

Committee(s)	Dated:
Establishment Committee	1 December 2016
Subject: Revenue Budgets 2017/18	Public
Report of: The Town Clerk, the Chamberlain, the Comptroller and City Solicitor	For Decision
Report Author: Ray Green, Chamberlain's Department	

Summary

This report is the annual submission of the revenue budgets overseen by your Committee. In particular it seeks approval to the provisional revenue budget for 2017/18, for subsequent submission to the Finance Committee. The budgets have been prepared within the resources allocated to the Town Clerk and the Comptroller and City Solicitor.

	Original Budget 2016/17 £'000	Latest Approved Budget (LAB) 2016/17 £'000	Proposed Original Budget 2017/18 £'000	Movement 2016/17(LAB) to 2017/18 £'000
Town Clerk				
Expenditure	8,889	9,797	8,498	(1,299)
Income	(901)	(1,683)	(916)	767
	7,988	8,114	7,582	(532)
Comptroller and City Solicitor				
Expenditure	4,202	4,460	4,301	(159)
Income	(1,032)	(1,032)	(1,032)	0
	3,170	3,428	3,269	(159)
Total Net Expenditure (recharged as support services across the City Corporation's activities)	11,158	11,542	10,851	(691)

Income and favourable variances are presented in brackets

Overall, the 2017/18 proposed revenue budget totals £10.851m, a decrease of £0.691m compared with the budget for 2016/7. The main reasons for this net reduction are:-

- the budget for 2016/17 includes one-off provisions for expenditure of £447,000 (Town Clerk £247,000 and Comptroller and City Solicitor

£200,000) funded from underspends brought forward from 2015/16, as detailed to, and agreed by, your Committee in September 2016;

- the budget for 2016/17 includes one-off provisions for expenditure of £100,000 to fund employees contribution pay in that year;
- a reduction of £405,000 for service based review savings in 2017/18 for the Town Clerk; partly offset by
- the budget for 2017/18 includes an increase in the accommodation charges for the Guildhall Complex of £160,000 reflecting the anticipated phasing of the Additional Works Programme and Cyclical works Programme;
- £96,000 for the 1.0% allowance towards pay and prices agreed by the Policy and Resources Committee.

The Town Clerk's business priorities for the forthcoming year include delivery of the 'One Safe City' and 'Cultural Hub' programmes and ensuring that the 2017 Ward Elections are held successfully. Priorities for the Comptroller and City Solicitor include achieving the Service Based Review savings target through maximising income, continuing to deliver a high quality legal service in response to increasing demand for legal support and to deliver the initial stage of a transformational information management project.

Recommendations

The Committee is requested to:

- Critically review the provisional 2017/18 revenue budget to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to the Finance Committee; and
- authorise the Chamberlain to revise these budgets to reflect any further implications arising from the Service Based Reviews and other corporate efficiency projects.

Main Report

Introduction

1. This report sets out the proposed revenue budget for 2017/18 covering expenditures and incomes attributable to the Town Clerk's and the Comptroller and City Solicitor's Departments.
2. The Town Clerk's Office lies at the centre of the City Corporation's strategic management processes, helping to shape the development of corporate policy and strategy. It provides corporate leadership and co-ordination at officer level. The Town Clerk's Office is also responsible for promoting high standards of corporate governance and providing support to Members and Committees.

3. The Comptroller and City Solicitor is responsible for providing all legal services required by the City. This includes providing legal advice to Committees, Departments of the City, to the Commissioner of Police for the City, and to other organisations for whom the Comptroller and City Solicitor is required to act as legal adviser (e.g. the Museum of London).

Service Based Review

4. The Policy and Resources Committee agreed savings proposals totalling £1.893m for the Town Clerk's Department (of which £0.899m related to your Committee) and £0.377m for the Comptroller and City Solicitor's Department (wholly related to your Committee). The third and final tranche of the savings relating to the Establishment Committee are included within the budgets before you today. The Town Clerk has identified the final £405,000 in 2017/18 (£494,000 in previous years); the Comptroller and City Solicitor £377,000 in previous years.
5. The Service Based Review process is monitored by the Efficiency and Performance Sub-Committee.

