

Committee(s):	Date(s):
The City Bridge Trust Committee	10 January 2013
Subject: Revenue Budgets – 2013/14	Public
Report of: The Chamberlain The Town Clerk	For Decision

Summary

This report provides the annual submission of the revenue budgets overseen by your Committee. In particular it seeks approval to the provisional budget for 2013/14, for subsequent submission to the Finance Committee. The budgets have been prepared within the resources allocated to the Town Clerk and are summarised in the table below.

Table 1 Summary Revenue Budget for the City Bridge Trust Committee	Latest Approved Budget 2012/13 £000	Original Budget 2013/14 £000	Movement £000
Expenditure	18,549	20,205	1,656
Income	(77)	(75)	2
Support Services and Capital Charges	76	69	(7)
Total Net Expenditure	18,548	20,199	1,651

Overall, the budgeted net expenditure for 2013/14 is estimated to be £20.199m, an increase of £1.651m compared with the budget for 2012/13. The main reasons for this net increase are:-

- a new £3.2m grant giving programme for NEETS (young people Not in Employment, Education or Training);
- £1.0m towards a new Employability Partnership with Central London Forward to provide pre-employment training and mentoring for young people (£2.0m in total split equally over 2013/14 and 2014/15); these increases are partly offset by:

- the completion of a one-off grant programme in 2012/13 for £2.0m to mark the occasion of Her Majesty The Queen's Diamond Jubilee in 2012; and
- removal of budgets carried forward from 2011/12 to 2012/13 of £593,000.

Business priorities for the forthcoming year for the City Bridge Trust include promoting and implementing the Trust's Working with Londoners programmes, undertaking the Quinquennial Review and developing proposals to tackle youth unemployment.

Recommendations

The Committee is requested to:

- review the provisional 2013/14 revenue budget to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to Finance Committee; and
- authorise the Chamberlain to revise these budgets to allow for further implications arising from corporate projects.

Main Report

Introduction

1. A cy près scheme agreed by the Charity Commission in 1995 enabled Bridge House Estates to distribute the Estate's surplus income for charitable purposes across Greater London. The amount available for grants from the surplus income is determined each year by the Policy and Resources Committee.
2. This report sets out the proposed revenue budget for 2013/14. The revenue budget management arrangements:
 - provide a clear distinction between local risk, central risk and recharge budgets;
 - place responsibility for budgetary control on departmental Chief Officers; and
 - apply a cash limit policy to Chief Officers' budgets.

Business Planning Priorities

3. The City Bridge Trust's priorities include:

- The promotion and implementation of the Trust's Working with Londoners programmes, ensuring that the annual grants budget is allocated in full and that the City Bridge Trust Committee receives timely, accurate and high quality reports.
- The Quinquennial Review – commission 'horizon' research, discuss future programmes fully with Members and consult with the wider sector and craft new programmes.
- Strategic initiatives to tackle youth unemployment – additional resources are to be identified to enable the Trust to work with all London's local authorities, London Councils and other partners in order to address the growing problem of youth unemployment.

Proposed Revenue Budget for 2013/14

4. The proposed Revenue Budget for 2013/14 is analysed between:

- Local Risk budgets – these are the 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.
5. The provisional 2013/14 budgets, under the control of the Town Clerk being presented to your Committee, have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees. These include a general cash limit allowance of 1% covering both employee and non-employee budgets, as well as the proper control of transfers of non-staffing budget to staffing budgets. These budgets have been prepared within the resources allocated to the Town Clerk.

6. The budgets are set out in Table 2. Income and favourable variances are presented in brackets. Only significant variances (generally those greater than £100,000) have been commented on in the following paragraphs.

Analysis of Service Expenditure	Local or Central Risk	Actual 2011-12 £'000	Latest Approved Budget 2012-13 £'000	Original Budget 2013-14 £'000	Movement 2012-13 to 2013-14 £'000	Para-graph Ref
EXPENDITURE						
Employees	L	666	751	753	2	
Transport Related Expenses	L	2	5	4	(1)	
Supplies & Services (note i)	L	166	276	279	3	
Supplies & Services (note ii)	C	18,050	17,498	19,150	1,652	8
Support Services (note iii)	L	0	19	19	0	
Total Expenditure		18,884	18,549	20,205	1,656	
INCOME						
Customer, Client Receipts (note iv)		0	(77)	(75)	2	
Total Income		0	(77)	(75)	2	
TOTAL EXPENDITURE BEFORE SUPPORT SERVICES AND CAPITAL CHARGES		18,884	18,472	20,130	1,658	
SUPPORT SERVICES AND CAPITAL CHARGES						
Central Support Services & Capital Charges		217	240	233	(7)	
Recharges within Fund		(164)	(164)	(164)	(0)	
Total Support Services and Capital Charges		53	76	69	(7)	
TOTAL NET EXPENDITURE/(INCOME)		18,937	18,548	20,199	1,651	

Notes

- (i) Supplies and Services – Equipment, furniture, materials, uniforms, printing, stationary, professional fees, grants & subscriptions.
- (ii) Supplies and Services – This relates entirely to the grants budget.
- (iii) Support Services – The support costs associated with administering the Wembley National Stadium Trust.
- (iv) Customer, Client Receipts – Relates to the contract income for administering the Wembley National Stadium Trust.

7. Overall there is an increase of £1.651m between the 2012/13 latest approved budget and the 2013/14 provisional budget. This movement largely relates to an increase in supplies and services (central risk) expenditure of £1.652m which is due to:

- i) a new grants initiative for NEETS (young people Not in Employment, Education or Training) of £3.2m;
- ii) funding of £1.0m (£2.0m in total split equally over 2013/14 and 2014/15) towards an employability initiative in partnership with Central London Forward. Referred to as the Employability Partnership, it aims to provide pre-employment training and mentoring for young people; partly offset by:
- iii) removal from the budget of a one-off additional grants programme of £2.0m in 2011/12 to mark the occasion of Her Majesty The Queen's Diamond Jubilee; and
- iv) removal from the budget of a one-off carry forward of £593,000 from 2011/12 to 2012/13.

8. Analysis of the movement in manpower and related staff costs is shown in Table 3 below.

Table 3 Manpower Statement	Latest Approved Budget 2012/13		Original Budget 2013/14	
	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000
Administrative Staff - CBT	13.4	681	13.8	693
Administrative Staff – WNST	0.9	47	0.9	48
Agency Staff		6		0
Training and Recruitment Advertising		17		12
TOTAL EMPLOYEE COSTS	14.3	751	14.7	753

Potential Further Budget Developments

9. The provisional nature of the revenue budgets particularly recognises that further revisions may arise from the necessary realignment of funds resulting from corporate projects including;

- on-going PP2P reviews;

- the implementation of the City of London Procurement Service; and
- central and departmental support service apportionments.

Revenue Budget 2012/13

10. The forecast outturn for the current year is in line with the latest approved budget of £18.548m.

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