRS - Way Forward Project	4	0	0	0
Inspired Generations (CSAF)	42	(41)	0	(41)
Pension Reserve	6	(6)	0	(6)
Storage	6	(6)	0	(6)
Tate project	86	(7)	0	(7)
Willenhall Lawn Cemetery feasibility	30	(30)	0	(30)
<b>Money Home Job</b>				
Additional resources	250	(250)	0	(250)
Benefits - clawback of subsidy income	425	0	0	0
Crisis Support Scheme	1,109	(582)	0	(582)
Fuel Poverty Grant	13	0	0	0
Housing improvement projects	88	0	0	0
Improve security at Rivers House	88	(80)	0	(80)
Preventing homelessness	587	(112)	0	(112)
Private housing & health safety	74	(46)	0	(46)
Repossession grant	154	(51)	0	(51)
Social care worker for exempt accommodation	47	(47)	0	(47)
Warm Homes	51	0	0	0
Redundancy costs linked to savings	107	(107)	0	(107)
<b>Planning, Engineering &amp; Transportation</b>				
Bus Lane enforcement	262	(213)	0	(213)
Commuted sum Shannon's Mill	48	(6)	0	(6)
Financial Appraisals	8	0	0	0
IFRS - ABG - Sustainable school travel advisors	61	(61)	0	(61)
IFRS - Dft - Bikeability grant	8	0	0	0
IFRS - Dft - Bikeability YST 2010	16	0	0	0
IFRS - Dft - Bikeability YST 2010	29	0	0	0
IFRS - Dft - Road safety grant	39	0	0	0
IFRS - DfT Bikeability grant 2011/12	36	0	0	0
IFRS - DfT Bikeability grant 2012/13	19	0	0	0
IFRS - DfT Bikeability grant 2013/14	16	0	0	0
IFRS - DfT Bikeability grant 2014/15	38	0	0	0
IFRS - DfT Bikeability grant 2015/16	37	0	0	0

Service / Reserve description	Total Approved Reserve	Forecast Use of Reserves	Transfer to Reserves	Net use of Reserves
	£000	£000	£000	£000
IFRS - Driver Improvement (Dudley MBC)	15	0	0	0
IFRS - Local Road Safety 2015/16	35	0	0	0
IFRS - Midlands Air Quality funds (B'ham CC) 2012/13	30	0	0	0
IFRS - Midlands Air Quality funds (B'ham CC) 2013/14	9	0	0	0
IFRS - Post 16 Travel 2013/14 (Children's Services)	22	0	0	0
IFRS - School Strategy 2012/13 (Children's Services)	16	0	0	0
IFRS - School Strategy 2015/16 (Children's Services)	25	0	0	0
IFRS - Sustainable Drainage Grant	73	0	0	0
IFRS - Walsall PCT - Active school travel project (A stars)	50	0	0	0
IFRS-HPDG - M.B salary cost	44	0	0	0
IFRS-S106 planning	244	0	0	0
Mediation Reserve - legal fees Waverley Mast	68	0	0	0
Retirement costs	129	(129)	0	(129)
Street lighting PFI	18,543	0	865	865
Willenhall Gas Works	62	(62)	0	(62)
<b>Procurement</b>				
Contract review	54	(54)	0	(54)
<b>Programme Management</b>				
City Deal loans	2,500	0	0	0
Economic Growth Programme	2,323	(206)	0	(206)
ERDF TA Walsall contribution	9	0	0	0
Growth Hub	10	0	0	0
LGF Interest	267	0	171	171
NEW IFRS-Black Country Invest team	0	0	0	0
NEW IFRS-City Deal - Welfare Pilot	2,018	(721)	0	(721)
NEW IFRS-LEP-core funding	146	0	0	0
NEW IFRS-LEP-hestletine funding	202	0	0	0
NEW TA ERDF Partnership Contributions	0	0	0	0
North Walsall Cutting (transportation)	0	0	0	0
Redundancy accrual not required	0	0	18	18
Strategic Regeneration- SEED/GOLD	33	(12)	0	(12)
Walsall Works	564	(156)	0	(156)
<b>Regeneration &amp; Development</b>				
Asset management system	48	(6)	0	(6)
Black country core strategy	74	(60)	0	(60)
DTZ - Enterprise Zones	48	(48)	0	(48)

