

Norfolk Record Office

Finance and Risk Report 2013/14

A report by the County Archivist

Executive Summary

This report provides information on performance against budget and risk for 2013/14 as at 28th February 2014 for the Norfolk Record Office (NRO). Section 1 covers financial performance, and Section 2 covers risk.

The main issues for consideration by this Committee are:

- As at the end of February 2014, the NRO expects to achieve a break-even revenue budget outturn for the financial year.
- Management of risks for the NRO.

Action Required

The Norfolk Records Committee is asked to consider and comment on:

- Performance with the revenue budget and reserves and provisions for 2013/14.
- Management of risk for 2013/14.

1. Financial Performance 2013/14

1.1 Revenue Budget

1.1.1 At the end of February 2014, the NRO is predicting a break-even revenue budget outturn. The budget out-turn is summarised in the table below.

1.1.3 The table below sets out the revenue service budgets and out-turn for the NRO by category of spend:

Service	Approved budget £m	Forecast 2013/14 Outturn £m	+Over/- Underspend £m	Variance to budget
Salary	0.824	0.783	-0.041	-5%
Employee Related	0.010	0.011	0.001	+10%
Premises	0.003	0.004	0.001	+33%
Travel	0.004	0.003	-0.001	-33%
Supplies & Services	0.111	0.168	0.057	+63%
Support Services	0.497	0.498	0.00	0%
Capital	0.210	0.210	0.00	0%
Income	-0.167	-0.185	-0.018	-11%
Total	1.492	1.492	0	0%

1.1.4 For 2013/14 revenue budget savings, also agreed within the Big Conversation consultation, amount to £0.065m and come from staffing reductions (£0.045m), archive storage services (£0.010m) and energy savings (£0.010m). These savings are being achieved and contribute to the break even position.

1.1.5 This forecast is as at the end of February 2014.

1.2 Capital programme

1.2.1 The only expenditure on the Capital programme relates to final costs for the CCTV system upgrade. This is funded from 2012/13 slippage.

1.3 Reserves and Provisions

1.3.1 The table summarising the 2013/14 position appears below.

- The Unspent Grants and Contributions Reserve balance of £0.049m has been reduced by £0.038m for 13/14 contributions for multi-year projects. The Residual Insurance reserve will be used for the digitisation, Manorial Records, Horner Cataloguing, Accessioning and re-cataloguing of Norwich City Records projects. The digitisation will support the income raising activities planned for 2014/15. To secure the best income from providing digital access in this way will require the NRO to undertake significant work to prepare existing digital assets, assemble of metadata and undertake in-fill digitization. It will also require some legal support. Therefore, it proposed that £35,000 will be used from the NRO reserves to support this work.

Reserves and Provisions 2013/14	Balances at 01Apr13	Outturn at 31Mar14	Change
	£m	£m	£m
Norfolk Record Office			
Residual Insurance and Lottery Bids	0.370	0.315	-0.055
Unspent Grants & Contributions Reserve	0.046	0.008	-0.038
Service Total	0.416	0.323	-0.093

2. Risk Management

- 2.1 The service continues to manage the risks to its objectives both internal and external. The risk register is reviewed and updated on a quarterly basis and was last reported to this Committee in January 2014. A summary of the risk register based on the most recent review of 13 March 2014 appears at Appendix A.
- 2.2 The register contains three key risks, two of which are currently assessed as a 'medium' level risk, while one is assessed as 'low'. 5 additional risks have now been identified and are currently being assessed for the likelihood and impact of these occurring.
- 2.3 All risks are being well managed. Two of the risks are showing 'Green – on schedule' progress towards achieving their target risk scores, and the other one is met.
- 2.4 The impact of the two unmet risks on the budget has been assessed as follows:
- 2.4.1 For RM13959 'Loss of or reduction in funding', if this external funding was lost then the service would have to choose between ceasing activities or continuing and incurring an overspend. The service has budgeted for £8k of Grant income in 2013/14. This risk is classed as 'green' and is not expected to occur in 2013/14, and so will have no impact on the revenue position. The risk is mitigated by continuing to apply for external funding and explore income generating opportunities.
- 2.4.2 For RM13960 'A lack of clarity in roles and responsibilities', this could mean that we are not able to access external funding. For 2013/14, the budget for this totals £8k for Grants and £2k for Donations. This risk is classed as 'green' and is not expected to occur in 2013/14, and so will have no impact on the revenue position. The risk is mitigated through the restructuring process that is currently ongoing.

3. Resource implications

- 3.1 The implications for resources including, financial, staff, property and IT, where relevant, are set out in Sections 1 and 2 of this report.

4. Other Implications

- 4.1 Officers have considered all the implications which members should be aware of. Apart from those listed in the report (above), there are no other implications to take into account

5. Equality Impact Assessment (EqIA)

- 5.1 The Norfolk Record Office's Service Plan places diversity, equality and community cohesion at the heart of service development and service delivery. It aims to ensure that activities included in the service plan are accessible to diverse groups in Norfolk and that all policies, practices and procedures undergo equality impact assessment. These assessments help the service focus on meeting the needs of customers in relation to age, disability, gender, race, religion and belief, and sexual orientation.

6. Section 17 – Crime and Disorder Act

- 6.1 There are no direct implications for Crime and Disorder within this report.

7. Conclusion

- 7.1 The Norfolk Record Office expects to achieve a balanced revenue budget position for 2013/14. Progress with service plans points to continuing improvement during the year.

8. Recommendation or Action Required

- 8.1 The Norfolk Records Committee is asked to consider and comment on:
- Performance with the 2013/14 service plans
 - Performance with the revenue budget and reserves and provisions for 2013/14.

Officer Contact

If you have any questions about matters contained in this paper please get in touch with:

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