

Date: 21 June 2018

**Economy & Environment Financial Performance – Pre Audit Outturn Position for 2017/18**

Ward(s) All

**Portfolio:**

Councillor Andrews– Deputy Leader and Regeneration  
Councillor Perry – Community, Leisure and Culture  
Councillor Harrison – Clean and Green

**Summary of report**

This report summarises the pre-audit revenue and capital financial position for 2017/18, for services within the remit of the Economy & Environment Overview and Scrutiny Committee.

The position is a revenue underspend of £1.143m and £0.386m requested to be carried forward.

The capital position is that of the £73.942m budget, £13.654m has not been spent and £13.653m has been requested to be carried forward.

**Reason for scrutiny**

To inform the committee of the financial position for 2017/18 to allow the scrutiny of the financial performance of the services within the panel's remit.

**Recommendations**

- 1) To note that the pre-audit 2017/18 financial position for services under the remit of this Panel is as follows:
  - a) A revenue **underspend of £1.143m**, net of the use of and transfer to earmarked reserves and implementation of action plans and prior to approval of carry forwards.
  - b) Capital **carry forward requests of £13.653m**.

**Background papers**

Various financial working papers

Revenue and Capital Outturn Scrutiny financial reports presented to the Corporate and Public Services Committee on 7 September 2017 (3 month position), 23 November 2017 (6 month position), 22 February 2018 (9 month position).

2017/18 Budget Book on Council's internet and intranet



**Signed:**

**Executive Director for Economy  
and Environment:** Simon Neilson

**Date:** 12 June 2018

## **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 **Pre-Audit Revenue Outturn 2017/18**

1.1 The pre-audit revenue outturn for 2017/18 for the services under the remit of the Economy & Environment Overview and Security Committee is an under spend of **£1.143m**, net of the use of earmarked reserves. The pre-audit revenue outturn shown is based on actual information from the Oracle system for the year ending 2017/18, but is subject to external audit which will take place during June and July 2018.

1.2 **Table 1** below shows the pre-audit revenue 2017/18 outturn for each service.

<b>Table 1 - Pre-audit Revenue Outturn 2017/18</b>					
<b>Service</b>	<b>Budget</b>	<b>Year End Actual</b>	<b>Year End Variance</b>	<b>Net (Use) /Transfer of Reserves*</b>	<b>Variance net of reserves</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Clean and Green Services	19.049	18.067	(0.982)	(0.101)	(1.083)
Economy & Environment Management	0.281	0.306	0.025		0.025
Leisure Culture & Operations	7.087	8.477	1.390	(1.946)	(0.556)
Planning, Engineering & Transportation	17.608	17.474	(0.134)	0.644	0.510
Programme Management	0.873	1.390	0.517	(0.561)	(0.044)
Regeneration & Development	(0.111)	(0.450)	(0.339)	0.521	0.181
Regulatory	2.445	2.282	(0.163)	(0.013)	(0.176)
Smarter Workplaces	0.477	0.525	0.048	(0.048)	0
<b>TOTAL</b>	<b>47.710</b>	<b>48.071</b>	<b>0.361</b>	<b>(1.504)</b>	<b>(1.143)</b>

\*including windfall income.

1.3 The pre-audit revenue outturn includes a net use of reserves of **£1.504m** (where approval has been given by Cabinet for additional funds for specific services). A breakdown of reserves is detailed in **Appendix 1**.

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

- Clean and Green – Savings on the costs of disposal of waste, including under spends on comingled waste disposal, W2R achieved income and under spends on performance, management and transport costs for the HWRC's offset by the costs of the fire at Fryers Road
- Leisure, Culture & Operations – surplus income at Forest Arts and underspends on salaries and supplies and services within Libraries
- Planning, Engineering & Transportation – overspends on gully cleansing and winter maintenance together with realised underachievement of income for engineers time

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

1.5 Total revenue carry forwards requests of £0.386m have been recommended for approval to Cabinet and will be considered on 20 June 2018. A breakdown is provided below:

- £0.002m - Clean & Green – Green spaces Strategy consultation work completion
- £0.016m – Clean & Green - contribution to the UNESCO officer
- £0.100m – Clean & Green – securing green spaces from unauthorised encampments
- £0.027m – Clean & Green – pressures on the contact centre following the fly tipping campaign
- £0.006m Clean & Green – outstanding costs of the web designer
- £0.048m – Leisure, Culture & Operations – libraries contingency
- £0.147m – Regulatory Services – fixed term posts to manage unauthorised encampments until a transit site is in place
- £0.040m – Regulatory – taxi driver training

1.6 Included within the approved budget for 2017/18 are £6.398m of savings relating to services within the remit of this committee. An update on the achievement of 2017/18 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.

