

**COMMUNITY SERVICES
SCRUTINY AND PERFORMANCE PANEL**

**Agenda Item
No. 6**

6 SEPTEMBER 2011

2010/11 FINAL BUDGETARY POSITION PRE-AUDIT

Ward(s) All

Portfolio:

Councillor Harris – Leisure and Culture
Councillor Ali – Communities and Partnerships

Summary of report

This report summarises the outturn revenue and capital position for the year ended 2010/11, subject to external audit, for services within the remit of the Community Services Scrutiny and Performance Panel.

Recommendation

To note that the 2010/11 year end financial position for services under the remit of the Community Services Scrutiny and Performance Panel, is a revenue variance underspend against budget of **£1.008m** (net of use of earmarked reserves/ carry forwards), and a capital underspend of **£0.025m** (net of approved slippage into 2010/11).

Background papers

Various financial working papers.
Quarterly reporting to Scrutiny Panels throughout year
2010/11 Budget Books on Council's Internet and Intranet

Reason for scrutiny

To inform the panel of the pre-audit financial position for 2010/11.

Signed:



Executive Director: Jamie Morris

Date: 2 August 2011

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 2010/11 – Community Services

1.1 The revenue outturn for 2010/11 for the services under the remit of the Community Services Scrutiny & Performance Panel is an underspend against budget of **£1.008m** (net of the use of earmarked reserves / carry forwards). This position is subject to external audit. **Table 1** provides a summary by service, and a full analysis of the material variances is shown in **Appendix 1**.

| Table 1 - Final Revenue Outturn 2010/11 | | | | | |
|--|----------------------------|-------------------------------|--------------------------------|--|---------------------------------------|
| Service Area | Annual Budget £ | Year End Outturn £ | Year End Variance £ | Use of Reserves / Approved Carry Forwards £ | Variance Net of Reserves £ |
| <u>Communities & Partnerships Portfolio</u> | | | | | |
| <u>Public Safety</u> | | | | | |
| Resilience (incl Emergency Planning) | 703,646 | 656,322 | -47,324 | 5,000 | -42,324 |
| Trading Standards (Inc. Licensing) | 946,881 | 790,030 | -156,851 | | -156,851 |
| Environmental Health | 1,488,660 | 1,495,850 | 7,190 | -45,324 | -38,134 |
| Community Safety (inc Public Safety mgt) | 1,373,656 | 1,412,399 | 38,743 | 24,789 | 63,532 |
| <u>Leisure & Culture</u> | | | | | |
| First Stop Shop | 24,757 | 28,869 | 4,112 | | 4,112 |
| <u>Partnerships</u> | | | | | |
| Area Partnerships | 7,359,640 | 6,991,038 | -368,602 | 375,788 | 7,186 |
| Voluntary & Community Sector Service | 1,295,097 | 1,368,727 | 73,630 | -87,274 | -13,644 |
| <u>Leisure & Culture Portfolio</u> | | | | | |
| <u>Leisure & Community Health</u> | | | | | |
| Sports centres | 2,319,581 | 2,135,385 | -184,196 | | -184,196 |
| Sports development | 552,459 | 396,332 | -156,127 | 120,622 | -35,505 |
| Bryntysilio | 396,531 | 395,144 | -1,387 | -35,125 | -36,512 |
| Greenspaces | 3,470,813 | 2,867,738 | -603,075 | 476,909 | -126,166 |
| Bereavement services (inc registrars & coroners) | 158,815 | -32,733 | -191,548 | | -191,548 |
| Marketing & Box Office | 93,212 | 108,211 | 14,999 | | 14,999 |
| Management Services | 988,662 | 983,793 | -4,869 | 8,600 | 3,731 |
| Catering | 922,082 | 782,135 | -139,947 | -12,063 | -152,010 |
| <u>Street Pride</u> | | | | | |
| Grounds maintenance | 3,326,733 | 3,256,754 | -69,979 | 5,250 | -64,729 |
| <u>Walsall Adult & Community College</u> | | | | | |
| Walsall Adult & Community College | 425,458 | -523,288 | -948,746 | 950,054 | 1,308 |
| WLLA | 74,001 | -46,768 | -120,769 | 70,767 | -50,002 |
| <u>Libraries, Heritage & Arts</u> | | | | | |
| Creative Development | 269,435 | 160,725 | -108,710 | 126,040 | 17,330 |
| Libraries & Heritage | 6,403,527 | 6,340,222 | -63,305 | 32,267 | -31,038 |
| Arts & Events | 769,670 | 522,218 | -247,452 | 250,000 | 2,548 |
| New Art Gallery | 336,092 | 153,829 | -182,263 | 182,539 | 276 |
| TOTAL COMMUNITY SERVICES | 33,699,408 | 30,242,934 | -3,456,474 | 2,448,839 | -1,007,635 |

