

**COMMUNITY SERVICES SCRUTINY AND PERFORMANCE** Agenda  
**PANEL** Item No. 8

**DATE:** 14 JULY 2009

**2008/09 FINAL BUDGETARY POSITION PRIOR TO EXTERNAL AUDIT**

**Ward(s)** All

**Portfolio:**

Councillor Sanders – Leisure and Culture  
Councillor Perry – Communities and Partnerships  
Councillor Bird – Leader of the Council (Elections)

**Summary of report**

This report summarises the outturn position for the year ended 2008/09, subject to external audit, for services within the remit of the Community Services Scrutiny and Performance Panel.

**Recommendation**

To note that the 2008/09 year end financial position for services under the remit of the Community Services Scrutiny and Performance Panel, is a revenue variance against budget of **£1.23m** (net of use of earmarked reserves), and a capital underspend of **£55k** (net of approved slippage into 2009/10).

**Background papers**

Various financial working papers.  
Quarterly reporting to Scrutiny Panels throughout year  
2008/09 Budget Books on Council's Internet and Intranet

**Reason for scrutiny**

To inform the panel of the position for 2008/09.



**Signed:**

**Chief Finance Officer:** James T Walsh

**Date:** 02 July 2009

## 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 Accounting Guidance and Standards applicable to local government.

## 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

None directly associated with this report.

## 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 2008/09 – Community Services

- 1.1 The revenue outturn for 2008/09 for the services under the remit of the Community Services Scrutiny and Performance Panel is a variance against budget of **£1.23m** (net of the use of earmarked reserves). This position is subject to external audit evaluation which will take place during July. Table 1 overleaf provides a summary by service, and a full analysis of the material variances is shown in **Appendix 1**.

**Table 1 - Final Revenue Outturn 2008/09**

Service Area	Annual Budget £	Year End Outturn £	Year End Variance £	Use of Reserves £	Variance Net of Reserves £
<b><u>BUILT ENVIRONMENT</u></b>					
Safer Walsall Partnership	1,946,479	1,869,967	(76,512)	0	(76,512)
<b>TOTAL BUILT ENVIRONMENT</b>	<b>1,946,479</b>	<b>1,869,967</b>	<b>(76,512)</b>	<b>0</b>	<b>(76,512)</b>
<b><u>LEISURE, CULTURE &amp; LIFELONG LEARNING</u></b>					
Catering Services	2,084,221	2,121,824	37,603	0	37,603
Sports	16,486,708	16,806,316	319,608	0	319,608
Greenspaces	5,079,025	5,124,692	45,667	(27,200)	18,467
Forest Arts Service	1,105,405	1,109,647	4,242	0	4,242
Illuminations	27	197,901	197,874	0	197,874
Marketing & Box Office	220,058	212,295	(7,763)	0	(7,763)
Management Services	1,024,274	1,058,856	34,582	(14,083)	20,499
<b>Total Leisure &amp; Culture</b>	<b>25,999,718</b>	<b>26,631,532</b>	<b>631,814</b>	<b>(41,283)</b>	<b>590,531</b>
Walsall Adult & Community Learning	186,981	49,761	(137,220)	137,460	240
Libraries & Heritage	13,814,068	13,806,641	(7,427)	0	(7,427)
Creative Development	397,394	408,364	10,970	(10,000)	970
New Art Gallery	11,473,300	11,585,422	112,122	0	112,122
Electoral Services	812,057	847,610	35,553	0	35,553
First Stop Shop	60,639	4,915	(55,724)	0	(55,724)
<b>TOTAL LEISURE, CULTURE &amp; LLL</b>	<b>52,744,157</b>	<b>53,334,245</b>	<b>590,088</b>	<b>86,177</b>	<b>676,265</b>
<b><u>WALSALL PARTNERSHIP</u></b>					
Walsall Partnership	299,325	250,254	(49,071)	(50,000)	(99,071)
Neighbourhood Partnerships	1,894,649	2,695,217	800,568	(70,975)	729,593
<b>TOTAL WALSALL PARTNERSHIP</b>	<b>2,193,974</b>	<b>2,945,471</b>	<b>751,497</b>	<b>(120,975)</b>	<b>630,522</b>
<b>TOTAL COMMUNITY SERVICES</b>	<b>56,884,610</b>	<b>58,149,684</b>	<b>1,265,074</b>	<b>(34,798)</b>	<b>1,230,276</b>
Carry Forwards awaiting approval - see 1.3 below					2,780
					<b>1,233,056</b>

- 1.2 The outturn includes overspends of £35k on specific services where approval was given in year by Cabinet for additional funds to mitigate the position. These reserves are set aside for specific reasons, e.g. approved carry forwards from 2007/08, funding from LABGI, and agreed reserves approved by Cabinet. **Table 2** provides a summary of these.

