

**COMMUNITY SERVICES  
SCRUTINY AND PERFORMANCE PANEL**

**Agenda Item  
No. 6**

**DATE: 13 JULY 2010**

**2009/10 FINAL BUDGETARY POSITION PRE-AUDIT**

**Ward(s)** All

**Portfolio:**

Councillor Harris – (Walsall Partnership & Leisure and Culture)  
Councillor Ali – Communities and Partnerships  
Councillor Andrew – Children's Services (Catering)

**Summary of report**

This report summarises the outturn revenue and capital position for the year ended 2009/10, subject to external audit, for services within the remit of the Community Services Scrutiny and Performance Panel.

**Recommendation**

To note that the 2009/10 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 **£0.019m** (net of use of earmarked reserves/ carry forwards), and a capital underspend of **£0.241m** (net of approved slippage into 2010/11).

**Background papers**

Various financial working papers.  
Quarterly reporting to Scrutiny Panels throughout year  
2009/10 Budget Books on Council's Internet and Intranet

**Reason for scrutiny**

To inform the panel of the pre-audit financial position for 2009/10.

**Signed:**



**Chief Finance Officer:** James T Walsh

**Date:** 21 June 2010



**Executive Director:** Jamie Morris

**Date:** 29 June 2010

## **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.

## **Contact Officer:**

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# 1 Revenue Outturn 2009/10 – Community Services

1.1 The revenue outturn for 2009/10 for the services under the remit of the Community Services Scrutiny & Performance Panel is an underspend against budget of **£0.019m** (net of the use of earmarked reserves / carry forwards). This position is subject to external audit which will take place during July. **Table 1** provides a summary by service, and a full analysis of the material variances is shown in **Appendix 1**.

| <b>Service Area</b>                                    | <b>Annual Budget<br/>£</b> | <b>Year End Outturn<br/>£</b> | <b>Year End Variance<br/>£</b> | <b>Use of Reserves / Approved Carry Forwards<br/>£</b> | <b>Variance Net of Reserves £</b> |
|--|----------------------------|-------------------------------|--------------------------------|--|-----------------------------------|
| <b><u>Communities &amp; Partnerships Portfolio</u></b> |                            |                               |                                |  |                                   |
| <b><u>Public Safety</u></b>                            |                            |                               |                                |  |                                   |
| Public Protection Mgmt (Inc Emg Planning)              | 123,230                    | 87,428                        | -35,802                        |  | -35,802                           |
| Trading Standards (Inc. Licensing)                     | 1,084,953                  | 1,025,068                     | -59,885                        | -28,218  | -88,103                           |
| Safer Walsall Partnership                              | 1,971,470                  | 2,157,147                     | 185,677                        | -170,908   | 14,769                            |
| <b><u>WALSALL PARTNERSHIP</u></b>                      |                            |                               |                                |  |                                   |
| Walsall Partnership                                    | 7,480,226                  | 4,955,224                     | -2,525,002                     | 2,439,958  | -85,044                           |
| Neighbourhood Partnerships                             | 1,473,412                  | 1,583,719                     | 110,307                        | 36,740   | 147,047                           |
| <b><u>LEISURE &amp; CULTURE</u></b>                    |                            |                               |                                |  |                                   |
| First Stop Shop  | 118,572                    | 128,074                       | 9,502                          | -10,000  | -498                              |
| <b><u>Leisure &amp; Culture Portfolio</u></b>          |                            |                               |                                |  |                                   |
| <b><u>LEISURE &amp; CULTURE</u></b>                    |                            |                               |                                |  |                                   |
| Sports   | 3,132,987                  | 3,242,631                     | 109,644                        |  | 109,644                           |
| Bryntysilio  | 402,150                    | 400,652                       | -1,498                         |  | -1,498                            |
| Greenspaces  | 2,626,033                  | 2,635,997                     | 9,964                          | -12,252  | -2,288                            |
| Arts & Events  | 818,247                    | 802,662                       | -15,585                        |  | -15,585                           |
| Illuminations  | -3,256                     | 181,232                       | 184,488                        | -111,038   | 73,450                            |
| Marketing & Box Office                                 | 249,210                    | 252,393                       | 3,183                          |  | 3,183                             |
| Management Services                                    | 1,095,263                  | 1,234,344                     | 139,081                        | -91,518  | 47,563                            |
| <b><u>Walsall Adult &amp; Community College</u></b>    |                            |                               |                                |  |                                   |
| Walsall Adult & Community College                      | 152,069                    | 158,719                       | 6,650                          |  | 6,650                             |
| WLLA   | -2,974                     | -2,974                        | 0                              |  | 0                                 |
| <b><u>Libraries &amp; Heritage</u></b>                 |                            |                               |                                |  |                                   |
| Creative Development                                   | 339,039                    | 356,934                       | 17,895                         |  | 17,895                            |
| New Art Gallery  | 1,269,171                  | 1,341,847                     | 72,676                         |  | 72,676                            |
| Libraries & Heritage                                   | 7,514,301                  | 7,512,530                     | -1,771                         | -190,834   | -192,605                          |
| <b><u>Children's Services Portfolio</u></b>            |                            |                               |                                |  |                                   |
| Catering   | 746,569                    | 656,055                       | -90,514                        |  | -90,514                           |
| <b>TOTAL COMMUNITY SERVICES</b>                        | <b>30,590,672</b>          | <b>28,709,682</b>             | <b>-1,880,990</b>              | <b>1,861,930</b>                                       | <b>-19,060</b>                    |