The following savings totalling £0.346m were not achieved:

- Clean & Green: Waste Collection 4 day working week over a Monday to Friday - £0.083m – saving has been achieved through alternative under spends in Clean and Green.
- Regulatory Services - Change to provision of out of hours for the community protection service - £0.022m - £0.009m achieved, remainder of £0.013m has been achieved through current vacant posts
- Planning, Engineers & Transportation - Reduction in highways maintenance resulting from the re-procurement of the Highway Maintenance contract - £0.150m: £0.070m has been achieved through mitigation, the remaining £0.080m was unachieved
- Regeneration & Development - Asset Management Review - £0.100m - Partly mitigated by additional income from shops and commercial, not noted as achieved as this income is not certain for future years.

## 2 **Pre-audit Capital Outturn 2017/18**

- 2.1 The pre-audit capital outturn for the schemes under the remit of this panel for the year ending 2017/18 is a capital **carry forward request of £13.653m**, mainly due to Growth Deal (£3.248m), Library Redesign – Lichfield Street (£1.928m), and Walsall Market (£1.877m). The position is summarised in **Table 2** below.

\* The Leamore park additional fencing project is complete hence the £0.001m variance is a true underspend, with all other projects requesting carry forward into the next financial year.

Service	Annual Budget	Year End Actual	Variance
	£m	£m	£m
<b><u>Council funded</u></b>			
<b>Clean &amp; Green Services</b>			
Allotment and community garden strategy - Borneo Street	0.010	0.010	0.000
Arboretum Events Field – drainage scheme (RCCO)	0.000	0.000	0.000
Broadway West Playing Fields	0.050	0.000	(0.050)
Depot Security Control (RCCO)	0.078	0.078	0.000
Fryers Road Sprinkler System	0.268	0.000	(0.268)
Leamore Park additional fencing *	0.006	0.005	(0.001)
Mayrise System Mobile Working	0.012	0.012	0.000
Open Water	0.074	0.009	(0.065)
Reeds, Wood & Water Project	0.056	0.025	(0.032)
Replacement of wooden Trim Trail at King George V playing fields	0.000	0.000	0.000
St Peters Church - repairs to surrounding walls	0.025	0.000	(0.025)
Vehicles	0.007	0.007	0.000
Walsall Arboretum Car Park	0.009	0.000	(0.009)
Walsall Arboretum Restoration Programme - illuminated park proposals	0.005	0.000	(0.005)
Walsall Green Pathways (RCCO)	0.000	0.000	0.000
Willenhall Memorial Park	0.019	0.006	(0.014)
<b>Leisure, Culture &amp; Operations</b>	0.000	0.000	0.000
Acquisition of Art Work (NAG) (RCCO)	0.014	0.014	0.000
Active Living Fitness Equipment	0.401	0.401	0.000
Active Living - Bloxwich (PWLb)	0.187	0.186	(0.001)
Active Living - Oak Park (PWLb)	0.369	0.192	(0.177)
Darlaston Swimming Pool	0.150	0.000	(0.150)
Forest Arts Rake Seating	0.047	0.047	(0.000)
Headstone safety in Cemeteries (RCCO)	0.029	0.029	(0.000)
Leisure Management System	0.112	0.094	(0.018)
Library Redesign - Lichfield Street Hub	2.160	0.232	(1.928)
Oil Tank above Gala Baths	0.025	0.000	(0.025)
Open Plus in Libraries	0.397	0.000	(0.397)