Service / Reserve description	Total Approved Reserve	Forecast Use of Reserves	Transfer to Reserves	Net use of Reserves
	£000	£000	£000	£000
Economic Growth Programme	62	(62)	0	(62)
High St Innovation	27	(5)	0	(5)
IFRS -Contribution for participation in Pilot Scheme	9	0	0	0
IFRS-Dev & Del grant S106	69	(15)	0	(15)
IFRS-Town Team Partners	5	(4)	0	(4)
LGF Pipeline Interest	0	0	12	12
New Homes Bonus (Housing loans etc)	36	(4)	0	(4)
Old Square Development	20	0	40	40
Phoenix 10	798	(286)	0	(286)
Pleck Boxing Club	87	(19)	0	(19)
Redundancy costs	29	(29)	0	(29)
Uncapitalised expenditure	260	(193)	0	(193)
<b>Regulatory</b>				
Contribute to the Trading Standards Shared Services Pilot	47	(3)	0	(3)
IFRS - Tobacco funding	15	0	0	0
IFRS - BTCHA - Tobacco control	2	(2)	0	(2)
IFRS - Sniffer Dog Grant	2	(2)	0	(2)
IFRS - No Cold Calling - Trading Standards	2	0	0	0
<b>Smarter Workplaces</b>				
Smarter workplaces	352	(13)	0	(13)
<b>TOTAL RESERVES</b>	<b>37,354</b>	<b>(5,293)</b>	<b>1,262</b>	<b>(4,031)</b>
<b>Clean &amp; Green</b>				
Windfall income	0	0	503	503
<b>Integrated Facilities Management</b>				
More efficiencies in energy usage	0	(75)	0	(75)
Stop non essential repairs and maintenance	0	(50)	0	(50)
<b>Leisure, Culture &amp; Operations</b>				
Windfall income	0	0	160	160
<b>Money Home Job</b>				
Increase in overpayment debtor net of bad debt provision	0	(157)	0	(157)
Put further resources into recovery of housing benefit overpayments	0	(281)	0	(281)
Windfall income	0	0	310	310
<b>Regulatory</b>				
Windfall income	0	0	17	17
<b>TOTAL ACTION PLAN AND WINDFALL INCOME</b>	<b>0</b>	<b>(563)</b>	<b>990</b>	<b>427</b>
<b>TOTAL RESERVES AS PER TABLE 1</b>	<b>37,354</b>	<b>(5,856)</b>	<b>2,252</b>	<b>(3,604)</b>

## Appendix 2 – Explanation of 2016/17 forecast Revenue Variations by Service

Service	Reason / explanation for variance	Variance
		£000
Budget restraint	Underspend to date captured as part of Council plan to address overspend	(3,131)
Clean and Green Services	Overspend in salary and agency costs in waste and grounds maintenance and under recovery of taxi licensing testing income	168
Communities & Partnership	Efficiencies in the Healthwatch contract (£31k), reduction in cohesion schemes (£11k) and (£7k) non material variances.	(49)
Democratic Services	Additional staffing costs in constitutional services following 16/17 savings	40
Economy & Environment Management	Management restructure saving not fully achieved	100
Electoral Services	Continuing spend on individual electoral registration	(2)
Finance	Underspend due to holding posts vacant	(50)
Human Resources	Underspend due to holding posts vacant	(77)
Information, Communication and Technologies	Reduced materials spending in print and design (£49k), ICT staff costs recovered from internal services (£22k), and additional income in communication (£7k)	(78)
Integrated Facilities Management	Forecast overspends on centralised maintenance (£769k), shortfall in design fees (£1.019m), redundant buildings (£100k), events (£10k) and supplies and services (£2k). Offset by forecast underspends on centralised energy (£263k), centralised rents (£90k), staffing (£34k), savings on food costs in catering (£76k) and in post room (£7k)	1,430
Legal	Underspend due to holding posts vacant	(31)
Leisure Culture & Operations	Income shortfall and supplies and services overspend	435
Money Home Job	Overspend on subsidy (£500k), temporary staff costs (£167k) and single person discount review costs (£50k) are offset by additional overpayment recovery (£300k) and additional income from increase in the overpayment debtor (£157k), additional court cost income (£130k) underspend on salaries (£130k).	0
Planning, Engineering & Transportation	Shortfall in planning income (£150k) plus effects of budget constraint exercise	267
Procurement	Use of temporary staff	74
Programme Management	Overspends on agency and other workforce related budgets	136
Regeneration & Development	Markets overspend £94k mainly due to income shortfall, income shortfall in Asset Management £64k, plus agency costs to cover vacant posts (but salary budget included in budget restraint line)	247
Regulatory	Agency staff covering vacant posts, additional unauthorised encampment and funeral costs	90
<b>TOTAL VARIANCE</b>		<b>(430)</b>



