



To: Executive Councillor for Communities

Report by: Head of Finance

Relevant scrutiny committee: Community Services

9 July 2015

## **2014/15 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Communities Portfolio (formerly Community, Arts & Recreation)**

### **Key Decision**

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#### **1. Executive summary**

1.1 This report presents a summary of the 2014/15 outturn position (actual income and expenditure) for services within the Communities Portfolio (formerly Community, Arts & Recreation), compared to the current budget for the year. The position for revenue and capital is reported and variances from budgets are highlighted, together with explanations. Requests to carry forward funding arising from certain budget underspends into 2015/16 are identified.

#### **2. Recommendations**

Members of the Scrutiny Committee are asked to consider and make known their views on the following proposals:

- a) To agree the carry forward requests, totalling £162,000 as detailed in Appendix C, are to be recommended to Council for approval.
- b) To seek approval from Council to fund re-phased net capital spending of £3,911,000 (of which £3,539,000 relates to Clay Farm Community Centre) in respect of capital schemes.

#### **3. Background**

##### **Revenue Outturn**

- 3.1 The outturn position for the Communities Portfolio (formerly Community, Arts & Recreation), compared to final revenue budget, is presented in detail in Appendix A.
- 3.2 Appendix B to this report provides explanations of the main variances.
- 3.3 Appendix C sets out the final list of items, for this service portfolio, for which approval is sought to carry forward unspent budget from 2014/15 to the next financial year, 2015/16.

- 3.4 The overall revenue budget outturn position for the Communities Portfolio (formerly Community, Arts & Recreation) is set out in the table below:

<b>Communities Portfolio (formerly Community, Arts &amp; Recreation) 2014/15 Revenue Summary</b>	<b>£</b>
Final Budget	8,092,290
Outturn	7,955,556
Variation – (Under)/Overspend for the year	(136,734)
Carry Forward Requests:	162,000
<b>Net Variance</b>	<b>25,266</b>

The net variance represents 0.3% of the overall portfolio budget for 2014/15.

### **Capital Outturn**

- 3.5 Appendix D shows the outturn position for schemes and programmes within the Communities Portfolio (formerly Community, Arts & Recreation), with explanations of variances.
- 3.6 A net underspend of £3,855,000 has arisen. £3,911,000 is due to slippage (of which £3,539,000 relates to Clay Farm Community Centre) and rephasing of items in the capital plan is required to transfer the budget into 2015/16. The remaining £56,000 is a result of net overspends on individual capital schemes and programmes.

### **Capital bid**

- 3.7 Following a programme of work at Ross Street and Buchan Street to expand and extend the centre and create new preschool nursery provision the need for additional work has been identified which was not budgeted for in the original project appraisal. Therefore approval is being sought from Council for roofing at Buchan Street and replacement boiler at Ross Street. Reports outlining the requirements are included separately on this agenda.

## **4. Implications**

- 4.1 The net variance from the final budget, after approvals to carry forward budget of £162,000 from the current year into 2015/16, would result in an increased use of General Fund reserves of £25,266.
- 4.2 In relation to requests to carry forward revenue budgets into 2015/16 the decisions made may have a number of implications. A decision not to approve a carry forward request will impact on officers' ability to deliver the service or scheme in question and this could have staffing, equality and poverty, environmental, procurement, consultation and communication and/or community safety implications.

## **5. Background papers**

These background papers were used in the preparation of this report:

- Closedown Working Files 2014/15
- Directors' Variance Explanations – March 2015
- Budgetary Control Reports to 31 March 2015

## **6. Appendices**

- Appendix A - Revenue Budget 2014/15 - Outturn
- Appendix B - Revenue Budget 2014/15 - Major Variances from Final Revenue Budgets
- Appendix C - Revenue Budget 2014/15 - Carry Forward Requests
- Appendix D – Capital Budget 2014/15 - Outturn

## **7. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

Author's Name:	Chris Humphris
Author's Phone Number:	01223 – 45 8141
Author's Email:	chris.humphris@cambridge.gov.uk

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## Communities (formerly Community, Arts &amp; Recreation) / Community Services Scrutiny Committee