- 1.2 The budget for 2009/10 included approved savings of £1.406m, £1.287m (91.58%) of these were achieved. The reasons for non-achievement were mainly due to the closure of the Grange golf course. An action plan is in place to ensure achievement in full in 2010/11.
- 1.3 The outturn includes use of and transfers to reserves of £1.862m where approval was given by Cabinet for additional funds for specific services, and include approved carry forwards from 2008/09, and to 2009/10 where applicable. **Table 2** provides a summary of these.

| <b>Table 2 - Analysis of 2009/10 Use of Reserves</b>   |   |                               |
|--|---|-------------------------------|
| <b>Service</b>   | <b>Detail</b>                                   | <b>Amount Requested<br/>£</b> |
| <b><u>Centrally held ear-marked reserves</u></b>       |   |                               |
| Neighbourhood Partnerships                             | Redundancy payments                             | -84,290                       |
|  | Community Cohesion / Stronger                   |                               |
| Walsall Partnership                                    | Safer   | -42,998                       |
| Public Protection                                      | Use of LABGI reserve                            | -18,000                       |
| Leisure & Culture                                      | Redundancy payments                             | -112,561                      |
| Leisure & Culture                                      | Pension payments                                | -293,082                      |
| Safer Walsall Partnership                              | Staffing Costs                                  | -65,123                       |
| <b><u>Carry forwards from 2008/09</u></b>              |   |                               |
| Public Protection                                      | Taxi Marshalling                                | -10,218                       |
|  | Darlaston Face the Public                       |                               |
| Safer Walsall Partnership                              | session   | -1,000                        |
|  | Hard to Reach groups                            | -1,948                        |
|  | Walsall Alcohol Arrest Referral                 | -14,000                       |
|  | Community Consultation process                  | -5,837                        |
|  | Carry forward of ABG                            | -83,000                       |
| Neighbourhood Programmes & Partnerships                | Grants to community organisations               | -2,780                        |
| <b><u>Carry forwards from 2007/08 into 2009/10</u></b> |   |                               |
| Leisure  | First Stop Shop                                 | -10,000                       |
| <b><u>Carry forwards from 2009/10 into 2010/11</u></b> |   |                               |
| Partnerships - PVE                                     | Underspend on grant due to restriction on spend | 123,810                       |
| Partnerships - WNF                                     | Underspend on various WNF projects              | 2,482,956                     |
| <b>TOTAL USE OF RESERVES</b>                           |   | <b>1,861,929</b>              |

- 1.3 The main reasons for the under/overspend position for services within the remit of the Panel are as follows, with full analysis of the variances is shown in **Appendix 1**.
- Public Safety – Lower than anticipated income offset by underspends on salaries and supplies and services
  - Walsall Partnerships – Write off of ERDF bad debt offset by savings in project management budget.
  - Leisure - £0.111m overspend on Sports & Leisure management, £0.073m overspend on illuminations offset by £0.091m underspend on catering and £0.193m underspend on Libraries & Heritage.
- 1.4 The impact of the recession has caused pressures on income targets in 2009/10, and is anticipated to continue to affect income levels in 2010/11. This has been recognised as part of the budget setting process for 2010/11, with £0.110m investment approved to adjust income budgets in year within leisure services (sports centres).

