

Committee(s):	Date(s):	Item no.
Culture, Heritage and Libraries	13 July 2015	

Subject: Revenue Outturn 2014/15	Public
--	---------------

Report of: The Chamberlain and The Director of Culture, Heritage and Libraries	For Information
--	------------------------

Summary

This report compares the revenue outturn for the services overseen by your Committee in 2014/15 with the final agreed budget for the year. Overall total net expenditure during the year was £18.843m, whereas the total agreed budget was £19.590m, representing a decrease in net expenditure of £0.747m. The underspend on the Director's local risk was £0.742m.

Summary Comparison of 2014/15 Revenue Outturn with Final Agreed Budget

	Final Approved Budget £000	Revenue Outturn £000	Variation Increase/ (Reduction) £000	Variation Increase/ (Reduction) %
Local Risk				
Director of Culture, Heritage and Libraries	6,959	6,217	(742)	(10.7)
City Surveyor Local Risk	338572	385	47	13.9
Additional Works Programme		266	(306)	(53.5)
Total Local Risk	7,869	6,868	(1,001)	(12.7)
Central Risk				
Director of Culture, Heritage and Libraries	6,254	6,291	37	0.6
Total Central Risk	6,254	6,291	37	0.6
Capital & Support Services	5,467	5,684	217	4.0
Overall Totals	19,590	18,843	(747)	(3.8)

The Chief Officer has submitted requests to carry forward £322,000 from the local risk underspend, and these requests will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.

Recommendations

- It is recommended that this revenue outturn report for 2014/15 and the proposed carry forward of underspends to 2015/16 are noted.

Main Report

1. Actual net expenditure for your Committee's services during 2014/15 totalled £18.843m, an underspend of £0.747m compared to the final approved budget of £19.590m. A summary comparison with the final agreed budget for the year is tabulated below. In this and subsequent tables, figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure. A reconciliation of original local risk budget to the final agreed local risk budget is provided in Appendix A.

**Culture, Heritage and Libraries Committee – Comparison of 2014/15
Revenue Outturn with Final Agreed Budget**

	Final Agreed Budget £000	Revenue Outturn £000	Variation Increase/ (Decrease) £000	Paragraph Reference
LOCAL RISK				
Director of Culture, Heritage and Libraries				
City Fund				
Guildhall Library, Bibliographical Services & City Business Libraries	1,427	1,404	(23)	
Barbican & Community Libraries	1,879	1,838	(41)	
Central Management	783	738	(45)	2
Guildhall Art Gallery	384	375	(9)	
London Metropolitan Archives & City Records Service	3,114	3,124	10	
Visitor Services & City Information Centre	720	707	(13)	
Lower Thames Street*	9	3	(6)	
Total City Fund	8,316	8,189	(127)	
City's Cash				
Monument	(148)	(235)	(87)	3
Keats House	191	185	(6)	
Heritage Gallery	15	15	-	
Mayoralty & Shrievalty*	88	75	(13)	
Total City's Cash	146	40	(106)	
Bridge House Estates				
Tower Bridge Tourism	(1,503)	(2,012)	(509)	4
Total Bridge House Estates	(1,503)	(2,012)	(509)	
City Surveyor				
City Surveyor Local Risk	338	385	47	5
Additional Works Programme	572	266	(306)	5
Total City Surveyor	910	651	(259)	
TOTAL LOCAL RISK	7,869	6,868	(1,001)	
CENTRAL RISK				
Museum of London Grant	5,292	5,292	-	
City of London Festival	385	385	-	
Other costs including rent, rates and service charges	577	614	37	
	6,254	6,291	37	
CAPITAL & SUPPORT SERVICES	5,467	5,684	217	6
OVERALL TOTAL	19,590	18,843	(747)	

*These budgets are held by the Director of Culture, Heritage and Libraries but relate to building maintenance work and as such any underspends relates to the City Surveyor and cannot be carried forward by the Director.

Reasons for Significant Variations

2. The favourable variance on Central Management of £45,000 mainly relates to the underspend on Directorate salary costs and lower than expected expenditure on equipment.
3. The £87,000 favourable variance at the Monument was due to minor works which were postponed until 2015-16 and an increase in ticket income which has led to an overall increase in performance above budget of 5%.
4. The Tower Bridge Tourism favourable variance of £509,000 is mainly due to the considerable over-performance in income generated by a surge in visitors following the launch of the new glass floor.
5. The City Surveyor underspend of £259,000 is due to changes in the phasing over the 3 year cycle of each of the Additional Works Programmes, projects have been prioritised and re-phased over those 3 years.
6. The table below shows a breakdown of the Capital and Support Services budgets and expenditure.
- 7.

	Final Agreed Budget £000	Revenue Outturn £000	Variation Increase/ (Decrease) £000
CAPITAL & SUPPORT SERVICES			
Capital Charges	1,857	1,856	(1)
Support Services, including Chamberlains, Comptrollers & Town Clerks	277	402	125
Surveyors Employee & IS Recharges	924	1,024	100
Guildhall Admin Buildings	2,088	1,989	(99)
Insurances, including premises & Liability	251	316	65
Other recharges	70	97	27
TOTAL CAPITAL & SUPPORT SERVICES	5,467	5,684	217

The overspend in support services is due to revised methods of apportionment and usage of services. In addition, higher than budgeted costs at the LMA in respect of Premises Insurance owing to an increase in the insurance premiums. These were offset in part by lower than budgeted costs on the Guildhall Complex. Recharges have a corresponding contra entry in their own accounts. Consequently these charges have no overall impact on net expenditure.

Local Risk Carry Forward to 2015/16

8. The Director of Culture, Heritage and Libraries has a local risk underspend of £742,000 on activities overseen by your Committee, of which £233,000 relates to City Fund and City's Cash and the balance of £509,000 relates to Bridge House Estates. The Director is proposing to request that £212,000 of City Fund and City's Cash underspend be carried forward with £110,000 of the Bridge House Estates underspend being requested, all of which relates to activities overseen by your Committee. The following purposes are proposed: -

- redesign the Tower Bridge Engine Rooms reception/shop to improve the retail and income stream: **£110,000**
- support for digitisation project at London Metropolitan Archives (LMA), involving project planning and digitisation work: **£45,000**
- replacement public IT equipment for libraries and LMA, for service improvement: **£28,000**
- security enhancements to Guildhall Library's entrance, reading room and strongroom: **£16,000**
- exhibition equipment enhancements for Guildhall Library: **£10,000**
- support for development and promotion of activities to animate Guildhall Yard: **£20,000**
- self-service equipment for Shoe Lane library. Part of the library transformation scheme: **£18,000**
- new display cases for flexible use at the Guildhall Art Gallery: **£15,000**

- to develop an augmented reality App for the Monument, in conjunction with the Great Fire commemorations for 2016: **£40,000**
- costs of covering maternity leave and employing a temporary replacement for a permanent member of staff at Keats House: **£20,000**

Contact:

Mark Jarvis / mark.jarvis@cityoflondon.gov.uk

Appendix 1

	£000
Original Local Risk Budget	8,869
City Fund and City's Cash local risk net movement	45
Bridge House Estates local risk	
- one-off transfer of budget from local risk to fund the Glass Walkways Capital project	(735)
- increase in income budget agreed as part of the installation of the new glass floor	(200)
- carry forward from Tower Bridge's underspend in 2013/14	37
- other budget adjustments	17
City Surveyor local risk changes in the phasing over the 3 year cycle of each of the Additional Works Programmes	(164)
Final Agreed Local Risk Budget	7,869