

Item

Environment & Community Scrutiny Committee

2018/19 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Communities Portfolio

To:

Councillor Smith, Executive Councillor for Communities

Report by:

Chief Executive, Strategic Directors, Head of Finance

Date:

27 June 2019

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

1.1 This report presents, for the Communities Portfolio:

- a) A summary of actual income and expenditure compared to the final budget for 2018/19 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2019/20.

1.2 This year will be the last year that individual reports are produced for each portfolio for presentation to the relevant scrutiny committee. In line with the revised budget scrutiny process followed for the 2019/20 budget, one combined 2019/20 General Fund outturn report covering all portfolios will be produced for scrutiny at Strategy and Resources Scrutiny Committee.

- 1.3 As this report is for the 2018/19 outturn the services that were included in the Communities Portfolio prior to the current year committee restructure are detailed.

2. Recommendations

Members of the Scrutiny Committee are asked to consider and make known their views on the following for consideration by the Executive Councillor for Finance and Resources at the Strategy and Resources Scrutiny Committee on 1 July 2019:

- a) Carry forward requests totalling £56,000 revenue funding from 2018/19 to 2019/20, as detailed in **Appendix C**.
- b) Carry forward requests of £284k capital resources from 2018/19 to 2019/20 to fund rephased net capital spending, as detailed in **Appendix D**.

3. Background

Revenue Outturn

- 3.1 The overall revenue budget outturn position for the Planning Policy & Transport Portfolio is given in the table below. Detail, by service grouping, is presented in **Appendix A**.

2017/18 £'000	Communities Portfolio Revenue Summary	2018/19 £'000	% Final Budget
7,349	Original Budget	7,220	96.6
21	Adjustment – Prior Year Carry Forwards	-	-
-	Adjustment – Service Restructure Costs	-	-
133	Adjustment – Earmarked Reserves	-	-
13	Adjustment – Capital Charges	77	1.0
-	Adjustment – Central & Support reallocations	-	-
(39)	Other Adjustments	179	2.4

7,477	Final Budget	7,476	100.0
7,494	Outturn	7,585	101.5
18	(Under) / Overspend for the year	109	1.5
0	Carry Forward Requests	56	0.7
18	Resulting Variance	165	2.2

3.2 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for this Portfolio for 2018/19. The original revenue budget for 2018/19 was approved by the Council on 22 February 2018.

3.3 **Appendix B** provides explanations of the main variances.

3.4 **Appendix C** lists revenue carry forward requests.

Capital Outturn

3.5 The overall capital budget outturn position for the Communities Portfolio is given in the table below. **Appendix D** shows the outturn position by scheme and programme with explanations of variances.

2017/18 £'000	Communities Portfolio Capital Summary	2018/19 £'000	% Final Budget
803	Final Budget	1,026	100.0
334	Outturn	740	72.1
(469)	Variation - (Under)/Overspend for the year	(286)	(27.9)
496	Rephasing Requests	284	27.7
27	Variance	(2)	(0.2)

3.6 The majority of the rephasing relates to underspends in Milton Road Library Community meeting space, Netherhall School grant and the phase 2 project for the construction of the Clay Farm Community centre.

4. Implications

- 4.1 The net revenue variance from the final budget (see above), would result in a increased use of General Fund reserves of £165k after carry forwards.
- 4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have financial, staffing, equality and poverty, environmental, procurement or community safety implications.

(a) Financial Implications

Any financial implications are included in the Appendices.

(b) Staffing Implications

Any staffing implications are included in the Appendices.

(c) Equality and Poverty Implications

Any equality and poverty implications are included in the Appendices.

(d) Environmental Implications

Any environmental implications are included in the Appendices.

(e) Procurement Implications

Any procurement implications are included in the Appendices.

(f) Community Safety Implications

Any community safety Implications are included in the Appendices.

5. Consultation and communication considerations

Public consultations are undertaken throughout the year and can be seen at:

cambridge.gov.uk/current-consultations

6. Background papers

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

- Closedown Working Files 2018/19
- Directors' Variance Explanations – March 2019
- Budgetary Control Reports to 31 March 2019
- Capital Monitoring Reports – March 2019

7. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Revenue Summary for this portfolio	✓
B	Revenue Major Variances for this portfolio	✓
C	Carry Forward Requests for this portfolio	✓
D	Capital Summary for this portfolio	✓

8. Inspection of papers

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

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Communities Portfolio / Environment & Community Committee
Revenue Budget 2018/19 - Outturn

