

Joint Museums Committee

19 March 2015

9. FINANCE REPORT

Recommendation

Introduction

2014/15 Projected outturn as at 31st January 2015

1. **The Treasurer recommends that the Joint Committee notes the financial position of the joint museums service as detailed on the report**
2. This report provides financial information on the following:
 - Projection as at 31 January 2015
 - Explanation of major variations
 - Subjective analysis
 - Surplus/deficit split
 - Café report (set out as an Appendix)
 - Future Fit and City Council savings 2014/15
 - Budget proposal 2015/16.
3. The following table details the projected outturn for 2014/15 as at 31 January 2015

Table 1 : Projected Out turn 2014/15

	2014/15 Budget	Projected Outturn 2014/15	Variance	Variance %
	£'000	£'000	£'000	%
Hartlebury Main	124	128	4	4%
Hartlebury Collections	114	96	-18	-16%
Hartlebury Museum On Move	-	-	-	
Hartlebury Education	-	-1	-1	
Hartlebury MDO	-	-	-	
Hartlebury Café	26	18	-8	-31%
Worcester City Museum and Art Gallery	139	165	26	19%
Commandery	112	132	20	18%
Grants	-	-	-	
Other City Museum Servs	183	224	41	22%
Total Joint Museum Service	698	762	64	9%
Worcester City Contribution	453	465	12	3%
Worcester County Liability	246	298	52	21%

Explanation of major variances

4. The forecasted overspend on the City Museum and Art Gallery is due to the income target of £26,800 related to Premises hire not being achieved. There is a pension lump sum liability of £15,600 in the Other City Museum Services overspend and across the codes an overspend of £9,900 due to the pension rate changing to 18%.

Table 2 : Subjective analysis 2014/15

	Budget	Projection	Variance	%
	£000	£000	£000	
Employees	887	889	2	0%
Redundancy	0	0	0	
Premises	8	6	-2	-28%
Transport	19	19	0	2%
Supplies & services	179	280	101	56%
Transfer to reserve	0	0	0	
Income:				
Sales	-134	-124	10	-8%
Admissions	-84	-66	18	-22%
Museum on the move	-26	-26	-0	1%
Education	-10	-13	-3	31%
MDO grant	-42	-50	-8	19%
MOTHS – Art Council Grant	0	-15	-15	
Other	-64	-101	-37	56%
Transfer from reserve	-35	-37	-2	5%
Total	698	762	64	9%

The over spend on Supplies is offset by income and £30k from reserves.

Surplus/deficit split

6. The surplus/deficit split is as follows:

Worcestershire County Council (39%) - £52

Worcester City Council (61%) - £12

Worcestershire County Council's allocation is higher as the FutureFit target savings removed from the budget were not identified as to where they were going to be met so this £30,000 is being identified as coming from the Business Environment and Community Directorate 2% reserve

Café Report

7. A detailed analysis of the financial position of Hartlebury Café is set out as an Appendix. The café is expected to cost £18k against a budget of £26k.

FUTURE FIT savings 2014/15

8. Future Fit savings for the museum service in 2013/14. County savings of £90k. Using reserves to allow 3 years to achieve this amount and therefore £30k of reserves will be set against this in 2014/15 (as stated paragraph 6)

	2013/14 FUTURE FIT £000's
Reduce opening hours at museum or find efficiencies as part of joint service.	90
Worcester City Savings (£25k/yr.)	75
Total	165

Budget 2015/16

	Budget Proposal £
Salaries	885,470
Premises	8,200
Transport	19,840
Supplies & Services	187,296
Income	-204,682
Use of WCC Reserves	-30,750
2015-16 Budget	865,374

Supporting Information

- Appendix – Budget Monitoring Report for Hartlebury Café 2014/15

Contact Points

Specific Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Director of Business Environment and Community) there are no background papers relating to the subject matter of this report.