

<b>Committee:</b>	<b>Date:</b>
Establishment Committee	
<b>Subject:</b> Revenue Outturn 2019-20	<b>Public</b>
<b>Report of:</b> The Town Clerk, the Chamberlain, the Comptroller and City Solicitor	<b>For Information</b>
<b>Report Author:</b> Laura Tuckey, Senior Accountant, Chamberlain's Department	

### Summary

This report compares the revenue outturn for the services overseen by your Committee in 2019-20 with the final budget for the year. Overall total net expenditure during the year was £9.617m whereas the budget was £9.973m representing an underspend of £356,000 as summarised below.

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Revenue Outturn</b>	<b>Variations Better/(Worse) against Final Budget</b>
	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
<b>Chief Officer</b>				
Total Town Clerk	7,431	7,266	6,859	407
Total Comptroller and City Solicitor	3,347	780	808	(28)
<b>Total Chief Officer</b>	10,778	8,046	7,667	379
<b>Support Services</b>	1,861	1,927	1,950	(23)
<b>Net Expenditure</b>	12,639	9,973	9,617	356

The better than budget position mainly relates to local risk underspends due to savings that have arisen through vacancies (further details can be found in paragraphs 3 and 6 of the main report).

The Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee has agreed to carry forward £32,000 of the £310,000 Town Clerks local risk underspend and the Comptroller and City Solicitor did not submit any carry forward of their £172,000 local risk underspend. These agreed carry forwards will be added to budgets for 2020/21.

### Recommendations

It is recommended that this revenue outturn report for 2019-20 and the budgets carried forward to 2020-21 are noted.

## **Main Report**

### **Budget Position for 2019-20**

1. The 2019-20 original budget for the services overseen by your Committee was £12.639m as endorsed by the Court of Common Council in March 2019. This has subsequently been decreased to a final budget of £9.973m. An analysis of the decrease of £2.666m is provided in Appendix 1.

### **Revenue Outturn for 2019-20**

2. As indicated in the table in the summary, actual net expenditure for your Committee's services during 2019-20 totalled £9.617m compared to a budget of £9.973m, resulting in an underspend of £356,000.

#### *Town Clerk - £407,000 decreased net requirement*

3. The decreased requirement of £407,000 is comprised of underspends of £310,000 on local risk and underspends of £97,000 on central risk. A breakdown of local and central risk spend is shown in Appendix 2.
4. The reduced local risk requirement of £310,000 was largely due to:
  - Underspends against salary budgets which came to £306,000 which have arisen due to vacancies and delays in recruitment. This underspend represents 4% of the total Town Clerks salary budget.
5. The decreased central risk requirement of £97,000 is mainly due to:
  - A £47,000 underspend against the capital charges budget due to charges being lower than budgeted; and
  - Underspends against the Childcare Voucher Scheme of £27,000 due to the scheme being closed to new applicants since October 2018; and
  - An underspend of £16,000 due to Contingencies not being required in the financial year; and
  - An underspend of £14,000 relating to computer licences costs coming under expected budgets.

#### *Comptroller and City Solicitor - £28,000 increased net requirement.*

6. The increased net requirement of £28,000 was comprised of underspends of £172,000 on local risk against an under recovery of income against budget of £200,000 on central risk as shown in Appendix 2.
7. The Local Risk underspend of £172,000 was due to:
  - Underspends on salary budgets which arose throughout the year due to vacancies and delays in recruitment.

8. The Central Risk worse than budget outcome was due to:

- A reduction in property related legal fee income that has resulted in a worse than budget position of £200,000. This was due to a reduced number of property transactions as a result of market conditions.

### **Carry Forwards to 2019-20**

9. In relation to their cash limited budgets, Chief Officers can request up to 10% of the total underspend or £500,000 (whichever is the lesser amount) to be carried forward provided the underspending is not fortuitous and the resources are required for a planned purpose. Such requests are considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.

10. Local Risk overspends are carried forward in full to be met from agreed 2020-21 budgets. However, there are no such overspends in relation to the services overseen by the Establishment Committee.