<b>Table 2 - Analysis of 2008/09 Use of Earmarked Reserves</b>		
<b>Service Area</b>	<b>Amount £</b>	<b>Explanation</b>
<b>Carry Forwards from 07/08</b>		
Creative Development	10,000	Leaps & Bounds Project
<b>Other Specific Reserves</b>		
Greenspaces	27,200	HLF Arboretum Restoration bid
Leisure Management Services	14,083	Illuminations consultancy
Walsall Partnership	50,000	LABGI - Robotic Programme
Neighbourhood Partnerships	70,975	LNP Earmarked Reserves
<b>Transfer to Earmarked Reserves</b>		
Walsall Adult & Community Learning	(137,460)	Underspend to continue with service
<b>Total Use of Reserves</b>	<b>34,798</b>	

1.3 Table 3 summarises the carry forward of underspends from 2008/09 to 2009/10 approved by Cabinet on 24 June 2009 :-

<b>Table 3 – Carry Forwards from 2008/09 to 2009/10</b>	
<b>Underspends</b>	
Neighbourhood Partnerships – Grants to Community Organisations	2,780
<b>Total</b>	<b>2,780</b>

1.4 The main reasons for the overspend position for services within the remit of the Community Services Scrutiny and Performance Panel are as follows:

- Sports - increased energy costs of £177k, for which provision has been made in 2009/10 to cover this ongoing pressure.
- Sports - underachievement of sports centre income of £142k due to the impact of the recession.
- Illuminations - under-achievement of income due to decline in visitor numbers of £197k.
- In addition, some provision has been made for the potential impact of European Funding claims. The final grant claim is being produced and it is anticipated that the full impact will not be known until August.
- Full analysis of the variances is shown in **Appendix 1**.

## 2 Capital Outturn 2008/09 – Community Services

- 2.1 The capital outturn for 2008/09 for the schemes under the remit of this panel is a variance of **£2.59m**, of which £2.535m has been approved to be slipped into 2009/10, resulting in a net underspend of **£55k**. Table 4 provides a summary by service, and a detailed financial analysis by scheme is shown in **Appendix 2**.

<b>Table 4 - Final Capital Outturn 2008/09</b>					
<b>Service Area</b>	<b>Annual Budget £</b>	<b>Final Outturn £</b>	<b>Year End Variance £</b>	<b>Slippage to 2009/10 £</b>	<b>Variance Net of Slippage £</b>
<b><u>Mainstream Resources</u></b>					
Built Environment	381,320	1,254	(380,066)	380,066	(0)
Leisure, Culture & Lifelong Learning	1,308,315	661,565	(646,750)	643,620	(3,130)
Walsall Partnership	50,000	0	(50,000)	50,000	0
<b>Total Mainstream</b>	<b>1,739,635</b>	<b>662,819</b>	<b>(1,076,816)</b>	<b>1,073,686</b>	<b>(3,130)</b>
<b><u>Unsupported Borrowing</u></b>					
Leisure, Culture & Lifelong Learning	292,000	153,705	(138,295)	138,295	0
<b>Total Unsupported Borrowing</b>	<b>292,000</b>	<b>153,705</b>	<b>(138,295)</b>	<b>138,295</b>	<b>0</b>
<b><u>Non Mainstream Resources</u></b>					
Built Environment	106,655	106,655	0	0	0
Leisure, Culture & Lifelong Learning	1,772,124	455,269	(1,316,855)	1,322,752	5,897
Walsall Partnership	237,993	179,883	(58,110)	0	(58,110)
<b>Total Non Mainstream</b>	<b>2,116,772</b>	<b>741,807</b>	<b>(1,374,965)</b>	<b>1,322,752</b>	<b>(52,213)</b>
<b>TOTAL COMMUNITY SERVICES</b>	<b>4,148,407</b>	<b>1,558,331</b>	<b>(2,590,077)</b>	<b>2,534,733</b>	<b>(55,343)</b>