- 1.2 The outturn includes net use of and transfers to reserves of £2.449m where approval was given by Cabinet for additional funds for specific services, and includes approved carry forwards from 2009/10 where applicable. **Table 2** provides a summary of these.

| Table 2 - Analysis of 2010/11 Use of Reserves | | |
|--|--|------------------------------|
| Service | Detail | Amount Utilised £ |
| <u>Centrally held ear-marked reserves</u> | | |
| Public Safety Management | Redundancy payments | -33,711 |
| Public Safety – Public health | Redundancy payments | -33,562 |
| Public Safety – Dog warden | Redundancy payments | -11,762 |
| Public Safety – Reassurance | Redundancy payments | -1,600 |
| Leisure & Culture – Management & admin | Redundancy payments | -7,529 |
| Leisure & Culture – Libraries & heritage | Redundancy payments | -4,238 |
| Leisure & Culture – Sports development | Redundancy payments | -37,600 |
| Leisure & Culture – Sports & leisure mgt | Redundancy payments | -1,573 |
| Leisure & Culture – Bryntysilio | Redundancy payments | -35,125 |
| Leisure & Culture – Catering | Redundancy payments | -12,063 |
| Leisure & Culture – Creative development | Redundancy payments | -683 |
| Walsall partnership | Redundancy payments | -28,764 |
| Walsall partnership | Working Neighbourhoods Fund | -265,194 |
| <u>Carry forwards from 2009/10</u> | | |
| Public Protection | Delay in community consultation process | -3,260 |
| Walsall partnership | Slippage of preventing violent extremism | -88,143 |
| | Delays in local involvement networks | -10,000 |
| <u>Carry forwards from 2010/11 into 2011/12</u> | | |
| Partnerships | Underspend on area partnerships | 191,910 |
| Partnerships | Delay in area partnership becoming operational | 238,205 |
| Public safety | Match funding to Home office grant | 20,000 |
| Leisure | Bespoke software package for greenspaces | 31,500 |
| <u>IFRS – receipts in advance from 2010/11 into 2011/12</u> | | |
| Street Pride | Various receipts in advance | 5,250 |
| Partnerships | Various receipts in advance | 250,500 |
| Public Safety | Various receipts in advance | 48,360 |
| Leisure & Culture | Various receipts in advance | 2,237,921 |
| TOTAL USE OF RESERVES | | 2,448,839 |

- 1.3 The main reasons for the under/overspend position for services within the remit of the Panel are as follows:

- Public safety - Lower than anticipated employee costs (posts held vacant pending restructure)
- Leisure - £127k rate leisure centre rate rebates, lower than anticipated employee costs and increased income for bereavement services.

Full analysis of the variances is shown in **Appendix 1.**

2 Capital Outturn 2010/11 – Community Services

2.1 The capital outturn for 2010/11 for the schemes under the remit of this panel is an underspend against budget of **£6.712m**, of which £6.687m has been approved to be slipped into 2011/12, resulting in a net underspend of **£0.025m**. **Table 3** provides a summary by service, and a detailed financial analysis by scheme is shown in **Appendix 2.**

