

Committee(s):	Date(s):	Item no.
Planning & Transportation Committee	1 December 2014	
<b>Subject:</b> REVENUE AND CAPITAL BUDGETS - 2015/16	<b>Public</b>	
<b>Report of:</b> The Chamberlain Director of the Built Environment Director of Culture, Heritage & Libraries	<b>For Decision</b>	
<p><b><u>Summary</u></b></p> <p>This report is the annual submission of the revenue and capital budgets overseen by your Committee. In particular it seeks approval to the provisional revenue budget for 2015/16, for subsequent submission to the Finance Committee. Details of the Committee’s draft capital budget are also provided. The budgets have been prepared within the resources allocated to each Director.</p> <p>Business priorities for the forthcoming year include:</p> <p><b>Director of the Built Environment</b></p> <ul style="list-style-type: none"> <li>• Supporting the ongoing Service Based Reviews to deliver savings for 2015/16 and beyond;</li> <li>• 2015/16 will be a year of delivering high profile external schemes, maintaining our high quality external services whilst continuing the improvement to our internal processes;</li> <li>• Developing our Road Danger Reduction Plan will be a high priority; and</li> <li>• Modernisation of the Planning Service.</li> </ul> <p><b>Director of Culture Heritage &amp; Libraries</b></p> <ul style="list-style-type: none"> <li>• The department’s mission statement is to educate, entertain and inform, through discovery of our amazing range of resources.</li> </ul>		

Summary Of Table 1	Latest Approved Budget 2014/15 £'000	Original Budget 2015/16 £'000	Movement £'000
Expenditure	31,002	28,303	(2,699)
Income	(24,309)	(22,144)	2,165
Support Services and Capital Charges	9,532	11,134	1,602
Total Net Expenditure	16,225	17,293	1,068

Overall, the 2015/16 provisional revenue budget totals £17.293m, an increase of £1,068,000 compared with the latest approved budget for 2014/15. The main reasons for this increase are:

- Variations between expenditure and income relate to the 2014/15 Local Implementation Plan Programme of £880,000 and Street Scene works of £480,000, which were off-set by matching reductions in income contributions.
- Reduction in transfers to reserve of £742,000 mainly as a result of reductions in Penalty Charge Notice income of £644,000 due to the ban on CCTV enforcement for on On-Street Parking.
- One-off carry forwards from 2013/14 totalling £232,000 are included in the 2014/15 latest approved budget.
- Effects of Service Based Review savings.
- An increase in support services and capital charges of £1,570,000, relating mostly to increases in highway infrastructure asset depreciation costs, as a result of significant anticipated capital expenditure in 2014/15 in respect of the Aldgate project.

### **Recommendations**

The Committee is requested to:

- Review the provisional 2015/16 revenue budget to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to the Finance Committee;
- Review and approve the draft capital budget;

- Authorise the Chamberlain to revise these budgets to allow for further implications arising from potential budget developments including changes to the Additional Works Programme and changes in respect of recharges.
- Note that the Service Based Review changes reported to your Committee on 11<sup>th</sup> November 2014 which were agreed, have been included in 2014/15 and 2015/16 budgets.

## **Main Report**

### **Introduction**

1. This report sets out the proposed revenue and capital budgets for 2015/16. The revenue budget management arrangements are to;
  - Provide a clear distinction between local risk, central risk and recharge budgets.
  - Place responsibility for budgetary control on departmental Chief Officers.
  - Apply a cash limit policy to Chief Officers' budgets.
2. The provisional budget for 2015/16 has been analysed by the service expenditure and compared with the latest approved budget for the current year (see Table 1).
3. The report also compares the current year's budget with the forecast outturn.

### **Business Planning Priorities**

#### **Director of the Built Environment**

4. Over 2015/16 my Department will build on the cross-cutting objectives which were outlined in my 2014 business plan. These objectives will shape the City and our contribution as a department to City business in next few years.
  - I. To deliver the Aldgate Highway Change and Public Realm Project.
  - II. To contribute to the City's Cultural Hub Working Party.
  - III. To future-proof the City.

- IV. Improve departmental and corporate data sharing and use of GIS (Graphical Information Systems).
  - V. To Implement the City's Community Infrastructure Levy (CIL).
5. Of course these objectives are in addition to the day to day work of the divisions, and the challenges these operations present, and will include: the Service Based Reviews; the Thames Tunnel Tideway; Road Danger Reduction Partnership; the Aldgate project; and our contribution to the Cultural Hub.
  6. Our highways team must manage the continuing demand on our highways, managing the demand for utilities and expectations of users. Across the Development Management service we must balance the need for new builds alongside the sensitivity of our heritage assets. Our District Surveyor is under continued pressure to deliver a first class service while competing against the private sector and on Planning Policy our engagement with the Mayor will be significant as the London Plan Further Alterations are the subject of consultation and examination.
  7. This budget supports the needs of my department to deliver our business and our key business objectives.