## Revenue Budget 2014/15 - Outturn

Service Grouping	Original Budget £	Final Budget £	Outturn £	Variation Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Customer &amp; Community Services - Arts &amp; Recreation</b>						
Central Support & Overheads	473,880	195,460	199,291	3,831		3,831
Arts & Events	92,570	276,510	285,284	8,774	7,000	15,774
Business & Marketing	239,100	320,510	264,615	(55,895)		(55,895)
Cultural Facilities	100,340	458,500	770,313	311,813		311,813
Sport & Recreation	2,194,390	2,579,540	2,427,597	(151,943)		(151,943)
The Junction <sup>1</sup>	468,420	490,680	488,653	(2,027)		(2,027)
	<b>3,568,700</b>	<b>4,321,200</b>	<b>4,435,753</b>	<b>114,553</b>	<b>7,000</b>	<b>121,553</b>
<b>Customer &amp; Community Services - Community Development</b>						
Community Development Central & Support Costs	262,970	0	0	0		0
Community Development Admin	457,690	430,870	311,789	(119,081)	80,000	(39,081)
Community Centres	563,440	866,500	825,484	(41,016)		(41,016)
Children and Youth	507,910	463,940	471,830	7,890		7,890
Neighbourhood Community Development	279,360	622,210	607,395	(14,815)		(14,815)
Equalities	47,780	0	0	0		0
Grants	1,285,070	1,335,400	1,251,135	(84,265)	75,000	(9,265)
	<b>3,404,220</b>	<b>3,718,920</b>	<b>3,467,633</b>	<b>(251,287)</b>	<b>155,000</b>	<b>(96,287)</b>
<b>Environment - Streets and Open Spaces</b>						
Green Fingers (previously Employment Foundation)	52,170	52,170	52,170	0		0
	<b>52,170</b>	<b>52,170</b>	<b>52,170</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Net Budget</b>	<b>7,025,090</b>	<b>8,092,290</b>	<b>7,955,556</b>	<b>(136,734)</b>	<b>162,000</b>	<b>25,266</b>

1. The Junction grant includes a capital financing charge of:

<b>381,530</b>	<b>403,790</b>	<b>403,794</b>	<b>4</b>	<b>0</b>
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Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime

- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget Setting Report)

- in September (as part of the Mid-Year Financial Review, MFR)
- via technical adjustments/virements throughout the year

**Communities Portfolio (formerly Community, Arts & Recreation) / Community Services  
Scrutiny Committee**

**Revenue Budget 2014/15 - Major Variances  
from Final Revenue Budgets**

Service Grouping	Reason for Variance	Amount £	Contact
	<b>Arts &amp; Recreation</b>		
<b>Business &amp; Marketing</b>	City Centre Box Office: Over achievement is due to the installation of new Box Office software with a new business model where we retain 100% of booking fees, coupled with more tickets now being sold online resulting in higher yield of booking fees. The cost centre also benefitted from retention of all booking fees for Folk Festival tickets already sold. Overall this is balanced against known operating deficits elsewhere in Arts & Recreation.	(116,781)	Debbie Kaye
	Business & Marketing Administration: The original budget provision did not include pay protection for two members of staff from the start of the year. In addition there was also cover needed for long-term sickness absence for the full year.	31,213	Debbie Kaye
	Bill Posting & Distribution: The annual income target was ambitious and part of the recognised annual operating deficit for Arts & Recreation	29,673	Debbie Kaye
<b>Cultural Facilities</b>	Corn Exchange Marketing: There was an anticipated income shortfall of £35,880 although due to expenditure being reduced the variance is not as high as originally expected.	23,215	Debbie Kaye
	Corn Exchange Front of House: This overspend is due to higher costs of front of house staffing than originally anticipated. The overall year end position has been managed through service wide savings and efficiencies.	26,907	Debbie Kaye
	Corn Exchange - Events: The year end variance includes an anticipated income shortfall of £53,650 although, as expected, the final figure is much higher than this. The overall year end position has been managed through service wide savings and efficiencies. This underperformance contains the majority of the historic budget which the wider A&R consolidated approach mitigates.	159,798	Debbie Kaye
	Guildhall Civic Rooms: Major variance is due to the fact that we were unable to attract as many large scale conferences as originally anticipated	80,109	Debbie Kaye
<b>Sport &amp; Recreation</b>	Sport & Recreation Administration: Increased Control on cost centre expenditure across sport & recreation account codes has resulted in a planned underspend to mitigate the Arts budget pressures. Maternity leave cover has not been filled to achieve the majority of the savings.	(83,789)	Ian Ross
	Leisure Contract Client Costs: Increased Control on cost centre expenditure across sport & recreation account codes has resulted in a planned underspend to mitigate the Arts budget pressures. None of the contract variation sum (£45,760) has been required to be used during the first year of the GLL contract.	(49,702)	Ian Ross

