

Committee(s)	Dated:
Licensing	26 07 2017
Subject: Revenue Outturn 2016/17	Public
Report of: The Chamberlain Director of Markets and Consumer Protection	For Information
Report author: Jenny Pitcairn, Chamberlain's Department	

Summary

This report compares the revenue outturn for the services overseen by your Committee in 2016/17 with the final budget for the year. Overall total net expenditure during the year was £25,000 whereas the total budget was £88,000 representing an underspending of (£63,000) as set out below:

Summary Comparison of 2016/17 Revenue Outturn with Final Budget			
	Final Budget £000	Revenue Outturn £000	Variations Increase / (Reduction) £000
Direct Net Expenditure			
Director of Markets and Consumer Protection	(79)	(143)	(64)
Capital and Support Services	167	168	1
Overall Totals	88	25	(63)

The underspend was largely due additional income from an increase in the volume of licence applications. A local risk underspend on Late Night Levy related costs was fully offset by a reduction in Late Night Levy income.

The Director of Markets and Consumer Protection has submitted a request to carry forward underspendings for the PHES and Markets Committees but none for the Licensing Committee. This request will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.

Recommendation(s)

Members are asked to:

- Note the report and the proposed carry forward of underspendings to 2017/18.

Main Report

Revenue Outturn for 2016/17

- Actual net expenditure for your Committee's services during 2016/17 totalled £25,000, an underspend of (£63,000) compared to the final budget of £88,000. A summary comparison with the final budget for the year is tabulated below. In this and subsequent tables, figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.

Summary Comparison of 2016/17 Revenue Outturn with Final Budget				
	Final Budget	Revenue Outturn	Variation Increase / (Reduction)	Variation Increase / (Reduction)
	£000	£000	£000	%
Local Risk				
Expenditure	693	575	(118)	(17)
Income	(772)	(718)	54	7
Total Director of Markets and Consumer Protection	(79)	(143)	(64)	(81)
Capital and Support Services	167	168	1	1
Overall Totals	88	25	(63)	(72)

- The most significant local risk variations were:
 - Additional income of (£55,000) due largely to an increase in volume of applications for tables and chairs licenses and Temporary Event Notices;
 - An underspend of (£109,000) on employee costs and contingencies due to Late Night Levy funds not spent; offset by
 - A reduction in income of £109,000, as any unspent Late Night Levy income is carried forward to spend in future year(s) in accordance with legislation.
- The reduction in capital and support services is due to minor changes in the level and attribution of central costs.
- Appendix 1 shows the movement from the 2016/17 latest approved budget (as reported to your Committee in February 2017) to the final budget.

Local Risk Carry Forwards to 2017/18

- The Director of Markets and Consumer Protection has a local risk underspending of (£64,000) on the activities overseen by your Committee. The Director also had local risk underspendings totalling (£804,000) on activities overseen by other Committees. The Director is proposing that his maximum permitted underspend of £338,000 be carried forward, none of which relates to activities overseen by your Committee.

Efficiency and Sustainability Plan

6. The Court of Common Council approved the published Efficiency and Sustainability Plan on the 13th October 2016. This plan focuses on the existing Service Based Review programme which is now nearing completion, other agreed transformation initiatives and developing a framework for continuous efficiency improvement for 2017/18 and later years. This plan needs to be viewed in the context of the overall Medium Term Financial Strategy to have a five year plan with sufficient cashable savings to present a balanced budget for all four funds and adopting an investment approach utilising the headroom to invest in one-off projects such as the Museum of London relocation project and 'bow wave' list of outstanding repairs. To assist with this context and messaging, a set of core messages on the City of London Corporation's Finances have been developed and are set out in Appendix 2 for Members' information.

Appendices

- Appendix 1 – Movement from 2016/17 Latest Approved Budget to Final Budget
- Appendix 2 – Efficiency and Sustainability Plan

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