## 2 **Capital Outturn 2009/10 – Community Services**

- 2.1 The capital outturn for 2009/10 for the schemes under the remit of this panel is an underspend against budget of **£3.116m**, of which £2.914m has been approved to be slipped into 2010/11, resulting in a net underspend of **£0.241m**. **Table 3** overleaf provides a summary by service, and a detailed financial analysis by scheme is shown in **Appendix 2**.

**Table 3 - Capital Outturn 2009/10**

| MAINSTREAM SCHEMES                                     | Annual Budget<br>£m | 2009-10 Total spend<br>£m | Variance<br>£m | Slippage to 2010/11<br>£m | Over/ (underspend)<br>£m |
|--|---------------------|---------------------------|----------------|---------------------------|--------------------------|
| <b><u>Communities &amp; Partnerships Portfolio</u></b> |                     |                           |                |                           |                          |
| Public Safety  | 0.282               | 0.241                     | -0.041         | 0.041                     | 0.000                    |
| Walsall Partnership                                    | 0.230               | 0.000                     | -0.230         | 0.000                     | -0.230                   |
| Libraries & Heritage                                   | 0.772               | 0.150                     | -0.622         | 0.622                     | 0.000                    |
| Leisure & Culture                                      | 0.907               | 0.234                     | -0.673         | 0.673                     | 0.000                    |
| <b><u>Children's Services Portfolio</u></b>            |                     |                           |                |                           |                          |
| Leisure & Culture - Catering                           | 0.021               | 0.021                     | 0.000          | 0.000                     | 0.000                    |
| <b>Mainstream schemes</b>                              | <b>2.212</b>        | <b>0.646</b>              | <b>-1.566</b>  | <b>1.336</b>              | <b>-0.230</b>            |
| <b>NON MAINSTREAM SCHEMES</b>                          |                     |                           |                |                           |                          |
| <b><u>Communities &amp; Partnerships Portfolio</u></b> |                     |                           |                |                           |                          |
| Public Safety  | 0.106               | 0.106                     | 0.000          | 0.000                     | 0.000                    |
| Walsall Partnership                                    | 0.018               | 0.018                     | 0.000          | 0.000                     | 0.000                    |
| Libraries & Heritage                                   | 1.795               | 0.748                     | -1.047         | 1.047                     | 0.000                    |
| Leisure & Culture                                      | 1.352               | 0.810                     | -0.503         | 0.531                     | -0.011                   |
| <b>Non Mainstream schemes</b>                          | <b>3.271</b>        | <b>1.682</b>              | <b>-1.550</b>  | <b>1.578</b>              | <b>-0.011</b>            |
| <b>Total Capital</b>                                   | <b>5.483</b>        | <b>2.328</b>              | <b>3.116</b>   | <b>2.914</b>              | <b>0.241</b>             |

## APPENDIX 1 - REASONS FOR REVENUE VARIATIONS - COMMUNITY SERVICES

| SERVICE  | REASON / EXPLANATION FOR VARIANCE  | VARIANCE<br>£  |
|--|--|----------------|
| Public Protection - Emergency Planning                 | Under spends on salaries, supplies & services and agency & contracted  | -35,802        |
| Public Protection - Licensing                          | Lower than anticipated income and under spend on salaries  | -51,915        |
| Public Protection - Trading Standards                  | Under spend on salaries, and supplies and services   | -30,425        |
| Leisure – Sports & Leisure Management                  | £57k is under recovery of income within Leisure Centres which have been inflated over the years. 38k is due to Grange saving. £64K is an overspend on leisure centre employees. £17k is an overspend on Premises. (£68k) is a saving on supplies and services. | 110,732        |
| Leisure - Catering                                     | Due to provisions £30k, employees (£66k), Increased depot charges £35k, income (£119k), Transport (£7k), (£22k) Cleaning materials, (£7k) Postage, Furniture & Equipment £31k, Supplies and services £29k, Premises £5k  | -90,514        |
| Leisure - Arts & Events                                | (£19k) represents reduction in events programme, (£4k) is saving on festive decorations and £7k is overspend on Forest arts  | -15,586        |
| Leisure - Illuminations                                | £48k Employee costs associated with three Illuminations technicians, £25k due to increased bad debt provision.   | 73,450         |
| Leisure - Mgmt Svs                                     | £16k employee costs and £1k Utility costs Tameway, £33k due to shortfall in sponsorship income, £2k cash collection, (£5k) reduction in spend on leisure strategy  | 47,563         |
| Leisure - Libraries & Heritage                         | (£114k) saving from book fund. (£10k) underspend in other supplies and services (£154k) employee underspend. (£15k) due to rate refund, £65k overspends on premises costs. £30k underachievement of income target. £5k overspend on transport                  | -192,607       |
| Leisure - CDT  | (£7k) underspend employee costs £7k overspend rent. £1k overspends car mileage, (£1k) underspend on operational equipment. (£156k) underspend on project expenditure offset against £174k shortfall of project income. - 09/10 & 10/11 grant from Arts Council | 17,895         |
| Leisure - NAG  | £36k duplicate Costa Coffee income target, £27k is due to staff costs, savings due to non-essential spend (£6k), £9k telephones, £6k electricity   | 72,676         |
| Partnerships – Neighbourhood Partnerships & Programmes | ERDF write off of bad debt   | 147,047        |
| Partnerships – Walsall Partnerships                    | Budget for project management not utilised   | -85,044        |
|  | Miscellaneous over/under spends  | 13,470         |
|  |  |                |
| <b>TOTAL VARIANCE</b>                                  |  | <b>-19,060</b> |

