

Appendix G Economic Development Budget 2014

ECONOMIC DEVELOPMENT BUDGET BREAKDOWN

Budget A - Economic Development Local Risk budget (Local Gov. Act 2000)

Budget B - Non-ED budget (funding under other Local Government Powers; P&R Committee Contingency or other)

	EDO Budget A	EDO Budget A	EDO Budget A	EDO Budget A	EDO Budget A	Non EDO Budget B
	2012/13	2013/14	2013/14	2013/14	2014/15	2014/15
	ACTUAL [1]	ORIGINAL	REVISED [3]	F'CAST [4]	ORIGINAL [5]	ORIGINAL
	£000	£000	£000	£000	£000	£000
City, International & Inward Investment	973	666 [2]	685	637	648	
European Affairs	324	318	337	376	319	
Partnerships [6 & 7]	454	423	438	450	423	
Corporate Responsibility	70	73	73	73	73	
Research	434	405	414	384	414	
UK & Brussels employee costs (salaries, recruitment, L&D)	1,849	1955 [2]	1,944	1,941	2,010	
Guildhall office running costs	61	56	50	53	45	
EDO Total	4,165	3,896	3,941	3,914	3,932	
Regeneration and Corporate Responsibility partnerships/projects agreed by P&R Committee which cover wider London. The three items are East London Business Alliance subscription; One-Stop Shop grant and the Lord Mayor's Dragon Awards.						101
Heart of the City staffing and office costs [7]						165
Non EDO Total						266

APPENDIX NOTES

- [1] The actual spend on 2012/13 EDO budget A shows as £4,165,000, which was an underspend of £50,000 on the approved budget. Carry forward requests were subsequently submitted and agreed to carry this sum forward into 2013/14.

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- [2] The EDO budget A was adjusted at the end of 2012/13 to reflect changes to the funding arrangements for TheCityUK. EDO ceased its grant to TheCityUK of £280,000 p.a., which was paid from the City, International & Inward Investment budget. Also, TheCityUK's contribution to EDO of £100,000 for the secondment of the Assistant Director came to an end. This net reduction of £180,000 formed part of EDO's agreed savings.
- [3] The 2013/14 EDO budget A was revised from £3,896,000 to £3,941,000 due to a number of adjustments. A contribution of £3,000 was made to the City of London Procurement Service (CLPS); £2,000 went to the PP2P project and £50,000 was added in as a carry forward from 2012/13.
- [4] An underspend of £27,000 is predicted on the 2013/14 EDO budget. The funds have been set aside and a request to carry the sum forward into 2014/15 will be made. This is a recurring item to provide for any wind-down costs linked to Central London Forward and/or Heart of the City.
- [5] The original 2014/15 EDO budget A includes revisions amounting to a net increase of £39,000 on the 2013/14 baseline budget. This is made up of an increase of £82,000 for inflation, with reductions of £2,000 and £41,000 for a contribution to the PP2P project and the balance of the 2% efficiency savings respectively.
- [6] In addition to the Partnerships budget here, the EDO is also responsible for managing:
 - a) Section 106 monies for skills training and job brokerage in the City fringes. Funds likely to be recovered from developers through Section 106 planning gain contributions are however difficult to predict. We have also committed £200,000 of S106 monies to three training and employment projects (which will conclude in 2014/15) under a London Councils led programme, which matches this sum with £200,000 from the EU's European Social Fund.
 - b) Bridge House Estates funds of £2.1 million for a central London employability partnership, led by Central London Forward.
- [7] EDO hosts and provides support for the administration of the Heart of the City. As well as the budget of £165,000 met by the P&R Committee, there is a further £29,000 provided from the EDO Partnerships budget. These sums cover HotC's 3 (out of 4) staff and office costs.

ADDITIONAL NOTES

- [A] EDO manages a number of projects funded through the Policy Initiatives Fund/Contingency. At the end of January 2014, £273,000 has been secured for the 2014/15 financial year on projects including TheCityUK accommodation; New Entrepreneurs Foundation; Angels in the City; Teach First; Institute of Corporate Responsibility; Careers Fairs and Tech London Advocates. In addition, P&R Committee agreed to a budget uplift of £50,000 per annum for 2014/15 and 2015/16 to continue to engage a Social Investment Advisor - £50,000 was approved in total per annum - of which two thirds (£33,330 pa) is allocated to the EDO budget.
- [B] Total central recharges are £338,000 (£129,000 for administrative buildings recharge; £106,000 for IS recharges; £88,000 for capital charges; £3,000 for City of London Procurement Service and £12,000 for liability insurance).
- [C] The Court of Common Council has agreed to the City Corporation taking responsibility for providing the necessary core funding for research, marketing and administrative support to TheCityUK (at a cost not exceeding £500,000 per annum to be met from City's Cash).
- [D] Should it be necessary to attract or retain international institutions in the City, a request would be made to the appropriate Committee.
- [E] EDO will continue to seek opportunities for external sources of funding for our activities.