Business Planning Priorities

6. The Town Clerk's priorities include:
 - delivery of the 'One Safe City' programme;
 - continuing the development and delivery of the 'Cultural Hub';
 - planning and delivering the 2017 Ward Elections; and
 - leading the transformation agenda.
7. The Comptroller and City Solicitor's priorities include:
 - working towards the department's Service Based Review target through maximising income;
 - improving information management systems; and
 - continuing to deliver a quality accredited legal service in response to increasing demands for legal advice and support.

Proposed Revenue Budget for 2017/18

8. The proposed Revenue Budget for 2017/18 is analysed between:
 - Local Risk budgets – these are budgets deemed to be largely within the Chief Officer's control.
 - Central Risk budgets – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his/her control or are budgets of a corporate nature (e.g. interest on balances and rent incomes from investment properties).

- Support Services and Capital Charges – these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.
9. The provisional 2017/18 budgets, have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees and are within the resources allocated to the Town Clerk and the Comptroller and City Solicitor, which include a 1.0% cash limit increase of £96,000 for pay and prices increases.
 10. The overall budget for this Committee is set out in Appendix 1. Further details at a departmental level, including service overviews, are set out in Appendices 2 (Town Clerk) and 3 (Comptroller and City Solicitor). Income and favourable variances are presented in brackets. Only significant variances (generally those greater than £100,000) are commented on.
 11. Overall there is a reduction of £691,000 between the 2016/17 latest approved budget and the 2017/18 original budget. This movement is explained by the variances set out in the following paragraphs. Where reference is made to savings from the Service Based Review, the details are not included here as they have been the subject of separate reports.
 12. A decrease in employee expenditure of £349,000 mainly a result of anticipated savings as part of the Town Clerk's Service Based Review target, the deletion of one-off provisions for 2016/17 contribution pay and items, funded from resources brought forward from the previous year; partly offset by the inclusion of a provision for pay awards.
 13. There is a net decrease in the local risk budget for supplies and services of £483,000. The 2016/17 budget includes a number of one-off items, various consultancy works and IS projects, funded from resources brought forward from the previous year.
 14. There is a net reduction in the central risk budget for supplies and services of £791,000 The 2016/17 budget includes a number of one-off allocations to the Town Clerk's Office, from the Transformation Fund to implement the cross cutting changes needed for the Service Based Review and service transformation (there is also a corresponding reduction in income from other funds as this expenditure is recharged to all funds, see paragraph 16 below).
 15. There is an increase in the accommodation charges for the Guildhall Complex of £160,000 reflecting the anticipated phasing of the Additional Works Programme and Cyclical works Programme.
 16. There is a decrease in income of £801,000 from other funds, mainly as a result of the reduction in the central risk budget for supplies and services detailed in paragraph 14 above.

17. A summary of manpower and related staff costs is shown in Table 1 below.

Table 1 - Manpower statement	Latest Approved Budget 2016/17		Proposed Original Budget 2017/18	
	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000
Town Clerk	126.0	6,659	120.6	6,380
Comptroller and City Solicitor	51.5	3,637	50.4	3,567
TOTAL	177.5	10,296	171.0	9,947

Potential Further Budget Developments

18. The provisional nature of the revenue budgets particularly recognises that further revisions may arise from the necessary realignment of funds resulting from such items as:

- corporate efficiency projects.
- support service apportionments.

Revenue Budget 2016/17

19. The forecast outturn for the current year is in line with the latest approved budget of £11.542m (Town Clerk £8.114m and Comptroller and City Solicitor £3.428m).

Appendices

- Appendix 1 – Committee budgets.
- Appendix 2 – Town Clerk’s budgets and service overview.
- Appendix 3 – Comptroller and City Solicitor’s budgets and service overview.

Contact Officers:

Ray Green, Chamberlain’s Department
020 7332 1332
ray.green2@cityoflondon.gov.uk

Paul Debuse, Town Clerk’s Department
020 7332 3431
paul.debuse@cityoflondon.gov.uk

Nick Senior, Comptroller and City Solicitor’s Department
020 7332 1668
nick.senior@cityoflondon.co.uk