| Table 3 - Capital Outturn 2010/11 | | | | |
|--|-----------------------------|---|---------------------------------------|--------------------------------------|
| MAINSTREAM SCHEMES | Annual Budget £m | 2010-11 Total spend £m | Slippage to 2011/12 £m | Over/ (underspend) £m |
| <u>Communities & Partnerships Portfolio</u> | | | | |
| Public Protection | 0.191 | 0.011 | 0.180 | 0.000 |
| First Stop Shop | 0.022 | 0.021 | 0.000 | 0.001 |
| <u>Leisure & Culture Portfolio</u> | | | | |
| Libraries & Heritage | 0.821 | 0.378 | 0.444 | 0.000 |
| Bereavement Services | 0.375 | 0.213 | 0.153 | 0.009 |
| Sports | 0.205 | 0.000 | 0.205 | 0.000 |
| Grounds Maintenance | 0.005 | 0.000 | 0.005 | 0.000 |
| Green Spaces | 1.396 | 0.510 | 0.883 | 0.002 |
| Mainstream schemes | 3.015 | 1.133 | 1.870 | 0.012 |
| NON MAINSTREAM SCHEMES | | | | |
| <u>Communities & Partnerships Portfolio</u> | | | | |
| Public Safety | 0.058 | 0.058 | 0.000 | 0.000 |
| <u>Leisure & Culture Portfolio</u> | | | | |
| Libraries & Heritage | 3.880 | 0.480 | 3.400 | 0.000 |
| Greenspaces | 1.844 | 0.480 | 1.352 | 0.012 |
| Sports | 0.121 | 0.074 | 0.046 | 0.001 |
| Partnerships | 0.067 | 0.048 | 0.019 | 0.000 |
| Non Mainstream schemes | 5.970 | 1.140 | 4.817 | 0.013 |
| Total Capital | 8.985 | 2.273 | 6.687 | 0.025 |

Appendix 1 - Outturn variance analysis 2010/11

| SERVICE | REASON / EXPLANATION FOR VARIANCE | VARIANCE £ |
|---|---|--------------------|
| Leisure & Culture - Sports & Leisure Management | The following underspends: £76k employee savings due mainly to usage of future jobs funds staff to cover vacant posts, £41k premises savings due to Willenhall closure, £76k supplies and services majority due to closure of Willenhall, are offset against the following overspend: £134k is an income pressure due to closures of Willenhall and Grange. (£127k) represents rate rebates awarded to Leisure Centres during adjustment accounting period. | (185,770) |
| Leisure & Culture - Sports Development | Higher than anticipated income | (35,506) |
| Leisure & Culture - Bryntysilio | £31k is due to increase in projected income; £5k is reduced expenditure on new equipment due to closure of the facility. | (36,511) |
| Leisure & Culture - Catering | The following underspends: £91k employees due to vacancies & long term sick, £299k increased meal income due to increased meals, £23k equipment, £12k other supplies & services are offset against the following overspends: £4k due to Alumwell leaving the service, £189k provisions due to increased meals, £41k shortfall in committee tea income, £10k materials, £18k shortfall in town hall restaurant income, £7k premise costs, £6k transport | (152,009) |
| Leisure & Culture - Greenspaces | Underspend on employees due to vacancies | (126,166) |
| Leisure & Culture - Bereavements | Underspend on employees due to vacancies, increased income higher than anticipated | (191,549) |
| Street Pride - Grounds Maintenance | Lower employee costs due to agency staff covering full time posts plus additional income from grounds maintenance work | (31,769) |
| Public Safety Management | Redundancy costs | 30,015 |
| Public safety - Trading Standards | Underspend on salaries (posts held vacant pending restructure), sampling & supplies & services | (99,665) |
| Public safety - Emergency Planning | Underspend on salaries & contract payments & higher than anticipated income | (65,903) |
| Public safety - Licensing | Underspend on salaries (posts held vacant pending restructure) but lower than anticipated income | (48,306) |
| Public safety - Community Safety | Redundancy & pension payments following restructure & demolition of Beechdale office | 27,204 |
| Other | | (91,698) |
| TOTAL VARIANCE | | (1,007,633) |