**Appendix 2 - Capital Outturn 2009/10**

| <b>MAINSTREAM SCHEMES</b>  | <b>Annual Budget<br/>£m</b> | <b>2009-10<br/>Total spend<br/>£m</b> | <b>Variance<br/>£m</b> | <b>Slippage to<br/>2010/11<br/>£m</b> | <b>Over/<br/>(underspend)<br/>£m</b> |
|--|-----------------------------|---------------------------------------|------------------------|---------------------------------------|--------------------------------------|
| <b>Public Safety</b><br>Improving security in local neighbourhoods programme | 0.282                       | 0.241                                 | -0.041                 | 0.041                                 | 0.000                                |
| <b>Total Public Safety</b>   | <b>0.282</b>                | <b>0.241</b>                          | <b>-0.041</b>          | <b>0.041</b>                          | <b>0.000</b>                         |
| <b>Walsall Partnership</b>   |                             |                                       |                        |                                       |                                      |
| Redhouse community centre  | 0.230                       | 0.000                                 | -0.230                 | 0.000                                 | -0.230                               |
| <b>Total Walsall Partnership</b>   | <b>0.230</b>                | <b>0.000</b>                          | <b>-0.230</b>          | <b>0.000</b>                          | <b>-0.230</b>                        |
| <b>Libraries &amp; Heritage</b>  |                             |                                       |                        |                                       |                                      |
| Library modernisation plan   | 0.362                       | 0.090                                 | -0.272                 | 0.272                                 | 0.000                                |
| Pelsall library, childrens and health centre                                 | 0.350                       | 0.000                                 | -0.350                 | 0.350                                 | 0.000                                |
| Relocation of Local History Centre   | 0.060                       | 0.060                                 | 0.000                  | 0.000                                 | 0.000                                |
| <b>Total Libraries &amp; Heritage</b>  | <b>0.772</b>                | <b>0.150</b>                          | <b>-0.622</b>          | <b>0.622</b>                          | <b>0.000</b>                         |
| <b>Leisure &amp; Culture Portfolio</b>                                       |                             |                                       |                        |                                       |                                      |
| Forest Arts Centre Roof  | 0.120                       | 0.120                                 | 0.000                  | 0.000                                 | 0.000                                |
| Customer contact centre  | 0.138                       | 0.022                                 | -0.116                 | 0.116                                 | 0.000                                |
| Customer Service Bus   | 0.007                       | 0.006                                 | -0.001                 | 0.001                                 | 0.000                                |
| Disability Discrimination Act for greenspaces                                | 0.009                       | 0.000                                 | -0.009                 | 0.009                                 | 0.000                                |
| Palfrey park   | 0.075                       | 0.000                                 | -0.075                 | 0.075                                 | 0.000                                |
| Walsall Arboretum restoration programme                                      | 0.515                       | 0.047                                 | -0.468                 | 0.468                                 | 0.000                                |
| Allotment improvement programme  | 0.043                       | 0.039                                 | -0.004                 | 0.004                                 | 0.000                                |
| <b>Total Leisure &amp; Culture</b>   | <b>0.907</b>                | <b>0.234</b>                          | <b>-0.673</b>          | <b>0.673</b>                          | <b>0.000</b>                         |
| <b>Leisure &amp; Culture</b>   |                             |                                       |                        |                                       |                                      |
| Catering - Redevelopment of dining facilities                                | 0.021                       | 0.021                                 | 0.000                  | 0.000                                 | 0.000                                |
| <b>Mainstream schemes</b>  | <b>2.212</b>                | <b>0.646</b>                          | <b>-1.566</b>          | <b>1.336</b>                          | <b>-0.230</b>                        |
| <b>NON MAINSTREAM SCHEMES</b>  |                             |                                       |                        |                                       |                                      |
| <b>Communities &amp; Partnerships Portfolio</b>                              |                             |                                       |                        |                                       |                                      |
| Safer Stronger Communities Fund  | 0.106                       | 0.106                                 | 0.000                  | 0.000                                 | 0.000                                |