### **Director of Culture, Heritage and Libraries**

8. The department's mission statement is to educate, entertain and inform, through discovery of our amazing range of resources. The four Strategic Aims are:
  - To refocus our services with more community engagement and partnerships with others.
  - To transform the sense of the City as a destination.
  - To continue to use technology to improve customer service and increase efficiency.
  - To further develop the City's contribution to the life of London as a whole.

### **Proposed Revenue Budget for 2015/16**

9. The proposed Revenue Budget for 2015/16 is shown in Table 1 below analysed between:
  - Local Risk budgets – these are budgets deemed to be largely within the Chief Officer's control.

- Central Risk budgets – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his/her control or are budgets of a corporate nature (e.g. interest on balances and rent incomes from investment properties).
  - Support Services and Capital Charges – these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.
- 10.** The provisional 2015/16 budgets being presented to your Committee, and under the control of the Directors of the Built Environment and Culture, Heritage & Libraries, have been prepared within the resources allocated to each Director and in accordance with guidelines agreed by the Policy & Resources and Finance Committees. These include:
- 2% uplift for inflation.
  - Proper control of transfers of non-staffing budget to staffing budgets.
  - The inclusion of the Service Based Review expenditure reductions of £492,000 and increased incomes of £500,000 that were agreed by the Policy and Resources Committee on 4<sup>th</sup> September 2014.
- 11.** Income and favourable variances are presented in brackets. An analysis of this revenue expenditure by Service Managed is provided in Appendix 1. Only significant variances (generally those greater than £50,000) have been commented on in the following paragraphs.
- 12.** Overall there is an increase of £1,068,000 in the overall budget between the 2014/15 latest approved budget and the 2015/16 original budget. This movement is explained by the variances set out in the following paragraphs.

TABLE 1

## PLANNING &amp; TRANSPORTATION COMMITTEE SUMMARY – ALL FUNDS

Analysis of Service Expenditure	Local or Central Risk	Actual 2013-14  £'000	Latest Approved Budget 2014-15  £'000	Original Budget 2015-16  £'000	Movement 2014-15 to 2015-16  £'000	Paragraph Reference
<b>EXPENDITURE</b>						
Employees	L	9,772	10,396	10,653	257	13
Employees	C	15	23	0	(23)	
Premises Related Expenses (see note i)	L	5,985	6,095	5,188	(907)	14
Premises Related Expenses (see note i)	C	2,984	1,086	1,107	21	
City Surveyor – Repairs & Maintenance	L	604	965	1,155	190	15/28
Transport Related Expenses	L	28	30	21	(9)	
Supplies & Services (see note ii)	L	1,991	2,307	1,262	(1,045)	16
Supplies & Services (see note ii)	C	(777)	55	55	0	
Third Party Payments	L	4,166	3,275	3,323	48	17
Transfer to Reserve	C	5,364	5,256	4,514	(742)	18
Contingencies	L	0	582	384	(198)	19
Contingencies	C	0	15	15	0	
Supplementary Revenue Projects	C	312	917	626	(291)	20
<b>Total Expenditure</b>		<b>30,444</b>	<b>31,002</b>	<b>28,303</b>	<b>(2,699)</b>	
<b>INCOME</b>						
Other Grants, Reimbursements and Contributions	L	(1,867)	(1,568)	(179)	1,389	14, 16 & 21
Other Grants, Reimbursements and Contributions	C	(2,120)	(896)	(604)	292	20
Customer, Client Receipts	L	(7,704)	(7,675)	(7,561)	114	22
Customer, Client Receipts	C	(9,410)	(8,995)	(8,351)	644	23
Transfer from Reserves	L	(81)	(79)	0	79	24
Transfer from Reserves	C	(1,994)	(2,339)	(2,613)	(274)	25
Recharges to Capital Projects	L	(1,518)	(2,757)	(2,836)	(79)	26
<b>Total Income</b>		<b>(24,694)</b>	<b>(24,309)</b>	<b>(22,144)</b>	<b>2,165</b>	
<b>TOTAL EXPENDITURE/ (INCOME) BEFORE SUPPORT SERVICES AND CAPITAL CHARGES</b>		<b>5,750</b>	<b>6,693</b>	<b>6,159</b>	<b>(534)</b>	
<b>SUPPORT SERVICES AND CAPITAL CHARGES</b>						
Central Support Services and Capital Charges		9,443	8,516	10,131	1,615	27
Recharges within Fund		960	1,017	1,004	(13)	
Recharges Across Funds		(1)	(1)	(1)	0	
<b>Total Support Services and Capital Charges</b>		<b>10,402</b>	<b>9,532</b>	<b>11,134</b>	<b>1,602</b>	
<b>TOTAL NET EXPENDITURE/(INCOME)</b>		<b>16,152</b>	<b>16,225</b>	<b>17,293</b>	<b>1,068</b>	