Service Grouping / Cost Centre	Original Budget 18/19 £	Final Budget 18/19 £	Outturn 18/19 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
Children and Youth						
Children & Young People's Service	571,610	588,250	606,586	18,336	0	18,336
	571,610	588,250	606,586	18,336	0	18,336
Community Centres						
Community Facilities (formerly St Lukes Community School)	53,560	53,560	46,577	(6,983)	0	(6,983)
Ross Street-St Philips	29,040	29,040	25,968	(3,072)	0	(3,072)
Lawrence Way Community Facility	20,590	20,590	19,027	(1,563)	0	(1,563)
Buchan Street Community Facility	186,720	196,720	197,783	1,063	0	1,063
The Meadows Community Centre	422,430	422,430	377,926	(44,504)	0	(44,504)
Akeman Street Community House	33,190	33,190	20,555	(12,635)	0	(12,635)
Brown's Field Youth and Community Centre	0	0	0	0	0	0
Clay Farm Community Centre	(80,000)	(9,400)	236,309	245,709	0	245,709
Storey's Field Community Centre	0	0	(962)	(962)	0	(962)
	665,530	746,130	923,183	177,053	0	177,053
Community Development						
Credit Union	0	29,030	29,034	4	0	4
Community Development - Admin	518,100	498,100	475,617	(22,483)	0	(22,483)
	518,100	527,130	504,651	(22,479)	0	(22,479)
Culture & Community						
Cultural Facilities Administration	579,670	579,670	672,058	92,388	0	92,388
Culture and Community	125,290	196,800	194,356	(2,444)	0	(2,444)
Cambridge Junction	339,430	355,680	355,680	0	0	0
	1,044,390	1,132,150	1,222,094	89,944	0	89,944
Neighbourhood Community						
CUPBAN Community Development Strategy	0	0	(493)	(493)	0	(493)
Neighbourhood Community Plan	73,900	0	0	0	0	0
North Cambridge Community (ex Kings Hedges Nhd) Partnership	63,540	137,440	124,873	(12,567)	0	(12,567)
Abbey People	25,440	25,440	22,362	(3,078)	0	(3,078)
Engagement and Inclusion (previously Community Projects now	133,260	133,260	129,869	(3,391)	0	(3,391)
Neighbourhood Community Development	197,680	240,730	240,497	(233)	0	(233)
Southern Fringe Posts funded from Developers Contributions	0	0	0	0	0	0
NW Cambridge Quadrant (S106)	0	0	0	0	0	0
	493,820	536,870	517,108	(19,762)	0	(19,762)
Sport & Recreation						
Sport & Recreation Administration	540,180	540,830	556,890	16,060	0	16,060
Leisure Contract Management Fees	569,610	578,970	543,834	(35,136)	0	(35,136)
Leisure Contract Client Costs	1,581,930	1,587,870	1,470,849	(117,021)	56,000	(61,021)
Active Lifestyles - Communities (ex Sports Development)	19,860	23,090	29,753	6,663	0	6,663
Sport - Ex Ref	22,090	24,730	24,664	(66)	0	(66)
Sport - Street Games	0	0	0	0	0	0
Active Lifestyles - Projects	11,050	8,090	3,806	(4,284)	0	(4,284)
	2,744,720	2,763,580	2,629,796	(133,784)	56,000	(77,784)
Streets and Open Spaces						
Employment Foundation - Green Fingers	57,080	57,080	68,191	11,111	0	11,111
	57,080	57,080	68,191	11,111	0	11,111
Voluntary Sector						
Community Development Voluntary Support	1,125,010	1,125,010	1,113,635	(11,375)	0	(11,375)
	1,125,010	1,125,010	1,113,635	(11,375)	0	(11,375)
Total Net Budget	7,220,260	7,476,200	7,585,244	109,044	56,000	165,044

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 the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFs)
- via technical adjustments/virements throughout the year

Communities Portfolio / Environment & Community Committee

Revenue Budget 2018/19 – Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount	£	Contact
Community Centres	The Meadows Community Centre – The variance is partly due to an underspend on maintenance due to the future of centre being under discussion and as a result planned works have been put on hold (£14k). Also there has been an underspend on agency staff as agency unable to supply café staff when requested (£4k) and an over achievement on income (£23k)	(44,504)		Jackie Hanson
Community Centres	Clay Farm Community Centre - The delay in the opening of the medical centre at Clay Farm has meant that there has had to be an accounting adjustment to reflect the loss of rental income to the Council. This shows as a £200k underachievement of income, which is compensated by an equivalent underspend in the Finance General cost centre for a Minimum Revenue Provision Charge. Income and MRP charges are anticipated to commence in the 2nd quarter of 2019/20. Gas bill tariff is much higher than anticipated but has now been reviewed and a rebate is expected.	245,709		Sally Roden
Community Development	Community Development - Admin - The main underspend on this cost centre is because there was a full year budget for the post of Strategic Project Manager but it was not filled until August 18. There have been various other minor planned underspends in order to part cover the known additional costs around Cambridge Live.	(22,483)		Cathy Heath
Sport & Recreation	Leisure Contract Management Fees - The underspend is predominantly on the leisure contract charges and is as a result of compounded interest on the budget line and a much lower CPI figure used to inflate the contract per year.	(35,136)		Ian Ross
Sport & Recreation	Leisure Contract Client Costs – The underspend is made up of a variety of smaller underspends within the budget but are focussed on. A planned budgeted underspend to be carried forward to go towards the approved Abbey Pool Hall improvement project (circa £56K) There is an underspend in the Discretionary Rate Relief line of over £20K as recharges this year are much lower than previously budgeted for. The majority of Contract Variation sums have not been required, and a proportion of these form part of next years savings.	(117,021)		Ian Ross
Culture & Community	Cultural Facilities Administration - Supplies and services are overspent as the result of unavoidable legal and financial fees in connection with Cambridge Live and the additional health and safety costs relating to City Events.	92,388		Jane Wilson
Other	Miscellaneous	(9,909)		-
		109,044		

