

Committee(s)	Dated:
Community and Children's Services – For Information	8 July 2016
Subject: Revenue Outturn 2015/16 – Community and Children's Services Committee (City Fund)	Public
Report of: The Chamberlain and the Director of Community and Children's Services	For Information
Report author: Louise Said, Chamberlain's Department	

Summary

This report compares the 2015/16 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 £276,000 with an overspend on all risks of £48,000. This is summarised in the table below.

Summary Comparison of 2015/16 Revenue Outturn with Final Agreed Budget – Community & Children's Services Committee			
	Final Agreed Budget £000	Revenue Outturn £000	Variations Increase/ (Reduction) £000
Local Risk	9,650	9,374	(276)
Central Risk	234	398	164
Surveyors R&M	54	47	(7)
Total all Risks	9,938	9,819	(119)
Recharges	1,813	1,980	167
Overall Totals	11,751	11,799	48

The Director of Community and Children's Services is proposing to carry forward £276,000 of his local risk underspend for identified purposes of this Committee. 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 2016/17.

Recommendation

It is recommended that this revenue outturn report for 2015/16 is noted together with the Director of Community and Children's Services' proposal to carry forward £276,000 to 2016/17.

Main Report

Revenue Outturn for 2015/16

- Actual net expenditure for your Committee's services during 2015/16 totalled £11.799m. A summary comparison with the final agreed budget for the year of £11.751m is tabulated below. In the tables, figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.

Comparison of 2015/16 Revenue Outturn with Final Agreed Budget					
	<i>Original Budget</i>	Final Agreed Budget	Revenue Outturn	Variations to Final Agreed Budget Increase / (Reduction)	Paragraph
	£000	£000	£000	£000	
Local Risk					
Supervision & Management	1,346	1,444	1,378	(66)	2
Partnerships & Commissioned Services	656	812	758	(54)	3
People's Services	6,415	6,619	6,652	33	4
Housing Services	709	775	586	(189)	5
Total Local Risk	9,126	9,650	9,374	(276)	
Central Risk	622	234	398	164	6
Surveyors R&M	157	54	47	(7)	
Recharges	1,506	1,813	1,980	167	7
Overall Totals	11,411	11,751	11,799	48	

- A reconciliation of original local risk budget to the final agreed local risk budget is provided in Appendix A. The original local risk budget of £9,126m was increased to £9,650m in the year mainly due to the agreed carry forward from prior year underspend (£254k) and the Child Social Care budget being transferred from central risk (£424k).

Reasons for significant variations

- The underspend of £66k on Supervision & Management relates largely to lower than anticipated spend on professional fees.
- On Partnerships & Commissioned Services, the £54k favourable variance was caused by unplanned income amounting to £15k received from libraries along with minor variances in other areas.

5. The adverse variance of £33k on People's Services was mainly due to a new high cost vulnerable client being assessed during the year. In addition costs were incurred in relation to the preparation for the Children's inspection which was not included in the base budget. These costs were partly offset by savings elsewhere within the People's Directorate.
6. The underspend of £189k on Housing Services is due in the main to vacant posts which were not filled until part way through the year saving £71k, along with lower than anticipated repairs & maintenance costs of £14k and lower grant payments to individuals of £25k. There was also a favourable variance on housing benefit of £48k. The remaining underspend comprises minor variances.
7. The central risk budget includes services to Asylum seekers, , concessionary fares and Special Educational Needs transport. The overspend of £164k is mainly attributable to Unaccompanied Asylum Seeking Children (UASC). During the year, 7 new UASC came through to the City of London resulting in an overspend when compared to the latest approved budget. The Asylum seekers budget is very volatile and a growth in client numbers can have a major effect on the outturn. The spend during 2016/17 will be closely monitored and if further pressures are identified, the Director will make a bid for additional Central Risk funding.
8. The table below shows a breakdown of the Capital and Support Services budgets and expenditure.

	<i>Original Budget</i>	Final Agreed Budget	Revenue Outturn	Variation Increase/ (Decrease)
	£000	£000	£000	£000
CAPITAL & SUPPORT SERVICES				
Capital Charges	361	370	344	(26)
Support Services, including Chamberlains, Comptrollers & Town Clerks	1,415	1,359	1,355	(4)
Surveyors Employee & IS Recharges	714	522	567	45
Guildhall Admin Buildings	214	200	197	(3)
Insurances, including premises & Liability	32	67	53	(14)
Recharges to Barbican	(25)	(24)	(36)	(12)
Recharges to HRA	(1,173)	(649)	(468)	181
Corporate & Democratic Core	(32)	(32)	(32)	0
TOTAL CAPITAL & SUPPORT SERVICES	1,506	1,813	1,980	167

The budgets for Community & Children's Services departmental support service costs were based on 2014/15 actual attributions whereas the final charges for

2015/16 reflect the most recent time and costs attributions resulting in a lower charge to HRA.

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 2016/17

1. Chief Officers can request underspends of up to 10% or £500,000 (whichever is the lesser) 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.
2. The Director of Community and Children's Services' is able to request a total carry forward of £276,000 to 2016/17 for this Committee, in accordance with the budgetary arrangements for local risk resources.
3. The Director is proposing to allocate £276,000 of his carry forward to this Committee, on the following:

<ul style="list-style-type: none"> • People's Services: Includes funding for the Social Isolation Programme following a study carried out by Goldsmiths and published in November 2015 which identified significant levels of loneliness & isolation amongst city residents. In addition resources are being sought to build capacity into the service to meet the demands of the Ofsted Single Inspection Framework, new Ofsted / CQC Special Education Needs Assessment Framework, new Ofsted lead Joint Targeted Inspection Framework and the Gold Standards Framework for 2016/17. 	£169,000
<ul style="list-style-type: none"> • Commissioning & Partnerships: Towards the cost of the Golden Lane Community Float at the 2016 Lord Mayors Show. 	£20,000
<ul style="list-style-type: none"> • Housing Services: includes funding for the Universal Credit Personal Support Programme along with funding for community projects. 	£87,000

4. 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 2016/17. All requests for carry forwards are currently being consolidated into a report to be submitted before the summer recess.

Appendices

- Appendix 1 – A reconciliation of 2015/16 original local risk budget to the final agreed local risk budget 2015/16.

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Appendix 1

	£'000
Original Local Risk Budget 2015/16	9,126
Local risk carry forward from Director's underspend in 2014/15	254
Virement to libraries for delivery of children's reading services such as 'Story time'	(45)
Child Social Care: Transfer of budgets from central risk to local risk	424
Net other movements including contribution pay adjustment	(109)
Final Agreed Local Risk Budget	9,650