

Committee(s)	Dated:
Community and Children's Services – For Information	8 th June 2018
Subject: Revenue Outturn 2017/18 – 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 2017/18 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 £43,000 with an underspend on all risks of £46,000. This is summarised in the table below.

Summary Comparison of 2017/18 Revenue Outturn with Final Agreed Budget – Community & Children's Services Committee			
	Final Agreed Budget £000	Revenue Outturn £000	Variations Increase/ (Reduction) £000
Local Risk	(10,275)	(10,232)	43
Central Risk	(418)	(430)	(12)
Surveyors R&M	(92)	(22)	70
Total all Risks	(10,785)	(10,684)	101
Recharges	(2,026)	(2,081)	(55)
Overall Totals	(12,811)	(12,765)	46

The Director of Community and Children's Services is proposing to carry forward £32,000 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 2018/19.

Recommendation

It is recommended that this revenue outturn report for 2017/18 is noted together with the Director of Community and Children's Services' proposal to carry forward £32,000 to 2018/19.

Main Report

Revenue Outturn for 2017/18

- Actual net expenditure for your Committee's services during 2017/18 totalled £12.765m. A summary comparison with the final agreed budget for the year of £12.811m is tabulated below. In the tables, figures in brackets indicate expenditure or adverse variance.

Comparison of 2017/18 Revenue Outturn with Final Agreed Budget					
	<i>Original Budget</i>	Final Agreed Budget	Revenue Outturn	Variations to Final Agreed Budget (Increase) / Reduction	Paragraph
	<i>£000</i>	£000	£000	£000	
Local Risk					
Supervision & Management Partnerships & Commissioned Services	(1,330) (902)	(1,357) (1,170)	(1,366) (1,131)	(9) 39	4
People's Services	(6,750)	(6,980)	(7,012)	(32)	5
Housing Services	(683)	(768)	(723)	45	6
Total Local Risk	(9,665)	(10,275)	(10,232)	43	
Central Risk	(198)	(418)	(430)	(12)	
Surveyors R&M	(122)	(92)	(22)	70	7
Recharges	(1,983)	(2,026)	(2,081)	(55)	8
Overall Totals	(11,968)	(12,811)	(12,765)	46	

- 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 £9,665m was increased to £10,275m in the year mainly due to the agreed carry forward from prior year underspend (£12k), additional resources being allocated in relation to the City of London's Apprenticeship Scheme (£206k) and homelessness (£196k). The service also benefited from additional resources due to the increase in employer pension contributions (£120k). The remaining £76k comprises a number of small adjustments including additional resources in relation to the contribution pay scheme.
- The 2017/18 final approved central risk budget includes significant additional resources for Unaccompanied Asylum Seeking Children as agreed by Policy & Resources Committee during the year.

Reasons for significant variations

4. The underspend of £39k on Partnerships and Commissioned Services relates largely to vacant posts which were not filled at the start of the year.
5. Peoples Services were slightly overspent due to pressures on the adult and older people budgets. This arose due to changes in client circumstances since the budgets were set.
6. The underspend of £45k on Housing Services is due in the main to late receipt of an un ringfenced government grant. This was received in March and a request for carry forward has been made.
7. The Adult & Community learning classes were relocated during the year resulting in an underspend on the surveyor's repairs & maintenance budget as this was originally set aside for works at the original premises.
8. The table below shows a breakdown of the Capital and Support Services budgets and expenditure.

	<i>Original Budget</i> £000	Final Agreed Budget £000	Revenue Outturn £000	Variation (Increase)/ Decrease £000
CAPITAL & SUPPORT SERVICES				
Capital Charges	(426)	(348)	(349)	(1)
Support Services, including Chamberlains, Comptrollers & Town Clerks	(1,439)	(1,446)	(1,392)	54
Surveyors Employee Recharges	(517)	(698)	(72)	(31)
IS Recharges	(13)	(13)	9)	1
			(12)	
)	
Guildhall Admin Buildings	(243)	(215)	(21	(2)
			7)	
Insurances, including premises & Liability	(53)	(47)	(43	4
)	
Recharges to Barbican	45	44	46	2
Recharges to HRA	631	665	58	(82)
Corporate & Democratic Core	32	32	3	0
			32	
TOTAL CAPITAL & SUPPORT SERVICES	(1,983)	(2,026)	(2,081)	(55)

The budgets for Community & Children's Services departmental support service costs were based on 2016/17 actual attributions whereas the final charges for 2017/18 reflect the most recent time and costs attributions.

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 2018/19

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 £43,000 to 2018/19 for this Committee, in accordance with the budgetary arrangements for local risk resources.
3. The Director is proposing to allocate £32,000 of his carry forward to this Committee, on the following:

<ul style="list-style-type: none"> • Housing Services: To implement the universal credit support programme: the government is introducing changes to welfare benefits on an unprecedented scale and the introduction of the universal credit is having a massive impact on individuals and on the City's ability to collect rent. The DWP did provide an un-ringfenced grant in late March 2018 to fund essential transitional support however costs will run into the new year. Unfortunately the DWP grant could not be carried forward and was used to offset expenditure elsewhere within the service area which has resulted in an underspend. 	£32,000
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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 2018/19. 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 2017/18 original local risk budget to the final agreed local risk budget 2017/18

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Appendix A

	£'000
Original Local Risk Budget 2017/18	(9,665)
Local risk carry forward from Director's underspend in 2016/17	(12)
Additional resources from Finance Committee to compensate for the increase in employers pension contributions.	(120)
Additional resources from Finance Committee to support the City of London Apprenticeship Scheme and pressures on Homelessness	(402)
Net other movements including contribution pay	(76)
Final Agreed Local Risk Budget 2016/17	(10,275)