Communities Portfolio / Environment & Community Scrutiny Committee**Revenue Budget 2018/19 - Carry Forward Requests**

Request to Carry Forward Budgets from 2018/19 into 2019/20

Item	Reason for Carry Forward Request	Amount £	Contact
1	Abbey Pool Planned Maintenance - Refurbishment of changing rooms whilst other planned improvement works are being carried out	56,000	Ian Ross
	Total Carry Forward Requests for Communities Portfolio	56,000	

Capital Budget 2018/19 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2018/19 £'000's	Final Budget 2018/19 £'000's	Outturn 2018/19 £'000's	Variance - Outturn compared to Final Budget £'000's	Rephase Spend 2019/20 £'000's	Over / (Under) Spend £'000's	Variance Explanation
100039 - PR031g	Milton Rd Library community meeting space (S106)	Jackie Hanson	50	100	0	(100)	100	0	Grant agreement is with the County Council for signature. Project delayed as asbestos discovered and a rephase of the budget is requested. Project completion on target for 2019-20.
100062 - PR034n	Cambridge Gymnastics Academy grant for warehouse	Ian Ross	0	65	65	0	0	0	Project complete & open to the public
100063 - PR041g	Netherhall School: supplementary grant for gym and	Ian Ross	0	236	180	(56)	56	0	Building works are completed but rephasing of the underspend of the budget is requested for purchase of gym equipment ready for a late May opening.
100090 - PR041a	Grant for refurbishment of Memorial Hall	Jackie Hanson	0	150	150	0	0	0	Project completed October 2018. Official opening after the elections 2019.
100099 - PR031n	Grant for 4 tennis courts at North Cambridge	Ian Ross	0	125	125	0	0	0	Project complete & open to the public
100108 - PR041b	Grant to Cambridge Gymnastics Academy	Ian Ross	0	75	75	0	0	0	Project complete & open to the public
100124	Reilly Way play area improvements (S106)	Alistair Wilson	0	5	0	(5)	0	(5)	Project complete
100128 - PR033r	Improvements to Histon Road Rec Ground football area (S106)	Ian Ross	0	31	34	3	0	3	Project complete & open to the public
100131 - PR030p	Outdoor fitness equipment near astroturf pitch	Ian Ross	0	42	41	(1)	1	0	Retention sums due to be paid in 19/20 to complete this project
100239 - SC681	Abbey astroturf floodlighting (S106)	Ian Ross	0	66	66	0	0	0	Project complete & open to the public
100244 - PR042a	St Clement's Church community grant (S106)	Jackie Hanson	0	30	0	(30)	30	0	Delays due to Anglia Water complex requirements
100245 - PR042b	Museum of Technology meeting space community grant (S106)	Jackie Hanson	0	31	29	(2)	2	0	Main project is complete. The remaining funding it to be spent on equipment.
100246 - PR042c	Grant for Netherhall School meeting space (S106)	Jackie Hanson	0	24	0	(24)	24	0	Work being completed over the school summer holidays.
100247 - PR042d	Romsey Mill community facility grant (S106)	Jackie Hanson	0	21	0	(21)	21	0	This is on target for a completion date of March 2020. This is part of a larger project and being undertaken in modules.
100248 - PR042e	Grant for Arbury Community Centre:	Jackie Hanson	0	25	50	25	(25)	0	Project complete. Original budget was split equally between 18-19 and 19-20. All £50k budget spent in 18-19 and a rephase of the 19-20 budget is requested to be moved back to 18-19.
Total Projects			50	1,026	815	(211)	209	(2)	
100022 - PV564	Clay Farm Community Centre -Phase 2 (Construction)	Ian Ross	0	0	(75)	(75)	75	0	Snagging list and defects works are currently being rectified and awaiting sign off in May 2019, this will allow for the last 2.5% of the build retention monies to be released. There are LADs (liquidated and ascertained damages) being held that are currently being paid out to partners. Settlement of accounts for the Capital build are still being concluded.
Total Provisions			0	0	(75)	(75)	75	0	
Total			50	1,026	740	(286)	284	(2)	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)