

Revenue Budget Monitoring to December 2018 - Appendices

Appendix 1

Chief Officer Cash Limited Budgets by Fund - Comparison with the Previous Quarter									
Original Budget £'000	Chief Officer	Full Year Forecast as at 30th September 2018				Full Year Forecast as at 31st December 2018			
		Latest Budget £'000	Forecast £'000	Variance Better / (Worse)		Latest Budget £'000	Forecast £'000	Variance Better / (Worse)	
				£'000	%			£'000	%
	City Fund								
(1,951)	Chamberlain	(1,951)	(1,658)	293	15%	(1,959)	(1,780)	179	9%
(4,831)	City Surveyor	(5,405)	(5,463)	(58)	(1%)	(5,475)	(5,463)	12	0%
(10,662)	Director of Community and Children's Services	(11,092)	(11,114)	(22)	(0%)	(11,273)	(11,275)	(2)	(0%)
(2,253)	Director of Markets and Consumer Protection	(2,461)	(2,559)	(98)	(4%)	(2,552)	(2,562)	(10)	(0%)
606	Director of Open Spaces	554	1,025	471	85%	512	834	322	63%
(15,768)	Director of the Built Environment	(16,164)	(16,064)	100	1%	(16,466)	(16,345)	121	1%
(428)	Executive Director Mansion House and Old Bailey	(468)	(468)	0	0%	(574)	(579)	(5)	(1%)
(15,954)	Managing Director, Barbican Centre	(18,435)	(18,886)	(451)	(2%)	(18,437)	(19,187)	(750)	(4%)
(12,274)	Town Clerk	(13,288)	(13,290)	(2)	(0%)	(13,362)	(13,381)	(19)	(0%)
(63,515)	Total City Fund (excluding Police)	(68,710)	(68,477)	233	0%	(69,586)	(69,739)	(153)	(2%)
	City's Cash								
(97)	Chamberlain	(97)	(96)	1	1%	(99)	(99)	0	0%
(14,535)	City Surveyor	(15,171)	(15,858)	(687)	(5%)	(15,692)	(15,939)	(247)	(2%)
(595)	Director of Community and Children's Services	(613)	(595)	18	3%	(613)	(595)	18	3%
(657)	Director of Markets and Consumer Protection	(1,529)	(1,693)	(164)	(11%)	(1,625)	(1,523)	102	6%
(10,825)	Director of Open Spaces	(11,019)	(11,068)	(49)	(0%)	(11,179)	(11,283)	(104)	(1%)
(3,193)	Executive Director Mansion House and Old Bailey	(3,253)	(3,250)	1	0%	(3,332)	(3,411)	(79)	(2%)
(970)	Head, City of London Boy's School	(970)	(970)	0	0%	(947)	(947)	0	0%
(16)	Headmaster, City of London Freeman's School	(16)	(16)	0	0%	22	22	(0)	(1%)
(209)	Headmistress, City of London School for Girls	(209)	(209)	0	0%	(192)	(192)	0	0%
(6,100)	Principal, Guildhall School of Music and Drama	(6,100)	(6,100)	0	0%	(6,363)	(6,363)	0	0%
(1,189)	Remembrancer	(1,213)	(1,240)	(27)	(2%)	(1,228)	(1,213)	15	1%
(50)	Town Clerk	(116)	(128)	1	1%	(116)	(115)	1	1%
(38,436)	Total City's Cash	(40,306)	(41,223)	(906)	(2%)	(41,364)	(41,658)	(294)	(1%)
	Bridge House Estates								
(2,488)	City Surveyor	(2,537)	(2,595)	(58)	(0)	(2,450)	(2,387)	63	3%
(101)	Director of Open Spaces	(338)	(347)	(9)	(3%)	(353)	(243)	110	31%
(257)	Director of the Built Environment	(257)	(257)	0	0%	(257)	(229)	28	11%
(2,261)	Town Clerk	(2,207)	(2,108)	99	4%	(2,232)	(2,170)	62	3%
(5,107)	Total Bridge House Estates	(5,339)	(5,307)	32	1%	(5,292)	(5,029)	263	5%
	Guildhall Administration								
(21,197)	Chamberlain	(22,400)	(22,715)	(315)	(2%)	(22,530)	(22,565)	(35)	(0%)
(6,601)	City Surveyor	(6,983)	(7,927)	(944)	(14%)	(7,552)	(8,372)	(820)	(11%)
(3,263)	Comptroller and City Solicitor	(3,533)	(3,532)	1	0%	(3,533)	(3,533)	0	0%
342	Remembrancer	303	904	601	198%	299	805	506	169%
(6,529)	Town Clerk	(6,927)	(6,927)	0	0%	(6,927)	(6,927)	0	0%
(37,248)	Total Guildhall Administration	(39,540)	(40,197)	(657)	(2%)	(40,243)	(40,592)	(349)	(1%)
(144,306)	Grand Total (excluding Police)	(153,895)	(155,203)	(1,297)	(1%)	(156,485)	(157,017)	(532)	(0%)
(65,685)	Commissioner of Police (City Fund)	(65,700)	(64,980)	720	1%	(65,700)	(68,000)	(2,300)	6%
(209,991)	Grand Total	(219,595)	(220,183)	(577)	(0%)	(222,185)	(225,017)	(2,832)	(1%)

