

<b>Committee:</b>	<b>Date:</b>
Policy and Resources	<b>21<sup>st</sup> January 2021</b>
<b>Subject:</b> Departmental 2021/22 Budget Estimates - Policy and Resources Committee	<b>Public</b>
<b>Report of:</b> Town Clerk, Remembrancer and Chamberlains	<b>For Approval</b>
<b>Report author:</b> Laura Tuckey - Chamberlains Sarah Scherer – Town Clerks Bruce Hunt – Remembrancers	

### Summary

This report presents for approval the Policy and Resources Committee revised 2020-21 budget estimates and original 2021-22 budget estimates. While the budgets have been set within the allocated resource base, due to the Target Operating Model (TOM) savings required of departments, there are currently unidentified savings within these budgets. Departments will be looking at how to meet these throughout the year either through increasing income; reducing expenditure; recharging staff time to projects; and changes to service delivery in accordance with the new TOM.

### Recommendation

Members are asked to:

- i) review and approve the Town Clerk's, Remembrancer's and Culture Mile's Department's proposed revenue budget for 2021-22 for submission to Finance Committee,
- ii) review and approve the Town Clerk's and Remembrancer's Department proposed capital and supplementary revenue projects budgets for 2021-22 for submission to Finance Committee,
- iii) authorise the Chamberlain, in consultation with the Town Clerk's and Remembrancer's to revise these budgets to allow for any further implications arising from Corporate Projects, Target Operating Model (TOM) savings, other reviews and changes to the Cyclical Works Programme; and
- iv) agree that minor amendments for 2020-21 and 2021-22 budgets arising during budget setting be delegated to the Chamberlain.

### Main Report

#### Departmental budget estimates for 2021-22

1. This report presents, in Appendix 1, the revised budget estimates for 2020-21 and the original budget estimates for 2021-22 for the Policy and Resource's Committee. A breakdown per division of service is shown in the table below.

	Original Budget 2020-21 £000	Latest Approved Budget 2020-21 £000	Proposed Original Budget 2021-22 £000	Movement 2020-21 Original To 2021-22 £000
<b>By Division of Service</b>				
Community Safety and Resilience	920	743	598	(322)
Communications	2,358	2,433	2,069	(289)
Innovation & Growth	6,703	6,989	5,508	(1,195)
Grants and Contingencies	6,263	8,200	5,867	(396)
Culture Mile	(52)	950	2	54
Remembrancer	7,531	7,643	6,960	(571)
Town Clerk's Charities	164	222	160	(4)
Major Projects Office (City Surveyor)	600	600	600	0
<b>Division of Service Totals</b>	<b>24,487</b>	<b>27,780</b>	<b>21,764</b>	<b>(2,723)</b>

### Proposed Revenue budget for 2020-21

2. The Policy and Resource's Committee's Summary Budget, which will be published as part of the City of London Corporations Budget Book, can be found in Appendix 2.
3. Overall, there is an increase of £3.293m between the Committee's original and latest budget for 2020-21, a full breakdown of which can be found in Appendix 3. The material reasons for this movement are explained by the variances set out below with any balances relating to changes in recharges for central services:
  - a) Grants and Contingencies has increased by £1.937m mainly due to; contingency funds carry forwards totalling an increase of £2.957m (£1.500m COVID Contingency, £719,000 Policy Initiative Fund, £413,000 Brexit Contingency Fund, £310,000 P&R contingency and £15,000 P&R Project Reserve establishment); £1.006m of contingency funding moved to other committee's budgets; agreed one-off funding of £202,000 towards Heart of the City and £100,000 budget carry forwards funded from 2019/20 underspends.
  - b) Culture Mile Budgets have increased by £1.002m mainly due to agreed budget funding of £1.000m for the financial year 2020/21.
  - c) Innovation and Growth budget's have increased by £286,000 mainly due to; £273,000 carry forwards funded from 2019-20 underspends.
  - d) Community Safety & Resilience has decreased by £177,000 mainly due to; Community Safety costs of £304,000 moving to Community and Children's Services budget's; £71,000 of funding approved from the COVID Contingency and £53,000 of agreed carry forwards funded from 2019-20 underspends.
  - e) Remembrancer Department budget's have increased by £112,000 mainly due to changes in capital charges of £103,000 as £9,000 of increases being attributable to contribution pay.
  - f) Communications have increased by £75,000 due to £50,000 of funding from the COVID Contingency and £24,000 relating to pay awards.
  - g) Town Clerks Charities has had an increased budget of £58,000 due to carry forwards from 2019/20 underspends.

- h) Decreases in Support Services of £1,000 due to minor decreases in central support costs (a proportional share of the Guildhall complex costs, centralised department costs and IS charges).