Notes - Examples of types of service expenditure:-

- (i) Premises Related Expenses – includes repairs & maintenance, energy costs, rates, water services, cleaning and domestic supplies
- (ii) Supplies and Services – Equipment, furniture, materials, uniforms, printing, stationery, professional fees, grants & subscriptions

- 13.** A net increase of £257,000 in employee costs mainly relates to departmental provision for pay award, increments, re-gradings and vacancies in 2014/15 being filled in 2015/16.
- 14.** A reduction of (£907,000) from the 2014/15 premises related expenses budget is principally due to the one-off effects of additional spend of £100,000 for carriageway resurfacing repairs in 2014/15, and a reduction of £456,000 in highway schemes relating to the Local Implementation Plan (LIP) programme and Street Scene revenue works of £315,000.
- 15.** An increase of £190,000 relates to the additional works programme, reflecting changes in the composition and phasing of the works.
- 16.** A reduction of (£1,045,000) in supplies and services expenditure mainly relates to one-off spends in 2014/15 on externally funded projects including, the City's LIP programme of £649,000; carry forward monies from 2013/14 of £207,000, Local Plan works programme of £79,000 and £137,000 reduction in spend on costs associated with the relocation of office staff at Tower Bridge.
- 17.** The increased third party payment costs of £48,000 principally relate to uplift in contract costs in 2015/16 for On-Street and Off Street parking contracts.
- 18.** A net decrease in the transfer to reserve of (£742,000) reflects anticipated income reductions of £890,000 mainly relating to penalty charge notice (PCN) fines as a result of a ban on CCTV enforcement, which were partly offset by decreases in the net operating costs for on-street parking activities, due to the reduction in the Parking Enforcement contract.
- 19.** The decrease relates to the balance of spend which the Director of Built Environment has yet to allocate and is currently in discussion with the Chamberlain on how best to deal with fluctuating income streams as a result of development activity which may not be sustainable in future years.
- 20.** The reduction in spend relates to revenue expenditure funded from capital under statute for Aldgate Highway changes, any spend is off-set by matching income contributions.
- 21.** The reduction in income from grants, reimbursements and contributions is mainly due to reduced funding of the LIP programme which has been offset accordingly with decreased scheme expenditure (see paragraphs 14 and 16).
- 22.** The decrease in income mainly relates to the income loss for White's Row car park closure and a drop in administration fee income of £31,000 for recoverable works in the Drain and Sewers service.

- 23.** The reduction in income is mainly due to a drop in penalty charge notice fines of £890,000 as a result of banning the use of CCTV enforcement. This has been offset by an increase in parking meter income of (£242,000).
- 24.** The reduction in transfers from reserves was due to a one-off draw down in reserves in 2014/15 to fund costs relating to the Local Plan works programme (see paragraph 16).
- 25.** Increase in transfers from the Parking Meter Reserve relates to the need to fund increases in City Surveyor's repairs and maintenance costs of £183,000 and cover a shortfall in car park fees of £58,000.
- 26.** The increase in recharges to capital projects reflects the increase in employee costs for staff working on capital projects which are fully recovered from TFL/S106/S278 monies.
- 27.** An increase in central support services and capital recharges reflects the net impact of changes in the budgets of central departments and their apportionment between committee, as shown in Appendix 2. The increase of £1,615,000 is mainly due to additional highway infrastructure asset depreciation costs, as a result of significant anticipated capital expenditure in 2014/15 in respect of the Aldgate project and other schemes including Riverside Walkway, various street scene and security enhancement schemes.



**28.** The increase of £190,000 in the budget for the City Surveyor’s additional works programme reflects changes in the composition and phasing of the works. See Table 2 below.