**Communities Portfolio (formerly Community, Arts & Recreation) / Community Services  
Scrutiny Committee**

**Revenue Budget 2014/15 - Major Variances  
from Final Revenue Budgets**

Service Grouping	Reason for Variance	Amount £	Contact
	<b>Community Development</b>		
<b>Community Development Admin</b>	Community Development - Admin: The underspend includes £80k one-off redundancy budget which is requested as a carry forward - this is required to cover necessary payments in the coming year. There is also an underspend of £20k from the one-off Project Facilitation Fund which was carried forward from 2013/14 for possible expenditure relating to Buchan St & Ross St Com Centre renovations. This is no longer required as expenditure now covered by Developer Contributions but will be used to cover any cross portfolio deficit.	(119,081)	Jackie Hanson
<b>Community Centres</b>	Community Facilities (formerly St Luke's Community School): £20k of the underspend relates to a one off carry forward to cover the cost of demolition of St Luke's Barn which will no longer happen. The budget has been retained to support any cross portfolio deficit.	(24,940)	Jackie Hanson
	The Meadows Community Centre: There has been a planned reduction in the expenditure at this centre in order to offset the anticipated underachievement of income at Ross St Community Centre due to its temporary closure during renovation	(23,120)	Jackie Hanson
<b>Grants</b>	Community Development Voluntary Support: Of this year's budget £75k is requested as a carry forward to establish a transition fund from to support voluntary & community organisations during the implementation of the new Community Grants programme as agreed at Community Services Scrutiny Committee 15/1/15 ref. 15/11/CS	(79,522)	Jackie Hanson

## Community Services Scrutiny Committee

### Communities Portfolio (formerly Community, Arts & Recreation)

#### Revenue Budget 2014/15 - Carry Forward Requests

##### Request to Carry Forward Budgets from 2014/15 into 2015/16

Item	Reason for Carry Forward Request	Amount £	Contact
1	<p><b>Arts Development</b></p> <p>Carry forward of match funding to lever in a grant from Norfolk and Norwich Festival Bridge for the 'My Cambridge' project</p>	7,000	Jane Wilson
2	<p><b>Community Development</b></p> <p>Carry forward of restructuring costs budget which will be spent in 2015/16</p>	80,000	Jackie Hanson
3	<p>The Exec. Cllr. Has requested that we establish a transition fund from this year's budget to support voluntary &amp; community organisations during the implementation of the new Community Grants programme. This was agreed at Community Services Scrutiny Committee 15/1/15 ref. 15/11/CS</p>	75,000	Jackie Hanson
	<p><b>Total Carry Forward Requests for Communities Portfolio (formerly Community, Arts &amp; Recreation) / Community Services Scrutiny Committee</b></p>	<b>162,000</b>	

## Communities Portfolio (formerly Community, Arts &amp; Recreation)

## Capital Budget 2014/15 - Outturn

Capital Ref	Description	Lead Officer	Final Budget 2014/15 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR025 - 40029	New Town Community Development Capital Grants Programme (S106)	B Keady	20	20	0	0	0	Rock Road Library - Project completed
PR026 - 40035	Community Development Grants Programme (S106)	B Keady	100	100	0	0	0	Stanesfield Road Scout Hut - Project completed
PR030i - 38261	Ross St Community Centre Improvements (S106)	S Roden	151	188	37	0	37	In conjunction with the original approval, the opportunity has been taken to progress other improvements as part of the refurbishment programme, with additional costs met from R&R. The final budget showing is grossed up for the County Council contribution of £81K which reduces the year end variance showing by this amount.
PR031b - 38211	BMX track next to Brown's Field Community Centre (S106)	A Wilson	29	0	(29)	29	0	Commenced 5th May - Work to be complete 22nd May. Early delays experienced in rescoping the brief at North Area Committee
PR031c - 38212	Improvements to Nun's Way Skate Park (S106)	A Wilson	56	54	(2)	0	(2)	Project Complete
PR031f - 38264	Buchan St Neighbourhood Centre Improvements (S106)	S Roden	170	174	4	0	4	In conjunction with the original approval, the opportunity has been taken to progress other improvements as part of the refurbishment programme, with additional costs met from R&R. The final budget is grossed up for the County Council contribution of £70k which reduces the year end variance showing by this amount.
PR032a - 38216	Conversion of Hanover Court/Princess Court Laundry into Community Meeting Space (S106)	B Keady	2	2	0	0	0	Project completed
PR032f - 38268	Cherry Hinton Baptist Church Family Centre (S106)	B Keady	63	0	(63)	63	0	Original project delayed due to funding issues, South Area Committee agreed additional funding and the grant will now be £121k. Work to commence end of April 2015
PR032g - 38269	Cherry Hinton Rec Ground pavilion refurb. (S106)	I Ross	100	1	(99)	99	0	Project on hold at request of Cherry Hinton Lions FC and Ward Councillors. New plans being worked up for larger scale development to increase the size with two additional changing rooms and to bid for additional funding from South Area committee in the June - Aug cycle of S106 developer contribution project ideas
PR032h - 38270	Trumpington Bowls Club Pavilion Ext. (S106)	I Ross	70	0	(70)	70	0	Project slightly delayed to obtain planning permission. Working on agreed timeline with the bowls club for start of works and currently out to tender
PR033h - 38274	St Augustine's Church Hall Extension/Upgrade (S106)	B Keady	100	100	0	0	0	Project Complete
PR033i - 38275	St Mark's Church Hall - Kitchen / Lobby Extension (S106)	B Keady	150	150	0	0	0	Project Complete
PR034g - 38230	Grant for extension to St Andrew's Hall to provide a dedicated space for a community cafe (S106)	B Keady	140	140	0	0	0	Project Complete
PR034i - 38277	Parkside Pool Starting Blocks (S106)	I Ross	21	19	(2)	0	(2)	Project Complete - unused allocated sums can be returned.
PR034k - 38276	Netherhall School Cricket Net Improvements (S106)	I Ross	25	25	0	0	0	Project Complete - Wicket and Tennis Nets in operation with community use
<b>Programme Total</b>			<b>1,197</b>	<b>973</b>	<b>(224)</b>	<b>261</b>	<b>37</b>	
SC361 - 42081	Disabled Access and Facilities - Guildhall Halls	D Kaye	35	15	(20)	0	(20)	Project Complete
SC436 - 38120	Pye's Pitch Rec Facilities (S106)	I Ross	5	4	(1)	0	(1)	Project Complete



