

Committee:	Date:
The City Bridge Trust Committee	28 January 2015
Subject:	Public
Proposed Revenue Budgets – 2015/16	
Report of:	For Decision
The Chamberlain and The Town Clerk	

Summary

This report provides the annual submission of the revenue budgets overseen by your Committee. In particular it seeks approval to the proposed budget for 2015/16, 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 Budget 2014/15 £000	Original Budget 2015/16 £000	Movement £000
Expenditure	21,664	17,149	(4,515)
Income	(77)	(104)	(27)
Support Services and Capital Charges	122	127	5
Total Net Expenditure	21,709	17,172	(4,537)

Overall, the budgeted net expenditure for 2014/15 is estimated to be £17.172m, a decrease of £4.537m compared with the budget for 2014/15. The main reasons for this net decrease are:

- the underspend carried forward from 2013/14 to 2014/15 of £3.566m has been removed; and
- 2014/15 includes the second year funding of the Employability Partnership with Central London forward of £1m.

City Bridge Trust's overarching aim is to maximise its use of all the resources at its disposal, including opportunities offered by the City of London Corporation, for the benefit of disadvantaged Londoners. During the forthcoming year priorities include promoting and implementing the Trust's Investing in Londoners programmes; marking the Trust's 20th anniversary as a grant-maker with a programme of strategic grants, learning events, and an enhanced 'funder plus' offer; the continued development of 'City Philanthropy: A Wealth of Opportunity strategy'; and the continued development of the City Corporation's Social Investment strategy.

Recommendations

The Committee is requested to:

- review the provisional 2015/16 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 any necessary realignment of funds resulting 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 City Bridge Trust's business planning priorities and the proposed revenue budget for 2015/16 for approval and submission to the Finance Committee.

Business Planning Priorities

3. The City Bridge Trust's priorities include:
 - The promotion and implementation of the Trust's Investing in 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.
 - Using its 20th anniversary as a grant-make as a pivotal moment for reviewing and learning from its work during the past 20 years; awarding some grants of strategic significance to London; launching a 'funder plus' offer, which aims to launch a range of new services for London's voluntary sector; and raising the profile of the Trust's grantees' work and its own.
 - The continued development of the City of London Corporation's strategy on philanthropy through 'City Philanthropy – A Wealth of Opportunity' initiative, which aims to encourage City professionals to engage with philanthropy earlier in their careers.
 - The continued development and implementation of the City Corporation's Social Investment Strategy, with particular focus on its £20m available for investing in activities that generate a social as well as a financial return.

Proposed Revenue Budget for 2015/16

4. The proposed Revenue Budget for 2015/16 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 2015/16 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, which include an allowance of 2% towards any potential pay and price rises.
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 2013-14 £'000	Latest Approved Budget 2014-15 £'000	Original Budget 2015-16 £'000	Movement 2014-15 to 2015-16 £'000	Para-graph Ref
EXPENDITURE						
Employees	L	752	797	854	57	
Transport Related Expenses	L	2	3	4	1	
Supplies & Services (note i)	L	315	378	341	(37)	
Supplies & Services (note ii)	C	18,787	20,486	15,950	(4,536)	7 & 8
Total Expenditure		19,856	21,664	17,149	(4,515)	
INCOME						
Customer, Client Receipts (note iii)		(44)	(77)	(104)	(27)	
Total Income		(44)	(77)	(104)	(27)	
TOTAL EXPENDITURE BEFORE SUPPORT SERVICES AND CAPITAL CHARGES		19,812	21,587	17,045	(4,542)	

SUPPORT SERVICES AND CAPITAL CHARGES				
Central Support Services & Capital Charges	299	286	291	5
Recharges within Fund	(164)	(164)	(164)	(0)
Total Support Services and Capital Charges	135	122	127	5
TOTAL NET EXPENDITURE/(INCOME)	19,947	21,709	17,172	(4,537)

Notes

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

7. Overall there is a decrease of £4.537m between the latest 2014/15 budget and the 2015/16 proposed budget. This movement largely relates to a decrease in the central risk grants budget of £4.536m, from £20.486m to £15.950m, which is due to:

- i) the underspend carried forward from 2013/14 to 2014/15 of £3.566m being removed; and
- ii) removal of the one-off additional grant initiative of £1m for the Employability Partnership with Central London Forward.

8. The grants budget for 2015/16 of £15.950m comprises £14.950m for the standard grants programme and a strategic grant of £1.0m towards the Princes Trust which will continue for a period of 10 years.

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

Table 3 Manpower Statement	Latest Approved Budget 2014/15		Original Budget 2015/16	
	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000
Administrative Staff – City Bridge Trust	14.4	737	14.4	769
Administrative Staff – Wembley National Stadium Trust (note i)	0.9	52	1.3	79
Training and Recruitment Advertising		8		4

TOTAL EMPLOYEE COSTS	14.3	797	15.7	854
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Notes

- (i) The increase of 0.4 FTE relates to the post of Principle Grants Officer which moves from 0.6 FTE to 1.0 FTE on 1 April 2015 as requested by the Wembley National Stadium Trust Board. Funding for this increase will be provided by Wembley National Stadium Trust through its contract payment to City Bridge Trust (the increase in contract income is shown in Customer, Client Receipts in Table 2, (note iii)).

Potential Further Budget Developments

10. 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;

- ongoing corporate efficiency projects; and
- central and departmental support service apportionments.

Revenue Budget 2014/15

11. The forecast outturn for the current year 2014/15 is in line with the latest approved budget of £21.709m.

Contact Officers:

Town Clerks Department:

Jenny Field (Deputy Chief Grants Officer): Jenny.Field@cityoflondon.gov.uk

Chamberlain's Department:

Steven Reynolds (Group Accountant): Steven.Reynolds@cityoflondon.gov.uk