<b>TABLE 2 - CITY SURVEYOR LOCAL RISK</b>	<b>Latest Approved Budget 2014/15 £'000</b>	<b>Original Budget 2015/16 £'000</b>	<b>Movement 2014/15 to 2015/16 £,000</b>
<b>Repairs and Maintenance</b>			
<b>Additional Works Programme</b>	<b>582</b>	<b>805</b>	<b>223</b>
<b>Minor Improvements Planned Re-active &amp; Cyclical Works</b>			
Highways	186	186	0
Off Street Parking	176	144	(32)
Town Planning	21	20	(1)
<b>Total City Surveyor</b>	<b>965</b>	<b>1,155</b>	<b>190</b>

**29.** Budgets have provisionally been included for the 2015/16 additional works programme based on bids considered by the Corporate Asset Sub Committee in June 2014. However, a decision on the funding of the programme is not due to be made by the Resource Allocation Sub Committee until December 2014. It may therefore be necessary to adjust budgets to reflect the Resource Allocation Sub Committee’s decision.

**30.** Analysis of the movement in manpower and related staff costs are shown in Table 3 below (see explanation of financial movement in paragraph 13).

Table 3 - Manpower statement	Latest Approved Budget 2014/15		Original Budget 2015/16	
	Manpower Full-time equivalent	Estimated cost £000	Manpower Full-time equivalent	Estimated cost £000
<b>Director of Built Environment</b>				
Town Planning	47.4	2,467	48.4	2,504
Planning Obligations	2.2	116	2.2	117
Transportation Planning	35.6	2,213	35.6	2,089
Road Safety	2.0	121	2.0	105
Building Control	24.0	1,412	26.6	1,484
Structural Maintenance/Inspections	4.6	272	4.6	275
Highways	21.8	1,234	23.8	1,293
Traffic Management	14.3	577	15.3	648
Off Street Parking	2.0	89	2.0	96
On Street Parking	11.4	482	13.4	557
Drains & Sewers	8.0	376	8.0	381
<b>Total Director of Built Environment</b>	<b>173.3</b>	<b>9,359</b>	<b>181.9</b>	<b>9,549</b>
<b>Director of Culture, Heritage &amp; Libraries</b>				
Tower Bridge Operational	27	1,037	27	1,104
<b>Total Director of Culture, Heritage &amp; Libraries</b>	<b>27</b>	<b>1,037</b>	<b>27</b>	<b>1,104</b>
<b>TOTAL PLANNING &amp; TRANSPORTATION</b>	<b>200.3</b>	<b>10,396</b>	<b>208.9</b>	<b>10,653</b>

### **Potential Further Budget Developments**

**31.** The provisional nature of the 2015/16 revenue budget recognises that further revisions may be required, including in relation to:

- Decisions on funding of the 2015/16 Additional Work Programme by the Resource Allocation Committee in December 2014;
- Budget reductions to capture savings arising from the on-going Service Based Reviews;
- Central and departmental recharges.

## Revenue Budget 2014/15

32. The forecast outturn for the current year is currently in line with the latest approved budget of £16.225m. A budget of £597,000 is included in the forecast outturn for the Director of the Built Environment, for which he is currently in discussion with the Chamberlain on how best to deal with fluctuating income streams as a result of development activity which may not be sustainable in future years.
33. It is anticipated that the Director of Culture, Heritage & Libraries will remain within his resource allocation.

## Bridges' Repairs, Maintenance and Major Works Fund

34. The Bridges Repairs, Maintenance and Major Works Fund is operated to provide sufficient resources to meet the maintenance costs of the five bridges over a period of 50 years.
35. The balance of the Fund stood at £127.9m as at 1 April 2014, which comprised of property investments of £24.6m, managed investments of £84.8m and cash of £18.5m. In accordance with the management of the fund, the Director of Built Environment has reviewed and updated the schemes included in the 50 year projections to 2064/65. A summary of the works projection and consequent contributions from Bridge House Estates is shown below in Table 4.