Appendix 2

Chief Officer Cash Limited Budgets - Income and Expenditure Budget Variances					
Chief Officer	Latest Gross Income / (Expenditure) Budgets £'000	Forecast Income / (Expenditure) £'000	Variance Better / (Worse) £'000 %		Cause / Action
Barbican Center Managing Director	(44,184)	(43,812)	372	1%	Predominantly savings in direct costs in line with income shortfalls in certain areas, as listed under income section below. A large portion of the expenditure savings have been offset by additional costs related to increased maternity pay and an increase to the pay award above what was originally budgeted, as these have not been covered by resources. They have also been offset by a delay to the delivery of the buildings SBR target.
	25,747	24,625	(1,122)	(4%)	The forecast for Barbican International Enterprises (BIE) has been reduced to reflect the risk that not all international touring slots may be filled. A new strategy is being implemented in retail to improve income generation – this is taking time to develop so we've reduced the forecast to reflect a potential shortfall. The forecast has been reduced to reflect risk in Development around unrestricted Corporate Sponsorship.
Chamberlain	(25,141)	(24,944)	197	1%	Staff restructure in Cost of Collection resulting in underspend in staff salaries.
	553	500	(53)	(10%)	Anticipated reduction in income from recovered council tax and business rates costs.
City Surveyor	(46,542)	(47,819)	(1,277)	(3%)	Overspending principally relates to additional expenditure on employee costs, energy and on repairs and maintenance. The extra staffing costs relate mainly to additional security staff, whilst the energy costs reflects the 30% increase in energy prices from October under the new contract. The extra repairs and maintenance spend is due to a higher level of essential reactive maintenance and quoted works undertaken than had been anticipated in the budget.
	15,373	15,658	285	2%	Additional drawdown in dilapidations to cover increased employee costs partially offset by a shortfall in City Surveyor fee income due to a reduced number of major property deals.
Comissioner of Police	(128,815)	(126,615)	2,200	2%	The CoLP's forecast is a highly adverse movement from a forecast underspend of £0.7m in Q2, to a forecast overspend, prior to mitigation, of £5.1m in Q3. This was caused mainly by a £5.8m increase in pay costs compared to the original budget, as a result of the budget significantly underestimating the costs of employing the planned workforce numbers, combined with spend on overtime and 'agency' resourcing. The increase has been largely masked until recently by an erroneous double inclusion by the Force of the £4.5m National & International City Grant, in income as well as funding, when loading the 2018-19 budget onto the system (NB it was not counted as income in the approved budget). £2.8m of forecast in-year mitigations have been incorporated, which reduces the overspend to £2.3m. This net overspend position is in line with the Police Authority's expectation, however it should be stressed that a detailed forecast is in preparation for February Police Committee and is not yet with Police Authority Finance for review.
	63,115	58,615	(4,500)	(7%)	

