

Committee(s)	Dated:
Hampstead Heath, Highgate Wood & Queen's Park Committee	5 September 2018
Subject: Revenue Outturn 2017/18 – Hampstead Heath, Highgate Wood and Queen's Park	Public
Report of: The Chamberlain & the Director of Open Spaces	For Information
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Summary

This report compares the revenue outturn for the services overseen by your Committee in 2017/18 with the final agreed budget for the year. In total, there was a better than budget position of £288,000 for the services overseen by your Committee compared with the final agreed budget for the year as set out below.

	Final Agreed Budget £000	Outturn £000	(Increase)/ Decrease £000
Local Risk			
Director of Open Spaces			
<i>Expenditure</i>	(6,784)	(6,899)	(115)
<i>Income</i>	1,498	1,566	68
City Surveyor	(2,111)	(1,644)	467
Central Risk	869	820	(49)
Recharges	(1,351)	(1,434)	(83)
Total	(7,879)	(7,591)	288

The Director's deficit budget variance of £47,000 (Local Risk) is mainly due to a £85,000 worse than budget position at Hampstead Heath, most of which relates to an overspend in supplies and services off-set by an increase in income, further detail can be found in paragraph 4a). This worse than budget position has been aggregated with budget variations on services overseen by other Committees, which produces a City Cash overall worse than budget position of £42,000 (Local Risk) across all Open Spaces.

The City Surveyor had a better than budget position of £467,000, further detail can be found in paragraph 4b). There was also an increase of £83,000 in recharges, a further breakdown of the contributing factors can be found in paragraph 4c).

Recommendation(s)

It is recommended that this revenue outturn report for 2017/18 and the consequential implications for the 2018/19 budget are noted.

Main Report

Budget Position for 2017/18

1. The 2017/18 latest approved budget for Hampstead Heath, Highgate Wood & Queen's Park services overseen by your Committee received in November 2017 was £7.876M. This budget was endorsed by the Court of Common Council in March 2017 and subsequently updated for approved adjustments. Movement of the original Local Risk budget to the final agreed budget is provided in Appendix A.

Revenue Outturn 2017/18

2. Actual net expenditure for your Committee's services during 2017/18 totalled £7.591M, a favourable budget variance of £288,000 compared with the final agreed budget. This was a result of a better than budget position of City Surveyors expenditure and additional income generated at Hampstead Heath.
3. A summary comparison with the final agreed budget for the year is tabulated below. In the tables, income, increases in income and reductions in expenditure are shown as positive balances, whereas brackets are used to denote expenditure, increases in expenditure, or shortfalls in income.

Hampstead Heath, Highgate Wood, and Queen's Park
Comparison of 2017/18 Revenue Outturn with Final Agreed
Budget

		Original Budget £000	Final Agreed Budget £000	Revenue Outturn £000	(Increase) Decrease £000	Reason*
LOCAL RISK						
Director of Open Spaces						
Hampstead Heath	Expenditure	(5,443)	(5,683)	(5,827)	(144)	
	Income	1,195	1,344	1,403	59	
		(4,248)	(4,339)	(4,424)	(85)	4a)
Hampstead Heath – STEM and Policy						
Education	Expenditure	(24)	(60)	(44)	16	
	Income	-	-	-	-	
		(24)	(60)	(44)	16	
Queens Park						
	Expenditure	(596)	(612)	(618)	(6)	
	Income	98	101	101	-	
		(498)	(511)	(517)	(6)	
Highgate Wood						
	Expenditure	(417)	(429)	(410)	19	
	Income	51	53	62	9	
		(366)	(376)	(348)	28	
Total Director of Open Spaces Local Risk	Expenditure	(6,480)	(6,784)	(6,899)	(115)	
Total Director of Open Spaces Local Risk	Income	1,344	1,498	1,566	68	
City Surveyor						
City Surveyors Local Risk		(392)	(392)	(443)	(51)	
Cyclical Works Programme		(2,523)	(1,719)	(1,201)	518	
Total City Surveyor Local Risk		(2,915)	(2,111)	(1,644)	467	4b)
TOTAL LOCAL RISK		(8,051)	(7,397)	(6,977)	420	
CENTRAL RISK						
Hampstead Heath		934	880	830	(50)	
Queen's Park		(16)	(16)	(16)	-	
Highgate Wood		5	5	6	1	
TOTAL CENTRAL RISK		923	869	820	(49)	
RECHARGES						
Insurance		(98)	(109)	(91)	18	
Support Services		(552)	(536)	(627)	(91)	
Surveyor's Employee Recharge		(225)	(281)	(275)	6	
I.S. Recharge		(235)	(313)	(326)	(13)	
Recharges Within Fund (Directorate Democratic Core, and Learning)		(103)	(105)	(94)	11	
Recharges Across Fund (Structural Maintenance - Inspections)		(7)	(7)	(21)	(14)	
TOTAL RECHARGES		(1,220)	(1,351)	(1,434)	(83)	4c)
OVERALL TOTAL		(8,348)	(7,879)	(7,591)	288	

*See paragraph 4

Reasons for Significant Variations

- 4 a) The Director of Open Spaces £85,000 worse than budget position is mainly due to a requirement for additional expenditure under supplies and services which was a combination of issues which include: Oak Processionary Moth management, as a result of the increased number of nests appearing on the Heath, additional waste management costs, and payment of historic licence charges in relation to communications following the City Surveyors re-negotiation of the lease.
- b) The £467,000 better than budget position under the City Surveyor is mainly due to a £518,000 underspend in the Cyclical Works Programme offset by a £51,000 overspend in Breakdown Maintenance. The reasons for the Cyclical/Additional Works underspend is due to 2015/16 works coming in under budget, £200,000 works due to be completed in 2016/17 now scheduled to complete in 2018/19, and cafeteria/Lido works originally expected to complete in 2017/18 now scheduled for completion in 2018/19. The reasons for the Breakdown Maintenance overspend are due to residual final MITIE costs, additional requirement for reactive works due to catching up with works held back when the MITIE contract was ceased, and assets added early in the new contract.
- c) The £83,000 worse than budget position in respect of Recharges are mainly due to an increase in support time within Central Support, the majority of which relate to the Comptroller & City Solicitor. The increased support is in relation to committee report consultation, providing legal advice and investigations in respect of planning issues on areas abutting the Heath. There was also an increase in advice and support with regard transgender issues at the pond.

Local Risk Carry Forward to 2018/19

5. Chief Officers can generally request underspends of up to 10% or £500,000 (whichever is the lesser) of the final agreed local risk budget to be carried forward, so long as the underspending is not fortuitous and the resources are required for a planned purpose. Such requests are subject to the approval of the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resources Allocation Sub Committee.
6. Overspends are carried forward in full and are met from the agreed 2018/19 budgets.
7. The Director's worse than budget position of £47,000 (Local Risk) has been aggregated with budget variations on services overseen by other Committees which for City's Cash produce an overall worse than budget position of £42,000 (Local Risk), the Director of Open Spaces has therefore not requested any 'carry forwards'.

Appendices

- Appendix A – Movement between Original 2017/18 and the final agreed Budget

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