Service	Annual Budget	Year End Actual	Variance
	£m	£m	£m
Single Library Management System	0.100	0.006	(0.094)
<b>Planning, Engineering &amp; Transportation</b>	0.000	0.000	0.000
Challenge funding (RCCO)	0.245	0.245	0.000
Community Dropped Crossings	0.020	0.019	(0.001)
Hatherton Road Car Park	0.274	0.010	(0.264)
Highways maintenance	2.971	2.926	(0.045)
Migration of Urban Traffic control analogue communication network	0.185	0.185	0.000
Replacement development management, building control and land charge ICT system	0.030	0.000	(0.030)
Replacement of obsolete traffic signal control equipment	0.200	0.200	0.000
Upper Rushall Street car park repairs	0.044	0.044	0.000
Walsall TCTP ring road acquisition	0.006	0.006	(0.000)
<b>Programme Management</b>	0.000	0.000	0.000
Darlaston SDA (Prudential)	0.266	0.000	(0.266)
Darlaston SDA	0.200	0.031	(0.169)
<b>Regeneration &amp; Development</b>	0.000	0.000	0.000
Acquisition of Reservoir Place	0.770	0.770	0.000
Aldridge Manor House	0.008	0.007	(0.001)
Gas Holders Strategic Land Acquisition (prudential)	2.110	2.110	(0.000)
Holman's Strategic Land Acquisition (prudential)	0.525	0.001	(0.524)
New Homes Bonus	0.293	0.089	(0.204)
Primark and Co-op development	0.004	0.002	(0.002)
Regenerating Walsall	0.234	0.000	(0.234)
Rushall Olympic Football Club	0.006	0.000	(0.006)
Saddlers Shopping Centre (prudential)	13.802	13.242	(0.560)
Shop maintenance	0.007	0.000	(0.007)
Town and District Centres Public Realm	0.100	0.000	(0.100)
Walsall Market	1.907	0.030	(1.877)
<b>Smarter Workplaces</b>	0.000	0.000	0.000
ICT	0.307	0.000	(0.307)
Property (prudential)	0.505	0.028	(0.478)
<b>Total Council Funded</b>	<b>29.628</b>	<b>21.298</b>	<b>(8.331)</b>
<b><u>Externally Funded</u></b>	0.000	0.000	0.000
<b>Clean &amp; Green Services</b>	0.000	0.000	0.000
Allotment Improvement Programme External	0.018	0.008	(0.011)
Palfrey Park	0.007	0.002	(0.005)
Reedswood Improvement Plan	0.000	0.000	0.000
Reeds, Wood & Water Project (RCCO)	0.003	0.003	0.000

Service	Annual Budget	Year End Actual	Variance
	£m	£m	£m
Walsall arboretum restoration programme (PRU)	0.371	0.224	(0.147)
Waste infrastructure capital grant	0.227	0.000	(0.227)
Willenhall Memorial Park Heritage and Habitats	0.050	0.019	(0.031)
<b>Leisure, Culture &amp; Operations</b>	0.000	0.000	0.000
Active Living Bloxwich (Grant)	0.104	0.000	(0.104)
Active Living Oak Park (Grant)	0.138	0.085	(0.053)
The New Art Gallery Walsall (Grant)	0.046	0.046	0.000
<b>Planning, Engineering &amp; Transportation</b>	0.000	0.000	0.000
Additional Highway Maintenance pothole funding	0.318	0.188	(0.130)
Capital Block DFT Fund	2.148	1.933	(0.215)
Challenge funding	1.985	1.985	0.000
Development of Highways Asset Management Plan (HAMPS)	0.043	0.013	(0.030)
LTP including bridge strengthening 2010/11	0.231	0.231	(0.000)
LTP Yorks Bridge	0.085	0.015	(0.070)
Mill Lane Road Safety	0.000	0.000	(0.000)
Network Rail Scheme-Level Crossing	0.195	0.195	(0.000)
Pedestrian Crossing on Northgate	0.011	0.000	(0.011)
<b>Programme Management</b>	0.000	0.000	0.000
Darlaston SDA - DFT	0.188	0.188	0.000
Growth Deal	34.888	31.640	(3.248)
<b>Regeneration &amp; Development</b>	0.000	0.000	0.000
A461 corridor junction improvements	0.000	0.000	0.000
A461 National Productivity Investment Fund (NPIF)	0.920	0.920	0.000
Gigaport Partner Contribution	0.009	0.009	(0.000)
Goscote Open Space	0.582	0.199	(0.383)
M6 Junction 10 Highway Improvements	0.264	0.123	(0.142)
Regenerating Walsall - Private Contributions	0.009	0.000	(0.009)
West Midlands Strategic Transport Plan (STP) 'Movement for Growth'	1.472	0.965	(0.507)
Willenhall Townscape Heritage Initiative – Heritage Lottery Fund	0.001	0.000	(0.001)
<b>Total Externally Funded</b>	<b>44.314</b>	<b>38.991</b>	<b>(5.323)</b>
	<b>73.942</b>	<b>60.288</b>	<b>(13.654)</b>

