

Committee(s):	Date(s):	Item no.
Finance	22 July 2014	

Subject:

Revenue Outturn 2013/14 – Finance Committee Operational Services

Report of:

The Chamberlain

Public

For Information

Summary

This report compares the revenue outturn for the operational services overseen by your Committee in 2013/14 with the budget for the year. It does not cover the overall outturn for the City which is reported separately. Total net expenditure on the operational services overseen by the Committee was £52.551m, whereas the total budget was £51.956m, representing an adverse variance of £0.595m, as summarised in the table below.

Summary Comparison of 2013/14 Revenue Outturn with Budget			
	Budget	Revenue Outturn	Variations Increase/ (Decrease)
	£000	£000	£000
Cost of Collection	998	1,146	148
Chamberlain's Court	248	274	26
Gresham	113	79	(34)
Chamberlain's – General	10,736	10,774	38
Chamberlain's – CLPS	1,731	1,863	132
Chamberlain's – Insurance	10,474	10,515	41
Chamberlain's – IS	9,203	9,425	222
Central Criminal Court	4,013	4,040	27
Corporate Services – Town Clerk	540	550	10
Secondary's Office	542	482	(60)
Mayor's Court	58	48	(10)
Walbrook Wharf	0	0	0
Guildhall Administration - Surveyors	11,599	11,628	29
Corporate Services – Remembrancer	279	290	11
Guildhall Administration –Remembrancer	0	0	0
Mansion House Premises	1,422	1,437	15
Total Net Expenditure	51,956	52,551	595

The overall worse than budget position of £595,000 comprises variations on a number of services, the main ones being increased requirements for Cost of Collection, City of London Procurement

Service and the IS Division.

As a result of the overspends, the Chamberlain will carry forward £346,000 to be recovered through reductions in 2014/15 budgets.

Recommendations

It is recommended that this revenue outturn report for 2013/14 and the budgets proposed to be carried forward to 2014/15 are noted.

Revenue Outturn for 2013/14

1. The 2013/14 actual net expenditure for the operational services overseen by your Committee totalled £52.551m an increase of £0.595m compared to the budget of £51.956m. A comparison with the budget for the year is set out in Appendix 1.
2. The most significant variations were:-
 - Cost of Collection (£148,000 increase) – the City of London has a contractual obligation to pay Liberata monthly bonus payments for the collection levels of rates and council tax being achieved. During the year these collection targets were exceeded and, consequently, bonus payments were £148,000 higher than anticipated.
 - Chamberlain’s City of London Procurement Service – (£132,000 increase) – during the early stages of transforming the City’s procurement arrangements it was recognised that containing costs within budget would be a challenge. Steps have already been taken to reduce the headcount in the service, these are being put in place over the rest of the calendar year.
 - Chamberlain’s IS (£222,000 increase) – pursuing the transformation agenda and implementing the restructuring of the Division, including the transfer of services to Agilisys, incurred additional contractor costs and severance payments.

Local Risk Carry Forward to 2014/15

3. Chief Officers can request underspendings of up to 10% or £500,000 (£1m for the City Surveyor), whichever is the lesser, to be carried forward, so long as the underspendings are not clearly 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.

4. The Remembrancer has an underspend of £216,000 against his local risk budget and is proposing to carry forward £16,000 for the following purposes:
 - £5,000 to assist with the production of a new Guildhall brochure, including an electronic version;
 - £3,000 to assist with the purchase of new software to support the event and diary management of the office; and
 - £8,000 to assist with the purchase of new updated signage screens for use at events within the Guildhall.
5. If agreed, these proposals will be added to the Remembrancer's budget for 2014/15.
6. Overspendings are carried forward and recovered through reductions in the 2014/15 budgets. Accordingly, the Chamberlain will carry forward a local risk overspend of £346,000 which will be recovered through reductions to his 2014/15 budgets.

Dr Peter Kane
Chamberlain

Contact: Stephen Telling, Chief Accountant, Chamberlain's Department

Comparison of 2013/14 Revenue Outturn with Budget			
	Budget	Revenue Outturn	Variations Increase/ (Decrease)
	£000	£000	£000
By Chief Officer			
Local Risk			
The Chamberlain	21,532	21,878	346
The Town Clerk	1,480	1,572	92
The City Surveyor	8,196	8,385	189
The Remembrancer	(307)	(523)	(216)
The Private Secretary to the Lord Mayor	1,190	1,188	(2)
Total Local Risk	32,091	32,500	409
Central Risk			
The Chamberlain	8,232	8,358	126
The Town Clerk	1,120	998	(122)
The City Surveyor	4,217	4,176	(41)
The Remembrancer	130	156	26
The Private Secretary to the Lord Mayor	33	51	18
Director of Community & Children's Services	53	26	(27)
Total Central Risk	13,785	13,765	(20)
Support Services & Capital Charges	6,080	6,286	206
Committee Totals	51,956	52,551	595
By Division of Service			
Cost of Collection	998	1,146	148
Chamberlain's Court	248	274	26
Gresham	113	79	(34)
Chamberlain's – General	10,736	10,774	38
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Mansion House Premises	1,422	1,437	15
Division of Service Totals	51,956	52,551	595

Figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.