APPENDIX 1 - REASONS FOR VARIATIONS - COMMUNITY SERVICES

SERVICE	REASON / EXPLANATION FOR VARIANCE	VARIANCE £
<b><u>Built Environment</u></b>		
Safer Walsall Partnership	General underspend on salaries and running costs	-149,544
	Overspend on CCTV	73,032
		<b>-76,512</b>
<b><u>Leisure, Culture &amp; Lifelong Learning</u></b>		
Catering Services	Mainly increased food costs	37,603
Sports	Increased energy costs	177,132
	Under-achievement of Sports Centre income	142,477
Greenspaces	Consultancy costs	18,467
Forest Arts Service	General running costs	4,242
Illuminations	Under-achievement of income due to decline in visitors	197,874
Marketing & Box Office	Staffing and general running costs	-7,763
Management Services	Sponsorship and general running costs	20,499
Walsall Adult & Community Learning	Minor overspend on running costs	240
Libraries & Heritage	Overspends on premises, transport & equipment	171,151
	Underspends on staffing, IT, supplies & services	-111,024
	Over-achievement of income	-67,554
Creative Development	Minor overspend on running costs	970
New Art Gallery	Overspend on utilities	49,982
	Unachievement of saving for Costa Coffee	34,000
	Overspend on general running costs	28,140
Electoral Services	Additional by-election costs	35,553
First Stop Shop	Underspend on bus running costs	-32,297
	Underspend on salaries from staff vacancies	-23,427
		<b>676,265</b>
<b><u>Walsall Partnership</u></b>		
Walsall Partnership	General underspend on supplies & services	-99,071
Neighbourhood Partnerships & Programmes	Underspend on Neighbourhood Management	-69,052
	Underspend on Equalities Team	-33,551
	Underspend on other NPP activities for salaries and general running costs	-40,274
	Unachieved saving for LNP grant income	50,000
	Movement in grant	822,470
		<b>630,522</b>
<b>TOTAL VARIANCE</b>		<b>1,230,275</b>

**Community Services Capital Outturn 2008/09**

<b>MAINSTREAM RESOURCES</b>	<b>Total Budget £</b>	<b>2008/09 Total spend £</b>	<b>Variance £</b>	<b>Slippage to 2009/10 £</b>	<b>Over/ (underspend) £</b>
<b>Built Environment</b>					
Improving security in local neighbourhoods	381,320	1,254	(380,066)	380,066	(0)
<b>Total Built Environment</b>	<b>381,320</b>	<b>1,254</b>	<b>(380,066)</b>	<b>380,066</b>	<b>(0)</b>
<b>Leisure, Culture &amp; Lifelong Learning</b>					
Allotment improvement programme	81,759	38,551	(43,207)	43,207	(0)
DDA for greenspaces	38,605	29,657	(8,948)	8,948	0
Library modernisation plan	647,283	285,680	(361,603)	361,603	0
Local access customer service bus	145,583	135,545	(10,038)	6,990	(3,048)
Palfrey Park - HLF	0	0	0	0	0
Relocation of museum stores	2,222	1,930	(292)	150	(142)
Replacement of local history centre air conditioning	60,000	0	(60,000)	60,000	0
Secondary School re-development of dining facilities	152,699	131,182	(21,517)	21,517	0
Upgrading of fire alarm system and emergency lighting at central library	15,080	15,141	61		61
Walsall Arboretum Restoration Programme	141,205	0	(141,205)	141,205	0
Walsall Arboretum Restoration Programme	11,880	11,880	0		0
Willenhall memorial park - contingency	12,000	12,000	0		0
<b>Total Leisure, Culture &amp; Lifelong Learning</b>	<b>1,308,315</b>	<b>661,565</b>	<b>(646,750)</b>	<b>643,620</b>	<b>(3,130)</b>
<b>Walsall Partnership</b>					
Redhouse community centre	50,000	0	(50,000)	50,000	0
<b>Total Walsall Partnership</b>	<b>50,000</b>	<b>0</b>	<b>(50,000)</b>	<b>50,000</b>	<b>0</b>
<b>Community Services Mainstream schemes</b>	<b>1,739,635</b>	<b>662,819</b>	<b>(1,076,816)</b>	<b>1,073,686</b>	<b>(3,130)</b>