## Appendix 1 - Analysis of 2017/18 Earmarked Reserves

Service / Reserve description	Total Approved Reserve	Use of Reserves	Transfer to Reserves	Net use of Reserves	Reserve carried forward
	£m	£m	£m	£m	£m
<b>Clean &amp; Green Services</b>					
Arboretum Drainage System (RCCO)	0.065	0.000	0.000	0.000	0.065
Consultancy work related to waste collections	0.050	(0.010)	0.000	(0.010)	0.040
IFRS - DEFRA - Stewardship funding	0.005	(0.005)	0.000	(0.005)	0.000
IFRS - Natural England	0.044	0.000	0.000	0.000	0.044
IFRS - Section 106	0.594	0.000	0.144	0.144	0.738
Redundancy Reserve	0.000	(0.202)	0.000	(0.202)	(0.202)
Unauthorised Encampments	0.048	(0.027)	0.000	(0.027)	0.021
<b>Total Clean &amp; Green Services</b>	<b>0.806</b>	<b>(0.245)</b>	<b>0.144</b>	<b>(0.101)</b>	<b>0.705</b>
<b>Economy &amp; Environment Management</b>	0.000	0.000	0.000	0.000	0.000
IFRS - Transition funding	0.013	0.000	0.000	0.000	0.013
<b>Total Economy &amp; Environment Management</b>	<b>0.013</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.013</b>
<b>Leisure, Culture &amp; Operations</b>	0.000	0.000	0.000	0.000	0.000
Building Control Fee (ring fenced)	0.099	0.000	0.008	0.008	0.107
Donations	0.008	(0.000)	0.002	0.001	0.009
Feasibility Report	0.010	(0.010)	0.000	(0.010)	0.000
IFRS - Artist Development	0.015	(0.015)	0.012	(0.004)	0.012
IFRS - Arts Council England - dilapidations	0.036	(0.031)	0.000	(0.031)	0.005
IFRS - Arts Council England 11/12	0.115	(0.070)	0.000	(0.070)	0.045
IFRS - Arts Council England 12/13 - Regular Grant	0.112	0.000	0.000	0.000	0.112
IFRS - Bookstart	0.005	(0.004)	0.000	(0.004)	0.001
IFRS - Doorstep Sports Club	0.006	(0.002)	0.000	(0.002)	0.003
IFRS - Environmental Levy	0.530	0.000	0.000	0.000	0.530
IFRS - Exclusive Burial Rights Levy	0.079	(0.029)	0.019	(0.010)	0.069
IFRS - HLF project - Rediscover Bloxwich	0.009	0.000	0.000	0.000	0.009
IFRS - Marketing Promotion Sport England 11/12 & 12/13	0.023	(0.018)	0.000	(0.018)	0.005
IFRS - NAG - ABC (Audience Black Country) Membership -	0.003	(0.000)	0.000	(0.000)	0.003
IFRS - NAG - Science Project	0.001	(0.000)	0.000	(0.000)	0.001
IFRS - NVQ Assessor	0.001	(0.001)	0.000	(0.001)	0.000
IFRS - Paul Hamlyn	0.004	(0.000)	0.000	(0.000)	0.004



