

<b>Committee:</b>	<b>Date:</b>
The City Bridge Trust Committee	4 <sup>th</sup> September 2013
<b>Subject:</b> Revenue Outturn 2012/13	
<b>Report of:</b> The Chamberlain The Town Clerk	<b>Public</b>  <b>For Information</b>

### Summary

1. This report compares the revenue outturn for the services overseen by your Committee in 2012/13 with the final agreed budget for the year. As indicated in the table below, net expenditure during the year was £15.583m, compared to the total agreed budget of £18.548m, representing an underspend of £2.965m.

Summary Comparison of 2012/13 Revenue Outturn with Final Agreed Budget			
	Final Agreed Budget £000	Revenue Outturn £000	Variations Over/(under) £000
<u>Local Risk</u> Grant Administration	974	900	(74)
<u>Central Risk</u> Grants	17,498	14,606	(2,892)
<u>Recharges</u> Support Services	76	77	1
<b>Total</b>	<b>18,548</b>	<b>15,583</b>	<b>(2,965)</b>

2. The local risk underspend of £74,000 was largely due to additional resources allocated for the new grant initiatives not being fully utilised, fewer written materials being produced in the year than budgeted and savings on indirect employee budgets. The central risk underspend of £2,892,000 was due to fewer grants being awarded which was caused by staffing changes, a proportion of officer time being spent undertaking the Quinquennial Review of the grants programmes and the bedding down of revised procedures following the Due Diligence Review.

3. In accordance with budget management arrangements for local risk resources, the Town Clerk proposed to carry forward the full £74,000 local risk underspend, to be used towards a feasibility study into future funding of a numeracy initiative with a media partner and towards the costs of a fixed term Senior Grants Officer. The Town Clerk also proposed to carry forward the central risk underspend of £2,892,000, to be distributed as grants in 2013/14.
4. These proposals have been agreed by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee and the 2013/14 budget has been increased accordingly.

### **Recommendation**

5. It is recommended that this revenue outturn report for 2012/13 and the budgets carried forward to 2013/14 are noted.

## **Main Report**

### **Revenue Outturn for 2012/13**

6. Actual net expenditure for the services overseen by your Committee during 2012/13 totalled £15.583m compared to a final agreed budget of £18.548m, a better than budget position of £2.965m.

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## **Reasons for Variations:**

### **Local Risk**

7. The Town Clerk's local risk underspend of £74,000 primarily related to;
  - the underutilisation of additional resources of £33,000, allocated for the new initiatives, namely, Growing Localities, Get London Working and Employability Partnership, due to there not being the capacity to take on additional staff during the year; a Senior Grants Officer was recruited later in the year and took up post on 19<sup>th</sup> March 2013.
  - reduced printing costs of £16,000 as fewer written materials were produced during the year than budgeted; and
  - staff costs savings of £16,000, largely due to no need for temporary staff and no expenditure on recruitment during the year.

### **Central Risk**

8. The central risk underspend of £2,892,000 arose due to fewer grants being awarded in 2012/13 (212 compared to 230 in 2011/12). This was largely caused by staffing changes and officer time spent on the Quinquennial Review during the year, which reduced capacity to review and process grant applications, and the bedding down of revised procedures following the Due Diligence Review by Internal Audit during the year.

## **Carry Forwards to 2013/14**

### **Local Risk**

9. Chief Officers can request under spendings of up to 10% or £500,000 (whichever is the lesser) of the final agreed local risk budget to be carried forward, so long as the under spending is not fortuitous and the resources are required for a planned purpose. Such requests are considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.
10. Overspendings are carried forward and recovered through reductions in 2013/14 budgets.
11. The Town Clerk proposed to carry forward the full local risk underspend of £74,000 to 2013/14 to be used towards a feasibility study into future funding of a numeracy initiative with a media partner and towards the salary costs of a Senior Grants Officer.

### **Central Risk**

12. The Town Clerk also proposed to carry forward the central risk underspend of £2,892,000, to be distributed as grants in 2013/14.

### **Carry Forward Requests Approved**

13. These proposals to carry forward both the local and central risk underspends have been agreed by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee and the 2013/14 budgets have been increased accordingly.

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