| <b>Total Public Safety</b>   | <b>0.106</b>                | <b>0.106</b>                          | <b>0.000</b>           | <b>0.000</b>                          | <b>0.000</b>                         |
| <b>Walsall Adult &amp; Community College</b>                                 |                             |                                       |                        |                                       |                                      |
| Neighbourhood Learning in deprived areas.                                    | 0.018                       | 0.018                                 | 0.000                  | 0.000                                 | 0.000                                |
| <b>Total Walsall Partnership</b>   | <b>0.018</b>                | <b>0.018</b>                          | <b>0.000</b>           | <b>0.000</b>                          | <b>0.000</b>                         |
| <b>Libraries &amp; Heritage</b>  |                             |                                       |                        |                                       |                                      |
| Bloxwich library project   | 1.245                       | 0.748                                 | -0.497                 | 0.497                                 | 0.000                                |
| Pelsall library, childrens centre and health centre                          | 0.550                       | 0.000                                 | -0.550                 | 0.550                                 | 0.000                                |
| <b>Total Libraries &amp; Heritage</b>  | <b>1.795</b>                | <b>0.748</b>                          | <b>-1.047</b>          | <b>1.047</b>                          | <b>0.000</b>                         |
| <b>Leisure &amp; Culture Portfolio</b>                                       |                             |                                       |                        |                                       |                                      |
| Aldridge airport   | 0.046                       | 0.007                                 | 0.000                  | 0.039                                 | 0.000                                |
| Forest Arts Refurb   | 0.004                       | 0.004                                 | 0.000                  | 0.000                                 | 0.000                                |
| Free Swimming Capital Reward Grant   | 0.076                       | 0.076                                 | 0.000                  | 0.000                                 | 0.000                                |
| Blackwood park pavilion  | 0.046                       | 0.037                                 | -0.009                 | 0.000                                 | -0.009                               |
| Bloxwich fountain restoration project  | 0.020                       | 0.017                                 | -0.003                 | 0.003                                 | 0.000                                |
| George Rose park lodge landscape   | 0.002                       | 0.000                                 | -0.002                 | 0.002                                 | 0.000                                |
| Greenspaces planning delivery grant  | 0.050                       | 0.000                                 | -0.050                 | 0.050                                 | 0.000                                |
| High Heath improvement project   | 0.003                       | 0.000                                 | -0.003                 | 0.003                                 | 0.000                                |
| Highfield Road North play area   | 0.002                       | 0.000                                 | -0.002                 | 0.000                                 | -0.002                               |
| Holland park improvement project   | 0.035                       | 0.034                                 | -0.001                 | 0.001                                 | 0.000                                |
| Kings Hill park improvement  | 0.039                       | 0.038                                 | -0.001                 | 0.001                                 | 0.000                                |
| Play builders programme  | 0.532                       | 0.514                                 | -0.018                 | 0.018                                 | 0.000                                |
| Reedwood Park  | 0.001                       | 0.001                                 | 0.000                  | 0.000                                 | 0.000                                |
| Walsall Arboretum restoration project  | 0.150                       | 0.000                                 | -0.150                 | 0.150                                 | 0.000                                |
| Willenhall memorial park   | 0.078                       | 0.053                                 | -0.025                 | 0.025                                 | 0.000                                |
| Walsall childrens play fund  | 0.268                       | 0.029                                 | -0.239                 | 0.239                                 | 0.000                                |
| <b>Total Leisure &amp; Culture</b>   | <b>1.352</b>                | <b>0.810</b>                          | <b>-0.503</b>          | <b>0.531</b>                          | <b>-0.011</b>                        |
| <b>Non Mainstream schemes</b>  | <b>3.271</b>                | <b>1.682</b>                          | <b>-1.550</b>          | <b>1.578</b>                          | <b>-0.011</b>                        |
| <b>Total Capital</b>   | <b>5.483</b>                | <b>2.328</b>                          | <b>-3.116</b>          | <b>2.914</b>                          | <b>-0.241</b>                        |