

Committee(s):	Date(s):
Culture, Heritage & Libraries	2 July 2012
Subject: Revenue Outturn 2011/12	Public
Report of: The Chamberlain and The Director of Culture, Heritage & Libraries	For Information

Summary

This report compares the revenue outturn for the services overseen by your Committee in 2011/12 with the final agreed budget for the year. Overall total net expenditure during the year was £14.259m, whereas the total agreed budget was £15.384m, representing a decrease in net expenditure of £1.125m as set out below:

Summary Comparison of 2011/12 Revenue Outturn with Final Agreed Budget				
	Final Approved Budget £000	Revenue Outturn £000	Variation Increase/ (Reduction) £000	Variation Increase/ (Reduction) %
Local Risk				
Director of Culture, Heritage and Libraries	8,995	8,512	(483)	(5.4)
City Surveyor	806	607	(199)	(24.7)
Total Local Risk	9,801	9,119	(682)	(6.9)
Central Risk				
Director of Culture, Heritage and Libraries	1,402	1,279	(123)	(8.8)
Total Central Risk	1,402	1,279	(123)	(8.8)
Capital & Support Services	4,181	3,861	(320)	(7.6)
Overall Totals	15,384	14,259	(1,125)	(7.3)

The Chief Officer has submitted requests to carry forward the eligible local risk underspend, and these requests will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.

Recommendations

- It is recommended that this revenue outturn report for 2011/12 and the proposed carry forward of underspends to 2012/13 are noted.

Main Report

- Actual net expenditure for your Committee's services during 2011/12 totalled £14.259m, an underspend of £1.125m compared to the final approved budget of £15.384m. A summary comparison with the final agreed budget for the year is tabulated below. In this and subsequent tables, figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.

Culture, Heritage and Libraries Committee – Comparison of 2011/12 Revenue Outturn with Final Agreed Budget

	Final Agreed Budget £000	Revenue Outturn £000	Variation Increase/ (Decrease) £000	Variation Increase/ (Decrease) %	Paragraph Reference
LOCAL RISK					
Director of Culture, Heritage and Libraries					
City Fund					
City Business Library	992	1,002	10	1.0	
Barbican & Community Libraries	2,033	1,877	(156)	(7.7)	2
Guildhall Library & Bibliographical Services	972	1,012	40	4.1	
Central Management	509	684	175	34.4	2
Heritage Services	4,332	4,215	(117)	(2.7)	3
Visitor Services & City Information Centre	595	588	(7)	(1.2)	
Lower Thames Street*	16	5	(11)	(68.8)	4
Total City Fund	9,449	9,383	(66)	(0.7)	
City's Cash					
Monument	(98)	(146)	(48)	(49.0)	5
Mayoralty & Shrievalty*	100	74	(26)	(26.0)	6
Total City's Cash	2	(72)	(74)		
Bridge House Estates					
Tower Bridge Tourism	(456)	(799)	(343)	(75.2)	7
Total Bridge House Estates	(456)	(799)	(343)	(75.2)	
Total City Surveyor	806	607	(199)	(24.7)	8
TOTAL LOCAL RISK	9,801	9,119	(682)	(6.9)	
TOTAL CENTRAL RISK	1,402	1,279	(123)	(8.8)	9
CAPITAL & SUPPORT SERVICES	4,181	3,861	(320)	(7.6)	10
OVERALL TOTALS	15,384	14,259	(1,125)	(7.3)	

*These budgets are held by the Director of Culture, Heritage and Libraries but relate to building maintenance work and as such any underspend relates to the City Surveyor and cannot be carried forward by the Director.

Reasons for Significant Variations

2. The large underspend in Barbican and Community Libraries (£156,000), which is largely balanced out by the overspend of £175,000 in Central Management, reflects the difficulty of undertaking detailed apportionment of the 2011/12 proportion of the 12.5% savings between cost centres at the time of department restructuring. Note that these savings have now been allocated appropriately to the services to which they relate for 2012/13 onwards.
3. Heritage Services underspend of £117,000 relates to larger than expected stock sales at the LMA and the Guildhall Art Gallery.
4. Lower Thames Street underspend of £11,000 was due to a reduction in demand placed upon the breakdown maintenance budgets for the Roman Bath House. In addition the budget for the removal of dirt, dust & general repairs was not utilised, as these costs were met from an Additional Works Programme project that undertook work to remove this property from the heritage at risk register (successfully). Note this underspend is unavailable to be carried forward.
5. Monument underspend of £48,000 is mainly due to an increase in ticket income which has led to an overall increase in actual income above budget of 8%.
6. The Mayoralty and Shrievalty underspend of £26,000 was a result of a reduction in utilities costs and rates for the year. Note this underspend is unavailable to be carried forward.
7. Tower Bridge Tourism underspend of £343,000 is due to the excellent performance in generated income in respect of the increased number of visitors to the Exhibition and the number of events hosted at the Bridge venues.
8. The City Surveyor's underspend of £199,000 relating mainly to the Additional Works Programme will be rolled over to 2012/13. This programme is approved over a 3 year period and the budget is phased over the life of the programme. Any underspend is rolled over to subsequent years. The phasing of these projects is reported to the Corporate Asset Sub Committee on a quarterly basis.
9. The variance of £123,000 in Central Risk budgets is due to underspends in the rates costs for the Camomile Street Library which has now closed and the London Metropolitan Archives building.

10. The £320,000 underspend in recharges is mainly due to the lower than budgeted running costs of the Guildhall Complex particularly in respect of the utility and repairs and maintenance costs.

Local Risk Carry Forward to 2012/13

11. The Director of Culture, Heritage and Libraries has a local risk underspend of £483,000 on activities overseen by your Committee. However those underspends totalling £37,000 which relate to Lower Thames Street and Mayoralty and Shrievalty cannot be used for Carry Forward Requests as these budgets are under the control of the City Surveyor. The Director also had a local risk overspend for Tower Bridge Operational totalling £46,000 on activities overseen by the Planning and Transportation Committee. As a result of these activities the Director is proposing that the available balance of £400,000 of his overall underspend be carried forward, all of which relates to activities overseen by your Committee. The following purposes are proposed: -

- complete the new heating system in Tower Bridge walkways [originally agreed and budgeted for with Surveyor's for 11/12, but held over until after the Olympics]: £95K
- complete South Tower new storage system at Tower Bridge [again, originally agreed and budgeted for with Surveyor's for 11/12, but held over until after the Olympics]: £150K
- create a targeted marketing and publicity campaign to go with the opening of the new glass walkways at Tower Bridge: £45K
- appoint a fixed-term grade C post to upgrade manual accessions, conservation and loan registration documentation at Guildhall Art Gallery: £20K
- improve Guildhall Art Gallery shop area, removing existing counter/display furniture with better, more up to date designs: £28K
- install new audiovisual equipment, furniture and doors on the old Guildhall Library Bookshop space so as to convert it to a flexible training/seminar room: £18K
- acquire and install equipment for Barbican Library to enable users to self-book their internet sessions (thus releasing staff time): £10K
- increase investment in e-Book offering in lending libraries: £10K
- install glass doors to area at far end of Guildhall Library, to greatly increase both flexibility and capacity of that space for events, lectures, seminars, training: £24K

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