### Appendix 3 - Risks

Service Area	Potential Risks	Highest Cost	Total Estimated Exposure
		£000	£000
	<b>Low Risks</b>		
Clean and Green Services	Damage to waste to resource plant	840	168
Clean and Green Services	Increased risk of insurance claims due to lower maintenance of trees	25	5
Leisure, Culture & Operations	Bereavement – impact of a pandemic flu outbreak	30	6
Integrated Facilities Management	Energy cost forecasts are based on 2015/16 but risk that this performance may not reoccur in 2016/17 due to changing weather conditions which may lead to higher energy usage	300	60
Integrated Facilities Management	Risk of challenge from schools over level of management fee, and schools deciding not to use IFM services, including catering service, due to perceived high	193	39
Money Home Job	Quarter 2 assessment of the year end subsidy position shows further improvement. An improvement of £1m from the position first reported has been included in the forecast outturn however if improvements continue then the forecast outturn could improve even further	(500)	(100)
Regulatory	Unknown court costs arising from licensing act appeals	50	10
Regulatory	Unknown court costs arising from taxi/private hire appeals	20	4
Regulatory	Increase in the number of stray dogs due to economic conditions	5	1
Regulatory	Burial costs where there is no known family	10	2
Regulatory	Incident(s) of infectious disease either in animal health or human e.g. ecoli, legionnaires	30	6
	<b>Total Low Risks</b>	<b>1,003</b>	<b>201</b>
	<b>Medium Risks</b>		
Clean and Green Services	Possible loss of income	110	44
Clean and Green Services	Potential none achievement of income at the Arboretum Visitors Centre	30	12
Integrated Facilities Management	Review of Maintenance Framework - may not produce required efficiencies and delays could result in further costs	250	100
Integrated Facilities Management	Possible costs relating to old debts for gas supplied to Council buildings & Schools. British Gas yet to provide accurate figures but they may levy penalty charges and interest.	163	65



Service Area	Potential Risks	Highest Cost	Total Estimated Exposure
		£000	£000
Planning, Engineering & Transportation	Engineering - shortfall in car parking income from reduced usage or loss of car parks	50	20
Planning, Engineering & Transportation	Engineering - additional road maintenance / gulley cleaning required	125	50
	<b>Total Medium Risks</b>	<b>728</b>	<b>291</b>
	<b>High Risks</b>		
Clean and Green Services	Increase in waste arisen, or non diversion of waste	300	180
Clean and Green Services	Increased contamination of co mingled waste and fluctuating gate fees from new recycling disposal contract	135	81
Clean and Green Services	Abortive costs of works carried out at Borneo Street Allotment	66	66
Planning, Engineering & Transportation	Engineering - impact of a severe winter requiring additional work and gritting	100	60
Planning, Engineering & Transportation	Shortfall of planning application fee income	100	60
Planning, Engineering & Transportation	Shortfall of Land Charges fee income	70	42
Planning, Engineering & Transportation	Legal fees from Willenhall Gasworks Case	60	36
Regeneration & Development	Shortfall of Markets income	80	78
Regulatory	Incursion of additional unauthorised encampments	20	12
Regulatory	Unknown court costs arising from prosecutions	30	18
	<b>Total High Risks</b>	<b>961</b>	<b>633</b>
	<b>Total</b>	<b>2,692</b>	<b>1,125</b>

#### Appendix 4 – Forecast position prior to Every Penny Counts

Summary by service	Outturn October 2016	Every Penny Counts Capture of Budgets	Revised Position - October 2016
	£ '000	£ '000	£ '000
Budget Restraint	(3,131)	(3,131)	0
Clean and Green Services	168	291	(123)
Communities & Partnerships	(49)	69	(118)
Democratic Services	40	22	18
Economy & Environment Management	100	0	100
Electoral Services	(2)	0	(2)
Finance	(50)	14	(64)
Human Resources	(77)	52	(129)
Information, Communication and Technologies	(78)	79	(157)
Integrated Facilities Management	1430	70	1360
Internal Audit	0	0	0
Legal	(31)	42	(73)
Leisure Culture & Operations	435	1209	(774)
Money Home Job	0	758	(758)
Planning, Engineering & Transportation	267	77	190
Procurement	74	0	74
Programme Management	136	158	(22)
Regeneration & Development	247	117	130
Regulatory	90	174	(84)
Smarter Workplaces	0	0	0
<b>Total</b>	<b>(430)</b>	<b>0</b>	<b>(430)</b>

## Appendix 5 – Acronyms and Abbreviations

Acronym	Description
ABG	Area Based grant
BC	Black Country
BCBPIP	Black Country Business Property Investment Programme
CSAF	Community Sport Activation Fund
CS	Community Support
DEFRA	Department for Environment Food & Rural Affairs
DFT	Department for Transport
ERDF	European Regional Development Fund
GOLD	Growth Opportunities: Local Delivery
HPDG	Housing Planning Delivery Grant
HR	Human Resources
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standard
LED	Light Emitting Diode
LEP	Local Enterprise Partnership
LGF	Local Growth Fund
LTP	Local Transport Plan
NAG	New Art Gallery
NVQ	National Vocational Qualification
PCC	Police and Crime Commissioner
PCT	Primary Care Trust
PFI	Private Finance Initiative
PRU	Prudential
PWLB	Public Works Loan Board
PV	Photovoltaic
RCCO	Revenue Contribution to Capital Outlay
SEED	Supporting Employment & Enterprise Development
TA	Technical Assistance
TCTP	Town Centre Transport Planning
W2R	Waste to Resources