Appendix 2 - Capital outturn 2010/11

| Service Area/Scheme | Annual Budget | Expenditure 2010/11 | Slippage 2011/12 | (Under)/over spend |
|--|------------------|---------------------|------------------|--------------------|
| | £ | £ | £ | £ |
| Council Resources | | | | |
| Street Pride: | | | | |
| Ride on mower | 5,020 | 0 | 5,020 | 0 |
| Public Safety: | | | | |
| Improving security in local neighbourhoods | 40,948 | 11,048 | 29,900 | 0 |
| Relocation of CCTV control room | 150,000 | 0 | 150,000 | 0 |
| Libraries and Heritage: | | | | |
| Library modernisation plan - Aldridge library | 6,306 | 6,306 | | 0 |
| Library modernisation plan - Bloxwich library | 265,183 | 211,146 | 54,037 | 0 |
| Pelsall library, children's centre and health centre | 550,000 | 160,113 | 389,887 | 0 |
| Green Spaces: | | | | |
| Allotment improvement programme | 3,756 | 2,717 | 1,039 | 0 |
| George Rose Park development | 300,000 | 820 | 299,180 | 0 |
| Kings Hill park toilet demolition | 20,000 | 18,584 | | (1,416) |
| Palfrey park - HLF | 370,197 | 34,483 | 335,714 | 0 |
| Sneyd reservoir overflow replacement | 41,412 | 40,561 | | (850) |
| Top hangar log boiler | 17,225 | 17,225 | | 0 |
| Walsall arboretum lido | 175,000 | 0 | 175,000 | 0 |
| Walsall arboretum restoration programme | 467,938 | 395,470 | 72,468 | 0 |
| First Stop Shop: | | | | |
| Contact centre (49 seats) | 20,765 | 20,765 | | 0 |
| Local access customer service bus | 1,180 | 0 | | (1,180) |
| Bereavement Services / Registrar's Office | | | | |
| Memorial safety | 100,000 | 98,862 | | (1,138) |
| Registrar's office upgrade | 12,052 | 4,088 | | (7,964) |
| Streety crematorium mercury abatement | 262,709 | 109,998 | 152,711 | 0 |
| Sports: | | | | |
| Demolition of Willenhall leisure centre | 205,000 | 0 | 205,000 | 0 |
| Total Council Resources | 3,014,691 | 1,132,186 | 1,869,956 | (12,549) |
| Externally Funded | | | | |
| Public Safety: | | | | |
| Safer Stronger Community Fund | 58,328 | 58,328 | | 0 |
| Libraries and Heritage: | | | | |
| Bloxwich Library project | 480,040 | 480,040 | | 0 |
| Pelsall library, children's centre and health centre | 3,400,000 | 0 | 3,400,000 | 0 |
| Sports: | | | | |
| NOF for PE & Sport - Aldridge Airport | 46,172 | 0 | 46,172 | 0 |
| Walsall Gala Baths Dance Studio | 75,000 | 74,229 | | (771) |
| | | | | |

| Service Area/Scheme | Annual Budget | Expenditure 2010/11 | Slippage 2011/12 | (Under)/over spend |
|--|----------------------|----------------------------|-------------------------|---------------------------|
| Green Spaces: | | | | |
| Bloxwich Fountain Restoration Project | 22,450 | 21,433 | 1,017 | 0 |
| Bradbury park improvements | 64,000 | 58,958 | 2,046 | (2,997) |
| Greenspaces improvement | 4,803 | 4,803 | | 0 |
| High Heath improvement project | 2,862 | 2,862 | | 0 |
| King George V pathfinder project | 58,371 | 57,698 | 674 | 0 |
| Kings Hill park improvement - phase 1 | 660 | 0 | 660 | 0 |
| Kings Hill park improvement - phase 2 | 13,000 | 11,590 | 1,410 | 0 |
| Oak and Shelfield Parks | 34,440 | 34,440 | | 0 |
| Play builders programme | 69,727 | 50,044 | 19,683 | 0 |
| Pleck park bowling club | 1,800 | 1,800 | | 0 |
| Top hangar log boiler match funding | 17,785 | 17,785 | | 0 |
| Walsall Arboretum restoration project | 942,000 | 0 | 942,000 | 0 |
| Anchor Meadow | 25,366 | 25,366 | | 0 |
| Walsall children's play fund | 559,228 | 190,401 | 368,828 | 0 |
| Willenhall Memorial Park - contribution | 25,759 | 1,363 | 15,250 | (9,146) |
| Partnerships | | | | |
| Partnership premises refurbishment - PRG | 30,000 | 30,000 | | 0 |
| Programme paragon - PRG | 37,000 | 17,715 | 19,285 | 0 |
| Total Externally Funded | 5,970,389 | 1,140,451 | 4,817,023 | (12,914) |
| | | | | |
| Total Community | 8,985,079 | 2,272,637 | 6,686,979 | (25,464) |