Chief Officer	Latest Gross Income / (Expenditure) Budgets £'000	Forecast Income / (Expenditure) £'000	Variance Better / (Worse) £'000 %		Cause / Action
Comptroller and City Solicitors	(4,395)	(4,395)	0	0%	No Variance
	862	862	0	0%	
Director of Community and Childrens Services	(31,028)	(30,880)	148	0%	Underspend due to various Community and Children's Services' contracts not finalised until partway through the year whereas the budget is for the full year and savings on Salaries which may be used towards a career fair. This is partially offset by an overpend on repair works at Artizan St Library, which are hoped to be reclaimed by year-end.
	19,142	19,010	(132)	(1%)	Less than anticipated Income due to changes in client cirmcustances which affects their contributions towards care.
Director of Markets and Consumer Protection	(24,272)	(24,569)	(297)	(1%)	The additional expenditure principally relates to the Coroner's Office due to the additional costs of two full time agency staff, backdated changes to the Senior Coroner pay guidance and running costs due to an increased volume of inquests. It was originally anticipated that the cost of one agency post would be met from the Police but that is no longer the case. Further overspends relate to staff costs at the Ports to meet the increased trade volumes and the impact of the higher than budgeted pay award on the Department.
	20,095	20,484	389	2%	The forecast additional income relates to £0.3m expected at the Ports and Heathrow Animal Reception Centre due to increased trade throughput and £0.1m from Smithfield car park due to increased traffic volumes.
Director of Open Spaces	(27,339)	(27,445)	(106)	(0%)	Overspend on salary costs before apprenticeships budget allocation and overspend due to the cost of Oak Processionary Moth treatment.
	16,319	16,753	434	3%	Although income at the Cemetery is currently on target with the expected position at the end of December 2018, the Superintendent is concerned that income has slowed against last year's actuals and expects that total income will be around £50K below last year's total of £5.3m, leading to a favourable variance of £343,000 at year-end. Forecast variance at Tower Bridge is expected to be a year-end surplus of income of £100K following a very positive performance during the month of December, the forecasted surplus replacese the previous on target forecast. This is offset by a forecast deficit of income at Monument of £39K,where, similar to many other central London attractions as reported by industry bodies, and most notable given its close proximity to the 2017 London Bridge attack, the Monument is struggling to recover in terms of visitors and income, this has been reduced from the £60K due to the positive performance in December.
Director of the Built Environment	(33,767)	(33,557)	210	1%	An underspend is forecast for Planning and Transportation which relates to a credit note from the previous electricity supplier LASER in connection with street lighting bills, which is due to be refunded and is currently being dealt with by C&CS. A further underspend is also expected on salary savings within Town Planning and Highway Services.
	17,044	16,983	(61)	(0%)	The shortfall on income is due to reductions in Building Regulation fee income due to slippage of expected fees and uncertainty in the current Brexit economic climate, plus lower than anticipated public convenience toilet barrier income due to reduced usage levels.

Chief Officer	Latest Gross Income / (Expenditure) Budgets £'000	Forecast Income / (Expenditure) £'000	Variance Better / (Worse) £'000 %		Cause / Action
Executive Director Mansion House and Old Bailey	(8,093)	(8,207)	(114)	(1%)	Overspend due to additional staff required over and above the budgeted establishment, which will be partly offset by anticipated additional income from increased usage of Mansion House and Old Bailey
	4,187	4,216	29	1%	Minor Variance
Head of the Boys School	(19,514)	(19,514)	0	0%	No Variance
	18,567	18,567	0	0%	
Headmaster of City of London Freemens School	(18,368)	(18,368)	(0)	(0%)	No Variance
	18,390	18,390	0	0%	
Headmistress of City of London School for Girls	(16,129)	(16,129)	0	0%	No Variance
	15,937	15,937	(0)	(0%)	
Principal Guildhall School of Music and Drama	(30,074)	(30,074)	0	0%	No Variance
	23,711	23,711	0	0%	
Remembrancer	(2,545)	(2,534)	11	0%	Minor Variance
	1,616	2,126	510	32%	Increase in anticipated income from Guildhall lettings.
Town Clerk	(24,563)	(24,528)	35	0%	Underspend within staff costs as new roles were budgeted for as part of Bridging Divides but have either not been filled or filled later than originally planned.
	1,926	1,935	9	0%	Minor Variance
Total	(484,769)	(483,389)	1,380	0%	
	262,584	258,372	(4,212)	(2%)	
Grand Total	(222,185)	(225,017)	(2,832)	(1%)	