<b>UNSUPPORTED BORROWING SCHEMES</b>	<b>Total Budget</b>	<b>2008-09 Total spend</b>	<b>Variance</b>	<b>Slippage to 2009/10</b>	<b>Over/ (underspend)</b>
<b>Leisure, Culture &amp; Lifelong Learning</b>					
Contact centre (40 seats)	292,000	153,705	(138,295)	138,295	0
<b>Total Leisure, Culture &amp; Lifelong Learning</b>	<b>292,000</b>	<b>153,705</b>	<b>(138,295)</b>	<b>138,295</b>	<b>0</b>
<b>Community Services Unsupported Borrowing schemes</b>	<b>292,000</b>	<b>153,705</b>	<b>(138,295)</b>	<b>138,295</b>	<b>0</b>

<b>NON MAINSTREAM SCHEMES</b>	<b>Total Budget</b>	<b>2008-09 Total spend</b>	<b>Variance</b>	<b>Slippage to 2009/10</b>	<b>Over/ (underspend)</b>
<b>Built Environment</b>					
Improving security in local neighbourhoods	106,655	106,655	0	0	0
<b>Total Built Environment</b>	<b>106,655</b>	<b>106,655</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Leisure, Culture &amp; Lifelong Learning</b>					
Aldridge and Streetly TYS	4,426	4,426	0	0	0
Bloxwich fountain restoration project	20,081	0	(20,081)	20,081	0
Bloxwich library project	867,765	16,752	(851,013)	851,013	0
Bradbury park landscape improvement works	0	1,201	1,201	0	1,201
Family learning boxes	12,000	12,000	0	0	0
Free swimming capital reward grant	77,139	754	(76,385)	76,385	0
George Rose park lodge landscape	26,123	24,335	(1,788)	1,788	0
High Heath park improvement project	42,424	39,134	(3,290)	3,290	(0)
Highfield Road North play area	2,724	2,724	0	0	0
Neighbourhood learning in deprived communities	123,750	105,497	(18,253)	18,253	0
NOF for PE & Sport - Blue Coat	0	0	0	0	0
NOF for PE & Sport - Brownhills	0	0	0	0	0
NOF for PE & Sport - Frank F Harrison	21,009	21,009	0	0	0
NOF for PE & Sport - Shelfield	1,525	1,525	0	0	0
NOF for PE & Sport - Sneyd	0	0	0	0	0
NOF for PE & Sport - Walsall Airport	74,248	28,120	(46,128)	46,128	0
NOF for PE & Sport - Willenhall	554	554	0	0	0
Palfrey Park - HLF	0	4,899	4,899	0	4,899
Reedswood park	46,602	45,583	(1,019)	1,019	(0)
Space for Sports & Arts - Croft St Gym	7,465	7,465	0	0	0
Walsall arboretum restoration programme	0	0	0	0	0
Walsall childrens play fund	262,500	29,530	(232,970)	232,970	0
Walsall museum	58,030	57,827	(203)	0	(203)
Willenhall Memorial Park	25,759	0	(25,759)	25,759	0
Willenhall Memorial Park	98,000	51,934	(46,066)	46,065	(1)
<b>Total Leisure, Culture &amp; Lifelong Learning</b>	<b>1,772,124</b>	<b>455,269</b>	<b>(1,316,855)</b>	<b>1,322,752</b>	<b>5,897</b>
<b>Walsall Partnership</b>					
Community Regeneration in Walsall	86,023	27,913	(58,110)	0	(58,110)
NRF/LAA	151,970	151,970	(0)	0	(0)
<b>Total Walsall Partnership</b>	<b>237,993</b>	<b>179,883</b>	<b>(58,110)</b>	<b>0</b>	<b>(58,110)</b>
<b>Community Services Non Mainstream schemes</b>	<b>2,116,772</b>	<b>741,807</b>	<b>(1,374,965)</b>	<b>1,322,752</b>	<b>(52,213)</b>