<b>Table 4: Thames Bridges' Repairs, Maintenance and Major Works Fund 50 Year Works and Required Contributions Projection to 2064/65</b>		
	£'000	£'000
<b>Balance brought forward 1<sup>st</sup> April 2014</b>		<b>(127,953)</b>
Planned Expenditure (inflated at 2% pa):		
- Blackfriars Bridge	46,863	
- Southwark Bridge	45,922	
- London Bridge	20,959	
- Millennium Bridge	26,672	
- Tower Bridge	96,798	
		237,214
Forecast Income:		
- Managed Investments	(96,532)	
- Interest Accruing	(4,368)	
- Rental Income from Bridge House Estates	(58,741)	
		(159,641)
Net balance before planned contributions		(50,380)
Planned contributions to Fund		(92,158)
<b>Forecast Balance as at 31<sup>st</sup> March 2065</b>		<b>(142,538)</b>

36. Within the budgets provided for you as part of the overall Bridges Repairs Fund, there are a number of supplementary revenue projects which will be required to proceed through the gateway approval procedure. Over the last few years, there has been an underspend in supplementary revenue projects on the bridges as a result of the introduction of the gateway approvals process. These projects have now been re-programmed and will be completed over the coming years.
37. The forthcoming projects which will be required to proceed through the gateway approval procedure are summarised in the table below:

<b>Table 5</b>		
<b>Bridge</b>	<b>Project</b>	<b>Starting Date</b>
Blackfriars Bridge	Parapet repairs/strengthening	2015/16 – 2016/17
Southwark Bridge	Joint replacement & footway strengthening	2015/16
London Bridge	Bearing replacement	2015/16 – 2018/19
Millennium Bridge	Cable re-tensioning	2015/16
	Paint touch-up	2015/16
Tower Bridge	Window Repair/Replacement	2016/17
	Insulation of Walkway Roofs	2015/16
	High Voltage System replacement	2015/16
	Bascule Deck Replacement	2016/17

## Draft Capital and Supplementary Revenue Budgets

38. The latest estimated costs for the Committee's draft capital and supplementary revenue projects are summarised in the Table below.

Capital & Supplementary Revenue projects - latest estimated costs								
Service Managed	Project	Exp. Pre 01/04/14	2014/15	2015/16	2016/17	2017/18	Later Years	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>CITY FUND</b>								
<u>Pre-implementation</u>								
	Street lighting strategy	42	8					50
	Roads	712	177					889
	Security & landscaping schemes	66	25					91
	Street scene enhancements	466	126	17				609
	Cheapside strategy	129	57	20				206
	Riverside Walk enhancement strategy	75	71					146
	Barbican area strategy	197	300	241				738
	Eastern City cluster	140	225					365
	Bank area strategy	261	292	202				755
	Fenchurch/Monument strategy	17	96					113
	West Smithfield strategy	0	30	90				120
	Aldgate & Tower area strategy	2,068	889	102	101	102		3,262
	Chancery Lane area enhancement	27	53					80
	Fleet Street area strategy	67	104					171
	Liverpool area strategy	228	146					374
<u>Authority to start work granted</u>								
	Information technology	804	143					947
	Roads	6,656	521					7,177
	Security, Walkways & landscaping schemes	2,710	712					3,422
	Street scene enhancements	6,446	1,899	746	54			9,145
	Cheapside strategy	2,151	502					2,653
	Riverside Walk enhancement strategy	739	2,193	407				3,339
	Barbican area strategy	410	1,530					1,940
	Eastern City cluster	207	171	765	579			1,722
	Bank area strategy	3	266					269
	Fenchurch/Monument strategy	188	576					764
	Aldgate & Tower area strategy	0	8,516	8,037	763	767		18,083
	Liverpool area strategy	29	1,907	20				1,956
	Temple & Whitefriars strategy	320	364					684
<b>TOTAL CITY FUND</b>		25,158	21,899	10,647	1,497	869	0	60,070

Capital & Supplementary Revenue projects - latest estimated costs								
Service Managed	Project	Exp. Pre 01/04/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Later Years £'000	Total £'000
<b>BRIDGE HOUSE ESTATES</b>								
Authority to start work granted								
Bridges Repairs Fund	Bridgemaster's accommodation	0	552					552
<b>TOTAL BRIDGE HOUSE ESTATES</b>		0	552	0	0	0	0	552
<b>CITY'S CASH</b>								
Pre-implementation								
	St Paul's external lighting	18	7					25
<b>TOTAL CITY'S CASH</b>		18	7	0	0	0	0	25
<b>TOTAL PLANNING &amp; TRANSPORTATION</b>		<b>25,176</b>	<b>22,458</b>	<b>10,647</b>	<b>1,497</b>	<b>869</b>	<b>0</b>	<b>60,647</b>

39. Pre-implementation costs comprise feasibility and option appraisal expenditure which has been approved in accordance with the project procedure, prior to authority to start work.
40. It should be noted that the above figures exclude the indicative costs of schemes which have not yet received authority to start work, such as the capital costs of implementing the street lighting strategy or the later phases of the Eastern City cluster.
41. Schemes in the pipeline include the externally funded Bank Junction improvements and the Museum of London Gyrotory scheme.
42. The latest Capital and Supplementary Revenue Project budgets will be presented to the Court of Common Council for formal approval in March 2015.