## Communities Portfolio (formerly Community, Arts & Recreation)

### Capital Budget 2014/15 - Outturn

Capital Ref	Description	Lead Officer	Final Budget 2014/15	Outturn	Variance - Outturn compared to Final Budget	Rephase Spend	Over / (Under) Spend	Variance Explanation / Comments
SC460 - 38128	Kings Hedges Learners Pool Electricity	I Ross	3	0	(3)	0	(3)	Project Complete - spend was all from R&R
SC476 - 38137	Water Play Area Abbey Paddling Pool (S106)	I Ross	125	123	(2)	2	0	Project Complete - rephased money is for payment of held retention sums due.
SC477 - 38138	Coleridge Paddling Pool Enhancement (S106)	I Ross	100	107	7	2	9	Project Complete - rephased money is for payment of held retention sums due. Overspend due to extensive landscaping works to bring new play space and existing play spaces levels together.
SC478 - 38139	Water Play Area Kings Hedges "Pulley" (S106)	I Ross	125	130	5	2	7	Project Complete - rephased money is for payment of held retention sums due. Overspend due to extensive landscaping works to bring new play space and existing play spaces levels together.
SC512 - 38164	Hobbs Pavilion Refurbishment (S106)	I Ross	10	8	(2)	0	(2)	Project complete - underspend of allocated S106 funding to be released.
SC560 - 38189	Guildhall & Corn Exchange Cap Schemes RO AR9	D Kaye	131	33	(98)	98	0	Works still in progress. To be completed by Cambridge Live in conjunction with Cambridge City Council
SC578 - 38237	Box Office Ticketing Software	D Kaye	36	37	1	0	1	Project complete
SC582 - 38241	Corn Exchange Front of House Toilets	D Kaye	7	0	(7)	7	0	Works still in progress. To be completed by Cambridge Live in conjunction with Cambridge City Council
<b>Projects Total</b>			<b>577</b>	<b>457</b>	<b>(120)</b>	<b>111</b>	<b>(9)</b>	
PV282 - 42048	Kettle's Yard	D Kaye	40	40	0	0	0	Grant awarded, legal agreement in place, construction phase to start imminently.
PV526 - 41070	Clay Farm Community Centre - Phase 1 (S106)	A Carter	134	162	28	0	28	Construction Phase Started April 2015 but other project costs will continue to be incurred. All future costs now be captured on PV564-38199
PV564 - 38199	Clay Farm Community Centre - Phase 2 (Construction)	A Carter	3,600	61	(3,539)	3,539	0	Construction Phase Started April 2015.
<b>Provisions Total</b>			<b>3,774</b>	<b>263</b>	<b>(3,511)</b>	<b>3,539</b>	<b>28</b>	
<b>Communities Portfolio (formerly Community, Arts &amp; Recreation)</b>			<b>5,548</b>	<b>1,693</b>	<b>(3,855)</b>	<b>3,911</b>	<b>56</b>	