

Committee:	Date:
City Bridge Trust (CBT)	7 th September 2018
Subject: Financial Position of CBT in respect of Periods 1-4 (April-July 2018)	Public
Report of: Director of City Bridge Trust and Chief Grants Officer (CGO)	For Information
Author Clare Wand, Senior Accountant Charities	

Summary

This paper sets out City Bridge Trust's (CBT's) spend against budget for period 1 April to 31 July 2018 (periods 1- 4). CBT was allocated a total budget of £23.4m in the financial year 2018/19. £21.5m of this budget was allocated to the grants programme. The actual grant spend as at the end of period 4 is £1.1m below budget, but this is offset by a £1m commitment agreed by the Court of Common Council, on recommendation of this Committee. There is also an underspend compared to the original budget profile in two other main areas of expenditure: Employee Costs and Supplies and Services. Further details on these variances can be found in the report below. These variances are considered to be timing related (for example a delay in recruitment of new posts). Now that Q1 is complete, more detailed forecasting will commence. At this stage, it is anticipated that budgets will be met.

Recommendation

- a) That the report be noted.

Main Report

Table 1: CBT Budget v Actual Spend, Month Ending July 31st 2018.

	ACTUAL YTD	BUDGET YTD	VARIANCE	VARIANCE	ANNUAL BUDGET
Local Risk					
	£000s	£000s	£000s	%	£000s
Employees	518	630	(112)	(17)	1,888
Transport	2	2	0	0	6
Supplies and Services	104	228	(124)	(53)	509
Total Expenditure	624	860	(236)	(27)	2,403
Income	(37)	(37)	0	0	(196)
Total Local Risk	587	823	(236)	(28)	2,207
Central Risk					
Grants	4,879	6,026	(1,147)	(19)	21,495
Depreciation	-	-	-	-	31
Social Investment Income	8	0	8	-	(400)
Total Central Risk	4,887	6,026	(1,139)	(19)	21,126
Recharges	1	0	1	-	131
Total Net Expenditure	5,475	6,849	(1,374)	(20)	23,464

Further Explanation/Analysis of Table 1

Local Risk

Employee Costs

1. As a result of the implementation of Bridging Divides a new staffing structure was agreed which included some additional appointments. When the original budget was set in November 2017 we were hopeful that the new appointments would be in place from the start of the financial year 2018/19. The job evaluation process in respect of these new roles has now been completed (except for one role which is still ongoing) which has resulted in

CBT being under budget on salaries in the first quarter of 2018. Some of this underspend is being offset by the cost of temporary staff who are in place to fill some of the vacant posts. We will continue to monitor this budget and provide regular reforecasts.

Supplies and Services

2. At the end of period 4 supplies and services which include consultancy, software maintenance and support, subscriptions and events and conferences, had an actual spend of £104k compared to a budget to date of £228k. At this early stage in the year it is anticipated that this difference is mainly due to timings and that the expenditure will catch up with the original budget profile as the year progresses. Spending in areas such as staff training is less than expected due to the delayed recruitment process.

Income

3. The budget includes income from the Central Grants Unit and the Wembley National Stadium Trust (WNST) contract.

Central Risk

Grants

4. The actual grant commitment (which also includes fees and services of £23k) as per the above table is £4.8m, resulting in a variance compared to budget of £1.1m. The 'actual' figure reported in the above table does not include the £1m for the Mayor's Fund for Young Londoners which although agreed by the Court of Common Council in May on the recommendation of the CBT Committee, has yet to have any specific grant commitments made, details of how this fund is to be allocated can be found in the Chief Grants Officer's report elsewhere in your papers today.
5. An element of the 20th Anniversary funding was held in a designated fund at the year end 17/18. Although the purpose of these funds has been approved by the Committee the financial impact of these is yet to hit the budget with spend expected to commence in September 2018.
6. A more detailed analysis of the grants budget can be found with the Grants Budget and Applications report, elsewhere in these papers.

Depreciation

7. The charge for depreciation will be made in period 12 and represents a general allocation of depreciation on the Guildhall facility.

Social Investment Income

8. A change against the original budget in 18/19 sees income associated with the Social Investments Fund now being included within the CBT budget to match where the responsibility for generating this income lies. A budget of £400k has now been allocated.