Service / Reserve description	Total Approved Reserve	Use of Reserves	Transfer to Reserves	Net use of Reserves	Reserve carried forward
	£m	£m	£m	£m	£m
Foundation/Right to Read					
IFRS - Walk On	0.008	(0.001)	0.000	(0.001)	0.007
IFRS - Way Forward Project	0.004	0.000	0.000	0.000	0.004
Inspired Generations (CSAF)	0.004	0.000	0.000	0.000	0.004
NAG - consultants contingency	0.012	(0.012)	0.000	(0.012)	0.000
Rates 2016/17 & 2017/18 for Bloxwich and Oak Park	0.584	(0.584)	0.000	(0.584)	0.000
Redundancy and pension costs linked to savings	1.176	(1.176)	0.000	(1.176)	(0.000)
Tate project	0.078	(0.078)	0.000	(0.078)	0.000
Windfall Income	0.000	0.000	0.046	0.046	0.046
<b>Total Leisure, Culture &amp; Operations</b>	<b>2.923</b>	<b>(2.032)</b>	<b>0.086</b>	<b>(1.946)</b>	<b>0.976</b>
<b>Planning, Engineering &amp; Transportation</b>	0.000	0.000	0.000	0.000	0.000
Bus Lane enforcement	0.144	(0.040)	0.035	(0.005)	0.139
Commuted sum Shannon's Mill	0.042	(0.006)	0.000	(0.006)	0.036
Economic Growth Programme	0.030	(0.026)	0.000	(0.026)	0.004
IFRS - DFT Bikeability grant 2008/09	0.016	0.000	0.000	0.000	0.016
IFRS - DFT Bikeability grant 2009/10	0.008	0.000	0.000	0.000	0.008
IFRS - DFT Bikeability grant 2010/11	0.029	0.000	0.000	0.000	0.029
IFRS - DFT Bikeability grant 2011/12	0.036	0.000	0.000	0.000	0.036
IFRS - DFT Bikeability grant 2012/13	0.019	0.000	0.000	0.000	0.019
IFRS - DFT Bikeability grant 2013/14	0.016	0.000	0.000	0.000	0.016
IFRS - DFT Bikeability grant 2014/15	0.038	0.000	0.000	0.000	0.038
IFRS - DFT Bikeability grant 2015/16	0.037	0.000	0.000	0.000	0.037
IFRS - DFT Bikeability grant 2016/17	0.022	0.000	0.000	0.000	0.022
IFRS - DFT Bikeability grant 2017/18	0.000	0.000	0.032	0.032	0.032
IFRS - DFT Road safety grant	0.039	0.000	0.000	0.000	0.039
IFRS - Driver Improvement (Dudley Council)	0.015	0.000	0.000	0.000	0.015
IFRS - HPDG - MB salary cost	0.044	0.000	0.000	0.000	0.044
IFRS – Financial appraisals	0.026	0.000	0.000	0.000	0.026
IFRS - Local Road Safety 2015/16	0.035	0.000	0.000	0.000	0.035
IFRS - Local Road Safety 2016/17	0.012	0.000	0.000	0.000	0.012