**Contact:**

**Dipti Patel** - [dipti.patel@cityoflondon.gov.uk](mailto:dipti.patel@cityoflondon.gov.uk)  
**Simon Owen** – [simon.owen@cityoflondon.gov.uk](mailto:simon.owen@cityoflondon.gov.uk)  
*Chamberlain's Department*

**APPENDIX 1**

Analysis by Service Managed	Actual 2013-14 £'000	Latest Approved Budget 2014-15 £'000	Original Budget 2015-16 £'000	Movement 2014-15 to 2015-16 £'000	Report Paragraph Reference and Notes
<b>CITY FUND</b>					
Town Planning	2,148	2,246	2,108	(138)	(i)
Transportation Planning	1,157	1,143	993	(150)	(ii)
Planning Obligations	16	32	0	(32)	
Road Safety	336	271	274	3	
Street Scene	0	0	0	0	
Building Control	594	443	526	83	(iii)
Structural Maintenance/Inspections	0	537	506	(31)	
Highways	7,713	7,728	9,175	1,447	27
Rechargeable Works	0	0	0	0	
Traffic Management	(612)	(787)	(706)	81	(iv)
Off- Street Parking	645	0	0	0	
On – Street Parking	0	0	0	0	
Drains & Sewers	395	406	433	27	
Contingency	0	597	399	(198)	19
<b>TOTAL CITY FUND</b>	<b>12,392</b>	<b>12,616</b>	<b>13,708</b>	<b>1,092</b>	
<b>BRIDGE HOUSE ESTATES</b>					
Bridges	1,819	1,839	1,873	34	
Tower Bridge Operational	1,806	1,770	1,712	(58)	(v)
<b>TOTAL BRIDGE HOUSE ESTATES</b>	<b>3,625</b>	<b>3,609</b>	<b>3,585</b>	<b>(24)</b>	
<b>CITY'S CASH</b>					
Off-Street Parking	135	0	0	0	
<b>TOTAL CITY'S CASH</b>	<b>135</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL</b>	<b>16,152</b>	<b>16,225</b>	<b>17,293</b>	<b>1,068</b>	

**Notes:**

- (i) The proposed Planning Service restructure, effects of the Service Based Review savings and one-off carry forward monies from 2013/14 of £41,000 has resulted in this reduction.
- (ii) The reduction is mainly due to one-off carry forward monies from 2013/14 of £125,000.
- (iii) An increase of £72,000 mainly relates to two new trainee posts and a vacant post being filled in 2015/16.
- (iv) The increase is due to vacancies in 2014/15 being filled in 2015/16.
- (v) A reduction in costs of (£137,000) associated with the relocation of office staff is off-set by increase in employee costs of £67,000 due to the provisional 2% pay and price increase, anticipated incremental rises and a reapportionment of staff costs part-way through 2014/15 between Operational and Tourism.

**APPENDIX 2**

Support Service and Capital Charges from/to Planning & Transportation Committee	Actual 2013/14 £000	Latest Approved Budget 2014/15 £000	Original Budget 2015/16 £000	Paragraph Reference
<b>Support Service and Capital Charges</b>				
City Surveyor's Employee Recharge	591	357	352	
Insurance	563	562	587	
IS Recharges – Chamberlain	226	192	174	
Capital Charges	6,306	5,756	7,326	27
Admin Buildings	542	561	621	
Film Liaison Staff Costs	58	0	0	
Support Services -				
Chamberlain	501	432	446	
Comptroller and City Solicitor	238	245	234	
Town Clerk	222	224	214	
City Surveyor	100	104	105	
Other	96	83	72	
<b>Total Support Services and Capital Charges</b>	<b>9,443</b>	<b>8,516</b>	<b>10,131</b>	
<b>Recharges Within Funds</b>				
Corporate and Democratic Core – Finance Committee	(58)	(58)	(58)	
Directorate Recharge – Port Health & Environmental Services Committee	1,045	1,102	1,089	
Tables & Chairs – Licensing Committee	(27)	(27)	(27)	
<b>Recharges Across Funds</b>				
City's Cash - Statues	(1)	(1)	(1)	
<b>TOTAL SUPPORT SERVICE AND CAPITAL CHARGES</b>	<b>10,402</b>	<b>9,532</b>	<b>11,134</b>	