

Committee:	Dated:
Community and Children's Services Committee	19/06/2020
Subject: Revenue Outturn 2019/20 – Community and Children's Services Committee (City Fund)	Public
Report of: The Chamberlain and the Director of Community and Children's Services	For Information
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Summary

This report compares the 2019/20 revenue outturn for the non-Housing Revenue Account (HRA) services overseen by your Committee with the final agreed budget for the year. The Director of Community and Children's Services' local risk budget was underspent by £230,000 with an underspend on all risks (including recharges) of £163,000. This is summarised in Table 1 below. In the tables, figures in brackets indicate expenditure or adverse variance.

Table 1: Summary Comparison of 2019/20 Revenue Outturn with Final Agreed Budget – Community and Children's Services Committee			
	Final Agreed Budget £000	Revenue Outturn £000	Variations Increase/ (Reduction) £000
Local Risk	(11,309)	(11,079)	230
Central Risk	(590)	(693)	(103)
Surveyors Repairs & Maintenance	(20)	(9)	11
Total all Risks	(11,919)	(11,781)	138
Recharges	(2,255)	(2,230)	25
Overall Totals	(14,174)	(14,011)	163

The Director of Community and Children's Services is proposing to carry forward £45,000 of his local risk underspend to this Committee for purposes identified in paragraph 11 below. These proposals will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee and, if agreed, will be added to the Director's budgets for 2020/21.

Recommendation

It is recommended that this revenue outturn report for 2019/20 is noted together with the Director of Community and Children's Services' proposal to carry forward £45,000 to 2020/21.

Main Report

Revenue Outturn for 2019/20

1. Actual net expenditure for your Committee's services during 2019/20 totalled £14.011 million. A summary comparison with the final agreed budget for the year of £14.174 million is detailed in Table 2 below.

Table 2: Comparison of 2019/20 Revenue Outturn with Final Agreed Budget					
	<i>Original Budget</i> £000	Final Agreed Budget £000	Revenue Outturn £000	Variations to Final Agreed Budget (Increase)/ Reduction £000	Paragraph
Local Risk					
Supervision & Management	(1,464)	(1,541)	(1,549)	(8)	4
Partnerships & Commissioned Services	(1,080)	(1,115)	(1,106)	9	
People's Services	(7,572)	(7,952)	(7,721)	231	
Housing Services	(683)	(701)	(703)	(2)	
Total Local Risk	(10,799)	(11,309)	(11,079)	230	
Central Risk	(418)	(590)	(693)	(103)	3 & 5
Surveyors R&M	(27)	(20)	(9)	11	
Recharges	(2,196)	(2,255)	(2,230)	25	6
Overall Totals	(13,440)	(14,174)	(14,011)	163	

2. A reconciliation of the original local risk budget to the final agreed local risk budget is provided in Appendix A.
3. The 2019/20 final approved central risk budget includes significant additional resources due to successful bids from the Priorities Investment Pot.

Reasons for Significant Variations

4. The underspend of £231,000 in People's Services largely relates to lower than budgeted spend on social care packages for adults and older people. There were a number of changes to client circumstances during the year which resulted in less demand than expected. This is a volatile budget and a single change in a client's circumstance can have a major effect on the budget. In

addition, vacant posts which were not filled at the start of the year also contributed to the favourable variance.

5. The Unaccompanied Asylum Seekers central risk budget was under pressure this year due to the number of children presenting themselves to the City. The increase in numbers has resulted in an overspend of £133,000.
6. Table 3 below shows a breakdown of the Capital and Support Services budgets and expenditure.

Table 3: Breakdown of Capital and Support Services				
	<i>Original Budget</i>	Final Agreed Budget	Revenue Outturn	Variation (Increase)/ Decrease
	£000	£000	£000	£000
CAPITAL & SUPPORT SERVICES				
Capital Charges	(475)	(481)	(481)	0
Support Services, including Chamberlains, Comptrollers* & Town Clerks	(1,367)	(1,130)	(1,058)	72
Surveyors Employee Recharges	(13)	(1)	(1)	0
IS Recharges	(685)	(723)	(710)	13
Guildhall Admin Buildings	(239)	(271)	(261)	10
Insurances, including premises & Liability	(45)	(52)	(52)	0
Recharges to Barbican	43	46	46	0
Recharges to HRA	553	325	255	(70)
Corporate & Democratic Core	32	32	32	0
TOTAL CAPITAL & SUPPORT SERVICES	(2,196)	(2,255)	(2,230)	25

*The Comptroller and City Solicitor's Department continue to recharge departments for any external legal fees that they have incurred.

7. The budgets for Community and Children's Services departmental support services were based on 2018/19 actual attributions, whereas the final charges for 2019/20 reflect the most recent time and cost attributions.
8. Recharges have a corresponding contra entry in their own accounts. Consequently, these charges have no overall impact on net expenditure for the Corporation as a whole.

Local Risk Budget Carry Forward to 2020/21

9. Chief Officers can request underspends of up to 10% or £500,000 (whichever is lower) of the final agreed local risk budget to be carried forward, provided 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.

10. The Director of Community and Children's Services is able to request a total carry forward of £230,000 to 2020/21 for this Committee, in accordance with the budgetary arrangements for local risk resources.

11. The Director is proposing to allocate £45,000 of his carry-forward amount to this Committee, as follows:

- £21,000 to Early Years: The Cass Child and Family Centre are in urgent need of storage and furniture. Fee income from the centre will be affected by the COVID-19 pandemic, which means they will not have the flexibility to purchase these items from their 2019/20 base budget.
- £24,000 to the Virtual School Headteacher (VSH): The VSH is requesting funds to set up a virtual tuition class that will enable tutors to deliver face-to-face tuition, and broadcast to pupils who cannot attend the class. The budget will be used for tutor expenses as well as equipment for looked after children to enable them to access this virtual class.

12. These requests will be considered by the Chamberlain, in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub-Committee and, if agreed, added to the budgets for 2019/20. All requests for carry-forward amounts are currently being consolidated into a report to be submitted before the summer recess.

Appendices

- Appendix 1 – A reconciliation of the 2019/20 original local risk budget to the final agreed local risk budget 2019/20

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Appendix A

	£'000
Original Local Risk Budget 2019/20	(10,799)
Additional budget agreed at P&R/RASC for temporary accommodation for City of London Primary Academy Islington (COLPAI) pupils (£145,000), additional social workers to help support the increase in demand (£140,000), and (£56,000) to enable Sir John Cass School to continue to offer free school meals for all pupils.	(361)
Additional resources for internal legal fees. It was agreed at Finance Committee in November 2018 that the Comptroller and City Solicitor's Department will charge internal legal fees directly to departments.	(119)
Centrally funded apprentices	(59)
Net other movements, including contribution pay and virement to libraries.	29
Final Agreed Local Risk Budget 2019/20	(11,309)