Service / Reserve description	Total Approved Reserve	Use of Reserves	Transfer to Reserves	Net use of Reserves	Reserve carried forward
	£m	£m	£m	£m	£m
IFRS - Local Road Safety 2017/18	0.000	0.000	0.015	0.015	0.015
IFRS - Midlands Air Quality funds (Birmingham City Council) 2012/13	0.030	0.000	0.000	0.000	0.030
IFRS - Midlands Air Quality funds (Birmingham City Council) 2013/14	0.003	(0.002)	0.000	(0.002)	0.001
IFRS - Post 16 Travel 2013/14 (Children's Services)	0.022	0.000	0.000	0.000	0.022
IFRS - S106 planning	0.319	0.000	0.098	0.098	0.417
IFRS - School Strategy 2012/13 (Children's Services)	0.016	0.000	0.000	0.000	0.016
IFRS - School Strategy 2015/16 (Children's Services)	0.025	0.000	0.000	0.000	0.025
IFRS - Sustainable Drainage Grant	0.063	(0.029)	0.000	(0.029)	0.034
IFRS - Walsall PCT - Active school travel project (A stars)	0.050	(0.020)	0.000	(0.020)	0.030
Mediation Reserve - legal fees Waverley Mast	0.068	0.000	0.000	0.000	0.068
On-street parking income	0.000	0.000	0.069	0.069	0.069
Street lighting PFI	19.623	0.000	0.718	0.718	20.341
Willenhall Gas Works	0.199	(0.199)	0.000	(0.199)	(0.000)
<b>Total Planning, Engineering &amp; Transportation</b>	<b>21.025</b>	<b>(0.322)</b>	<b>0.967</b>	<b>0.644</b>	<b>21.670</b>
<b>Programme Management</b>	0.000	0.000	0.000	0.000	0.000
Economic Growth Programme - Programme Management	1.004	(0.286)	0.000	(0.286)	0.718
ERDF TA Partner contributions	0.031	0.000	0.039	0.039	0.070
ESF TA Partner contributions 2017/18	0.000	0.000	0.006	0.006	0.006
Fund one match funding ERDF technical assistance project	0.030	0.000	0.000	0.000	0.030
IBC Partner Contributions	0.005	0.000	0.020	0.020	0.024
IFRS - City Deal - Welfare Pilot	1.420	(0.727)	0.000	(0.727)	0.693
IFRS - Growth Hub	0.000	0.000	0.221	0.221	0.221
IFRS – LEP - Core funding	0.131	0.000	0.026	0.026	0.157
IFRS - LEP Energy Strategy	0.000	0.000	0.120	0.120	0.120
IFRS – LEP - Hestletine funding	0.195	(0.074)	0.000	(0.074)	0.121
IFRS – LEP - Hestletine funding (Walsall element)	0.000	0.000	0.003	0.003	0.003
LGF - pipeline was BC Transport Director	0.029	(0.016)	0.000	(0.016)	0.012
LGF Interest	0.603	(0.060)	0.174	0.114	0.717
Transformation Fund – workforce	0.115	(0.130)	0.000	(0.130)	(0.015)

Service / Reserve description	Total Approved Reserve	Use of Reserves	Transfer to Reserves	Net use of Reserves	Reserve carried forward
	£m	£m	£m	£m	£m
Walsall Works	0.256	(0.034)	0.000	(0.034)	0.221
YEI overheads	0.000	0.000	0.158	0.158	0.158
<b>Total Programme Management</b>	<b>3.820</b>	<b>(1.328)</b>	<b>0.766</b>	<b>(0.561)</b>	<b>3.258</b>
<b>Regeneration &amp; Development</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Aldridge Manor	0.025	0.000	0.000	0.000	0.025
Asset Management System	0.044	(0.009)	0.000	(0.009)	0.035
Black Country core strategy	0.205	(0.061)	0.000	(0.061)	0.144
Black Country core strategy - SAD/AAP	0.074	0.000	0.000	0.000	0.074
Economic Growth Programme – Asset Management	0.008	0.000	0.076	0.076	0.085
Economic Growth Programme – Development and Delivery	0.076	(0.025)	0.298	0.273	0.349
IFRS - Contribution for participation in Pilot Scheme	0.009	0.000	0.000	0.000	0.009
IFRS – Development and Delivery grant S106	0.064	(0.003)	0.000	(0.003)	0.061
LGF - released revenue	0.262	0.000	0.257	0.257	0.519
New Homes Bonus (Housing loans etc)	0.033	(0.001)	0.000	(0.001)	0.032
Old Square Development	0.009	0.000	0.000	0.000	0.009
Phoenix 10	0.625	(0.127)	0.000	(0.127)	0.498
Pleck Boxing Club	0.068	(0.028)	0.000	(0.028)	0.040
Saddlers Centre	0.000	0.000	0.356	0.356	0.356
Uncapitalised expenditure	0.249	(0.212)	0.000	(0.212)	0.037
<b>Total Regeneration &amp; Development</b>	<b>1.750</b>	<b>(0.467)</b>	<b>0.987</b>	<b>0.521</b>	<b>2.271</b>
<b>Regulatory Services</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
IFRS – BCTCA – Tobacco Control	0.012	0.000	0.000	0.000	0.012
IFRS – No Cold Calling – Trading Standards	0.002	0.000	0.000	0.000	0.002
IFRS – Sniffer Dog Grant	0.001	0.000	0.000	0.000	0.001
IFRS – Tobacco funding	0.015	0.000	0.000	0.000	0.015
Trading Standards - Hand held devices	0.043	(0.013)	0.000	(0.013)	0.031
<b>Total Regulatory Services</b>	<b>0.073</b>	<b>(0.013)</b>	<b>0.000</b>	<b>(0.013)</b>	<b>0.060</b>
<b>Smarter Workplaces</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Smarter Workplaces	0.307	(0.048)	0.000	(0.048)	0.259
<b>Total Smarter Workplaces</b>	<b>0.307</b>	<b>(0.048)</b>	<b>0.000</b>	<b>(0.048)</b>	<b>0.259</b>
<b>TOTAL All reserves</b>	<b>30.716</b>	<b>(4.455)</b>	<b>2.951</b>	<b>(1.504)</b>	<b>29.212</b>