Appendix 3

Central Risk Budgets				
Chief Officer	Latest Gross Income/ (Expenditure) Budget £'000	Forecast £'000	Variance Better / (Worse)	
			£'000	%
Chamberlain	(96,629)	(96,614)	15	0%
Chamberlain	88,797	89,541	744	1%
Total Chamberlain	(7,832)	(7,073)	759	10%
City Surveyor	(8,425)	(8,275)	150	2%
City Surveyor	142,314	142,249	(65)	(0%)
Total City Surveyor	133,889	133,974	85	0%
Comptroller and City Solicitors	200	200	0	0%
Total Comptroller and City Solicitors	200	200	0	0%
Director of Community and Children's Services	(11,415)	(11,910)	(496)	(4%)
Director of Community and Children's Services	9,389	9,711	323	3%
Total Director of Community and Children's Services	(2,026)	(2,199)	(173)	(9%)
Director of Markets and Consumer Protection	(554)	(502)	52	9%
Director of Markets and Consumer Protection	6,333	6,394	61	1%
Total Director of Markets and Consumer Protection	5,779	5,892	113	2%
Director of Open Spaces	(1,066)	(1,063)	3	0%
Director of Open Spaces	1,836	1,841	5	0%
Total Director of Open Spaces	770	778	8	1%
Director of the Built Environment	(14,826)	(15,096)	(270)	(2%)
Director of the Built Environment	19,774	20,246	472	2%
Total Director of Built Environment	4,948	5,150	202	4%
Executive Director Mansion House and Old Bailey	(2,873)	(2,883)	(10)	(0%)
Executive Director Mansion House and Old Bailey	1,547	1,556	9	1%
Total Executive Director Mansion House and Old Bailey	(1,326)	(1,327)	(1)	(0%)
Managing Director, Barbican Centre	(3,789)	(3,789)	0	0%
Managing Director, Barbican Centre	530	530	0	0%
Total Managing Director, Barbican Centre	(3,259)	(3,259)	0	0%
Principal Guildhall School of Music and Drama	(3,415)	(3,415)	0	0%
Total Guildhall School of Music and Drama	(3,415)	(3,415)	0	0%
Remembrancer	(1,833)	(1,846)	(14)	(1%)
Remembrancer	204	204	0	0%
Total Remembrancer	(1,629)	(1,642)	(14)	(1%)
Town Clerk	(43,101)	(43,343)	(242)	(1%)
Town Clerk	894	941	47	5%
Total Town Clerk	(42,207)	(42,401)	(194)	(0%)
Total	(187,925)	(188,736)	(812)	(0%)
Total	271,818	273,413	1,596	1%
Grand Total	83,893	84,677	784	1%

Appendix 4

Central Risk - Corporate Income Budgets				
	Original Budget	Forecast Outturn	Variance Better / (Worse)	
	£'000	£'000	£'000	%
Property Investment Income				
City Fund	49,429	49,429	-	-
City's Cash	57,791	57,791	-	-
Bridge House Estates	24,853	24,853	-	-
Total Property Investment Income	132,073	132,073	-	-
Interest on Cash Balances				
City Fund	5,500	6,259	759	12
City's Cash	300	283	(17)	(6)
Bridge House Estates	100	90	(10)	(11)
Total Interest on Cash Balances	5,900	6,632	732	11
Grand Total	137,973	138,705	732	1

Appendix 5

Chief Officer Cash Limited Budgets - Budget changes		
	£'000	£'000
Original Budget		(209,991)
Previously reported budget movements in Quarter 2		(9,604)
		(219,595)
Allocation for Holiday Pay and Contribution Pay	(1,084)	
Additional Budget for BRM asset verification and contribution towards costs	(515)	
Allocation for Apprenticeship Scheme	(424)	
Budget adjustment for transfer to Schools Reserves	244	
Adjustments for Inflation	(202)	
Additional Budget Allocation for CII Building	(197)	
Net budget adjustment for Schools increased pupil numbers	(197)	
Additional Budget for Security costs	(150)	
Additional Budget for Bridges Endowment Officer	(50)	
Allocation to Epping Forest and Commons	120	
Base Budget Adjustment	103	
Allocation from Finance Contingencies	(80)	
Allocation from Priorities Investment Pot	(88)	
Adjustment for Cheapside acquisition net running costs	(74)	
Adjustment for Car Parking Rate Revaluation	(70)	
Budget Transferred to Capital Project	59	
Approved Local Risk Carry Forwards	(40)	
Carry forward of previous year underspend	42	
Minor Adjustments	13	
		(2,590)
Latest Approved Budget		(222,185)