

Committee: Finance Committee	Date: 9 April 2019
Subject: Central Contingencies	Public
Report of: Chamberlain	For Decision
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Summary

This report has been produced to provide Members with an anticipated year-end position for 2018/19 Contingencies and an update on the uncommitted balances for 2019/20 Contingencies.

Of the previous allocations agreed by Committee, sums of £25,000 from City's Cash Contingency and £15,000 from City Fund Contingency will be required in future years. Therefore, it is proposed that these sums are carried forward from 2018/19 to 2019/20 thereby ensuring that a full year's contingency provision is available during 2019/20.

Recommendation(s)

Members are asked to agree to carry forward sufficient resources of £40,000 to meet existing allocations and thereby providing a full year's contingency for funding requirements that may arise during 2019/20.

Main Report

Background

1. Service Committee budgets are prepared within the resources allocated by the Policy and Resources Committee and, with the exception of the Policy and Resources Committee, such budgets do not include any significant contingencies. The budgets directly overseen by the Finance Committee therefore include central contingencies to meet unforeseen and/or exceptional items that may be identified across the City Corporation's range of activities. Requests for allocations from the contingencies should demonstrate why the costs cannot, or should not, be met from existing provisions.
2. In addition to the central contingencies, the Committee has a specific City's Cash contingency of £100,000 to support humanitarian disaster relief efforts both nationally and internationally.

Current Position

2018/19 Contingency Balances

3. The anticipated year-end positions of the 2018/19 central contingencies and the national and international disasters contingency are set out in tables 1 and 2 respectively.

	City's Cash £'000	City Fund £'000	Bridge House Estates £'000	Total £'000
2018/19 Provision	950	800	50	1,800
2017/18 Provision brought forward to fund allocations agreed in previous financial years	109	60	0	169
Total Provision	1,059	860	50	1,969
Less Allocations				
2018/19 financial year	(870)	(718)	(4)	(1,592)
Agreed for future financial years- carry forward	(25)	(15)	0	(40)
Uncommitted Balances	164	127	46	337

	City's Cash £'000
2018/19 Provision	100
2017/18 unspent provision brought forward	0
Less Allocations	(100)
Uncommitted Balances	0

4. Of the previous allocations agreed by Committee, a sum of £40,000 as listed below will be required in future years. Therefore, it is proposed that these sums are carried forward from 2018/19 to 2019/20 thereby ensuring that a full year's contingency provision is available during 2019/20.
- £25,000 for Biography of Sir Thomas Gresham from City's Cash Contingency
 - £15,000 towards an ongoing appeal regarding Greater London Authority Roads from City Fund Contingency

5. In assessing the adequacy of contingency funds, the provision of funds for 2018/19 has been more than sufficient resulting in an uncommitted balance for each Central Contingency at year-end. On this basis the existing contingency provision will remain unchanged for 2019/20.
6. Appendix 1 provides the sums the Committee has previously allocated and anticipated year-end position for 2018/19 contingencies.

2019/20 Contingency Balances

7. Assuming the proposal outlined in paragraph 4 is agreed, the uncommitted balances that are available for 2019/20 is set out in table 3. At the time of writing this report there are no requests for funding elsewhere on the agenda.

Table 3: Uncommitted Balances and requests against 2019/20 Contingencies at 27 March 2019				
	City's Cash £'000	City Fund £'000	Bridge House Estates £'000	Total £'000
General Contingencies	950	650	50	1,650
National and International Disasters	100	0	0	100
Uncommitted Balances	1,050	650	50	1,750
Requests for contingency allocations	0	0	0	0
Balances pending approval	1,050	650	50	1,750

8. Appendix 2 provides the sums which the Committee has previously allocated and the uncommitted balances for 2019/20 contingencies.

Conclusion

9. Members are asked to agree to carry forward sufficient resources of £40,000 to meet existing allocations and thereby providing a full year's contingency for funding requirements that may arise during 2019/20.

Appendices

- Appendix 1 – 2018/19 contingencies
- Appendix 2 – 2019/20 contingencies

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