### **Proposed Revenue budget for 2021-22**

4. The 2021-22 proposed revenue budget totals £21.764m, a decrease of £2.723m compared with the original 2020-21 budget. A full breakdown of the changes between the original 2020-21 and original 2021-22 budgets can be found in Appendix 4. The material reasons for the variances are set out below with the balance relating to changes in recharges for central services:

- a) Innovation and Growth budget's have decreased by £1.195m due to; TOM saving targets of £751,000.
- b) Remembrancer budget's have decreased by £571,000 with the main reasons being due to TOM saving targets of £165,000, increases of capital charges of £103,000 and the balance relates to the reduction of support services.
- c) Grants and Contingencies has decreased by £396,000 due to; corrections to the budget base of £405,000, removing the P&R project reserve from revenue budgets as this should be treated as a balance sheet item; and the police arboretum memorial funding of £50,000 coming to an end.
- d) Community Safety and Resilience have decreased by £322,000 due to; Community Safety costs of £251,000 moving to Community and Children's Services and TOM saving targets of £60,000.
- e) Communications have decreased by £289,000 due to TOM saving targets of £261,000.
- f) Culture Mile net budget requirement has increased by £54,000 bringing the total budget to zero, due to no expenditure or income being agreed beyond the agreed funding in 2020/21.
- g) Town Clerk's Charities has had a reduction of £4,000 due to reduction of staff time charged to the Charities Review.
- h) Decreases in Support Services of Support Services £921,000 due to decreases in central support costs (a proportional share of the Guildhall complex costs, centralised department costs and IS charges) as result of the TOM savings made by the central departments.

### **Staffing Statement**

5. A summary of the employee related costs and FTEs by department are shown in the table below.

Staffing statement	Latest Approved Budget 2020-21		Original Budget 2021-22	
	Full-time equivalent	Estimated Cost £000	Full-time equivalent	Estimated Cost £000
Town Clerk	124.5	9,469	123.1	9,150
Culture Mile	7.9	383	0	0
Remembrancer	15.5	1,234	15.5	1,235
Major Projects Office (City Surveyor)	9.0	600	9.0	600
<b>TOTAL</b>	<b>156.9</b>	<b>11,686</b>	<b>147.6</b>	<b>10,985</b>

6. Staffing levels currently remain largely static between 2020-21 and 2021-22 budgets, this is due to holding vacancies and flexible retirement proposals within the current establishment. Committees will continue to work through proposals against the 12% savings and these will be revised once the TOM is progressed through the year(s). The 12% savings in the budget remains as unidentified savings to ensure flexibility to move people into the right roles as a result of the TOM.
7. Any increases in costs is due to the assumption of increased salary costs as staff progress in their grades as well as assumptions on pay award increases.
8. A breakdown of staffing costs and FTE by division of service can be found in Appendix 5

#### **Draft Capital and Supplementary Revenue Project budgets for 2021-22**

9. The latest estimated costs for the Committee's current capital and supplementary revenue projects are summarised in Appendix 6.
10. Pre-implementation costs comprise feasibility and options appraisal expenditure which has been approved in accordance with the project procedure, prior to authority to start work.
11. It should be noted that the above figures exclude:
  - the implementation costs of the St Lawrence Jewry Church project which is currently progressing to authority to start work stage; and
  - forecast expenditure on the major projects (Salisbury Square Development at Fleet Street, Centre for Music, Museum relocation and Markets consolidation) which are subject to separate governance and consideration as part of the medium term financial plans.
12. The latest Capital and Supplementary Revenue Project forecast expenditure on approved schemes will be presented to the Court of Common Council for formal approval in March 2021.

#### **Corporate & Strategic Implications**

13. The Remembrancer's Office safeguards the constitutional position of the City of London Corporation and in so doing, supports all of the outcomes in the Corporate

Plan either through its parliamentary activity or through its City hospitality programme.

14. 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.

### **Security Implications**

15. There are currently no security implications identified as a result of the business plans and budgets.

### **Financial Implications**

16. Finance Committee and the Court of Common Council has proposed that a 2% savings target based on the Original 2020-21 net local risk budgets should be made by all departments in their 2021-22 local risk budgets. This amounts to £184,000 for the Town Clerk's Department and £28,000 for the Remembrancer's Department. However, this is offset by a 2% inflationary increase of the original 2020-21 net local risk budget of £184,000 for the Town Clerk's Department and £28,000 for the Remembrancer's Department.
17. Finance Committee and the Court of Common Council agreed that a saving of 12% needs to be made by all departments in order to deliver the TOM. These savings of 12% are based on the Original 2020-21 net local risk budgets, this amounts to £1.082m for Town Clerks and £165,000 for Remembrancers' Department. Departments will be looking at how to meet these savings throughout the year
18. The Town Clerk's Department and Remembrancers' Department budgets have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees.

### **Public sector equality duty**

19. There are currently no public sector equality duty implications identified as a result of the budgets.

### **Resourcing implications**

20. While there are currently unidentified savings within the Town Clerks budgets of £270,000 the budgets have been prepared within their resource bracket, this savings will be identified in the implementation of the TOM. As a result, there are currently no Resourcing Implications identified as a result of the budgets.

### **Conclusion**

21. This report presents the budget for 2021-22 for the Town Clerk's and Remembrancer's Departments for Members to consider and approve.

## **Appendices**

- Appendix 1 – Budget estimates analysis LAB 2020-21 & OR 2021-22 summary
- Appendix 2 – Committee Summary Budget – by risk, Fund and Chief Officer
- Appendix 3 – Original Local Risk 2020-21 budget to Latest Approved 2020-21 Local Risk Budget
- Appendix 4 – Original 2020-21 Local Risk Budget to Original Local Risk 2021-22 Budget
- Appendix 5 – Staffing Statement by Division of Service
- Appendix 6 – Capital and Supplementary Revenue Project budgets

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