11. The Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee has agreed to carry forward £32,000 of the £310,000 Town Clerks local risk underspend. Details of the use of the carry forwards are set out in Appendix 3.

12. The agreed carry forwards will be added into the 2020-21 budgets.

### **Appendices**

- Appendix 1 – Analysis of movements from 2019-20 Original Budget to 2019-20 Final Budget
- Appendix 2 – Local & Central Risk Breakdown
- Appendix 3 – Carry Forwards

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## APPENDIX 1

<b>Analysis of movements 2019/2 Original Budget to Final Budget</b>	<b>£000</b>
<b>Original Local Risk Budget (Town Clerk)</b>	<b>6,948</b>
The Contact Centre moving from Town Clerks to City of London Police	(570)
Apprentice costs met from central allocations	132
Local Risk carry forward from Town Clerk's underspend in 2018/19	77
Addition of the Police Authority Town Clerk post	55
Addition of the Corporate Programme Office post	50
Addition of the Strategic Security Advisor post	50
Contribution Pay & Pension Increases	26
Reduction in income due to Open Spaces moving budget to Town Clerks for Recruitment costs rather than being recharged for service.	15
<b>Final Local Risk Budget (Town Clerk)</b>	<b>6,783</b>
<b>Original Local Risk Budget (Comptroller and City Solicitor)</b>	<b>3,547</b>
Internal Legal fee charge income budget creation	(2,869)
Internal Legal fee non chargeable expenditure budget creation	220
Apprentice costs met from central allocations	42
Contribution Pay & Pension Increases	40
<b>Final Local Risk Budget (Comptroller and City Solicitor)</b>	<b>980</b>
<b>Original Central Risk Budget (Town Clerk)</b>	<b>483</b>
No change to budget	0
<b>Final Central Risk Budget (Town Clerk)</b>	<b>483</b>
<b>Original Central Risk Budget (Comptroller and City Solicitor)</b>	<b>(200)</b>
No change to budget	0
<b>Final Central Risk Budget (Comptroller and City Solicitor)</b>	<b>(200)</b>
<b>Original Support Services and Capital Charges Budget</b>	<b>1,861</b>
Net movements	66
<b>Final Support Services and Capital Charges Budget</b>	<b>1,927</b>
<b>Total Original Budget</b>	<b>12,639</b>
Total decrease	(2,666)
<b>Total Final Budget</b>	<b>9,973</b>

## APPENDIX 2

	Original Budget  £000	Final Budget  £000	Revenue Outturn  £000	Variations Better/(Worse) against Final Budget £000
<b>Chief Officer</b>				
<b>Local Risk</b>				
The Town Clerk	6,948	6,783	6,473	310
The Comptroller and City Solicitor	3,547	980	808	172
<b>Total Local Risk</b>	10,495	7,763	7,281	482
<b>Central Risk</b>				
The Town Clerk	483	483	386	97
The Comptroller and City Solicitor	(200)	(200)	0	(200)
<b>Total Central Risk</b>	283	283	386	(103)
Total Town Clerk	7,431	7,266	6,859	407
Total Comptroller and City Solicitor	3,347	780	808	(28)
<b>Total Chief Officer</b>	10,778	8,046	7,667	379
<b>Support Services</b>	1,861	1,927	1,950	(23)
<b>Net Expenditure</b>	12,639	9,973	9,617	356

**APPENDIX 3**

<b>To Be Approved Carry Forwards</b>	<b>£000</b>
<p><u>The Town Clerk</u></p> <p>The project to supply and fit AV equipment to the offices and corporate meeting room on the 2nd floor in the West Wing was due to be completed by 31 March 2020. All equipment had been ordered and was due to be delivered in good time before the completion date in line with the electrical works that were necessary for the installation. However, this project has been delayed due to the outbreak of COVID-19 and is now on hold until staff and contractors are able to access the Guildhall</p> <p>The timetable for the 15 Project Management Academy training modules were delayed due to the COVID-19 crisis. The launch was planned for March, but this had to be postponed.</p>	<p>14</p> <p>18</p>
<b>Total Town Clerk</b>	<b>32</b>