IFRS – In 2010/11 the code of practice for local authority accounting introduced International Financial Reporting Standards (IFRS). This changed the accounting treatment for grants dependent on when the grant was to be used and whether it is ringfenced. Any grants that

had no repayment conditions and were for use in a specified financial year but were allowed to be carried over and used in following years now need to be treated as reserves. The previous treatment prior to 2010/11 was to hold this a receipt in advance.

## Appendix 2 – Explanation of 2017/18 Revenue Variances by Service

Service	Reason / explanation for variance	£m
Clean and Green Services	Under spends on disposal of comingled waste (£0.147m), W2R income and contract underspends (£0.802m), HWRC reduction in performance management fee and other contract underspends (£0.295m) and cost of Fuel (£0.074m). These were offset by the costs of the fire at Fryers road - £0.113m, the costs of the clinical waste contract - £0.044m, costs of the provision of extra security measures at the depot £0.032m and other operational pressures - £0.046m	(1.083)
E & E Management	Underachievement of 2016/17 savings	0.025
Leisure Culture & Operations	Underspend on library service (mainly staff costs) following restructure (£0.438m), overachieved income arts and events (£0.153m) offset by unders and overs totalling £0.035m	(0.556)
Planning, Engineering & Transportation	Overspends on gully cleansing £0.250m, contractor fees Depot - £0.086m and £0.091m on winter maintenance and £0.163m underachievement of income for engineer's time due to non capitalisation of overheads, offset by mitigating underspends (staff and supplies) elsewhere in the service	0.510
Programme Management	Under spend on salaries and centralised stationary	(0.044)
Regeneration & Development	Non achievements of asset management saving £0.100m, under achievement of markets net income £0.061m and underachievement of staff time to capital programme £0.072m offset mainly by over-recovery of shops income	0.181
Regulatory Services	(£0.062m) underspend on employee costs, (£0.028m) underspend on kennelling costs and other underspends on supplies	(0.176)
<b>TOTAL VARIANCE</b>		<b>(1.143)</b>

### Appendix 3 – Acronyms and Abbreviations

Acronym	Description
ABG	Area Based grant
BC	Black Country
BCBPIP	Black Country Business Property Investment Programme
BTCHA	Black Country Tobacco Control Alliance.
CSAF	Community Sport Activation Fund
CS	Community Support
DEFRA	Department for Environment Food & Rural Affairs
DFT	Department for Transport
EAT	Engineer Assistants Time
ERDF	European Regional Development Fund
GOLD	Growth Opportunities: Local Delivery
HPDG	Housing Planning Delivery Grant
HR	Human Resources
HWRC	Household Waste Recycling Centre
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standard
LED	Light Emitting Diode
LEP	Local Enterprise Partnership
LGF	Local Growth Fund
LTB	Local Transport Block
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
SDA	Strategic Development Area
SEED	Supporting Employment & Enterprise Development
TA	Technical Assistance
TCTP	Town Centre Transport Planning
W2R	Waste to Resources