

<b>Committee(s):</b> Planning & Transportation Committee	<b>Date(s):</b> 6 March 2020
<b>Subject:</b> 2019/20 Business Plan Update Q3	<b>Public</b>
<b>Report of:</b> Director of the Built Environment	<b>For Information</b>
<b>Report author:</b> Elisabeth Hannah	

### **Summary**

This report sets out the progress made during Q3 of the 2019/20 Departmental Business Plan. This report continues to build on our new approach to share high level data, awards and results as infographics (Appendix 1), you will find further details and additional information at Appendix 2.

At the end of the January 2020, the Department of Built Environment was £279k (2.9%) overspent against the local risk budget to date of £9.511m, over all the services managed by the Director of Built Environment covering the Planning & Transportation Committee. Appendix 3 sets out the detailed position for the individual services covered by this Committee.

A financial recovery plan is in place and weekly monitoring being undertaken by the Senior Leadership Team (SLT) to reduce the overspend as much as possible before March 31<sup>st</sup>, this includes a halt on all non-urgent spending across the department.

### **Recommendation**

Members are asked to:

- Note the report and appendices.

## **Main Report**

### **Background**

1. The 2019/20 Business Plan of the Department of the Built Environment was approved by this committee on 18 March 2019.

### **Current Position**

2. Appendix 1 shows our Infographic approach to presenting departmental high-level data, awards and results. The work of the department continues to support City of London's Corporate Plan.
3. Appendix 2 gives more details on the infographic, as well as measuring outputs alongside our 19/20 high level objectives as outlined in the Departmental 2019/20 Business Plan.
4. With immediate effect, all non-essential spending in the department has been halted, and a detailed weekly report prepared for SLT.
5. Members feedback continues to shape these reports to provide valuable key strategic updates to Members.

### **Key Updates**

6. The Environmental Resilience Team has several actions from the Local Flood Risk Management Strategy on track including:
  - Work on a Riverside Strategy Approach to flood defence raising. The team secured funding from the Environment Agency for this work as a pilot for central London boroughs with input from other statutory bodies.
  - Production and promotion of flood risk briefing notes and guidance.

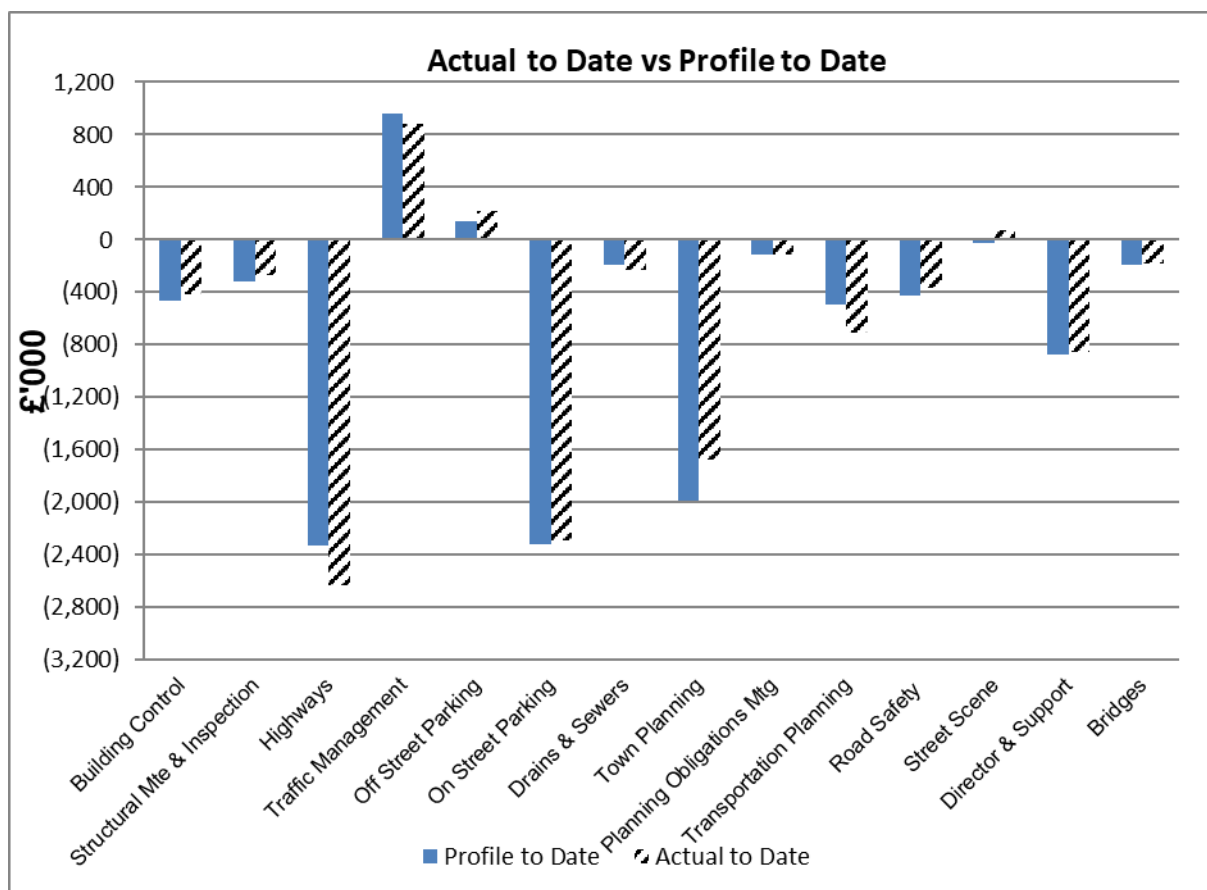
The team has also provided expert input into the emerging climate action strategy providing updates to summit group and Committees on the City's response to climate change. This includes commissioning consultancy support to develop the Climate Action Strategy covering carbon emission reduction, climate resilience and carbon sequestration.

7. Following on from the improvements in the City's Lighting, through the Lighting Strategy and associated works, The City of London won the Client of the Year award and the Smart Cities Control Management System (CMS) Street Lighting Upgrade won the Controls Product of the Year award at the 2019 National LUX Awards in November 2019.
8. The City of London's Wind Microclimate Guidance has been nominated for the Mayor's Award for Sustainable & Environmental Planning at London First's Building London Planning Awards 2020.
9. The department continues a series of external audits, to provide statistical information for Officers, and Members. These include Open Spaces and Road Safety; further updates are due to be reported to this Committee before recess.
10. The Department continues to work closely with colleagues in the Town Clerk's Department to develop the new corporate performance framework (CPF). This

new approach to data management and KPIs will be rolled out across the Corporation and is currently in development. DBE are currently reviewing our data, KPIs and other sources of information so we can better provide assurance to Members that we are delivering our objectives.

## Detailed Finance Information

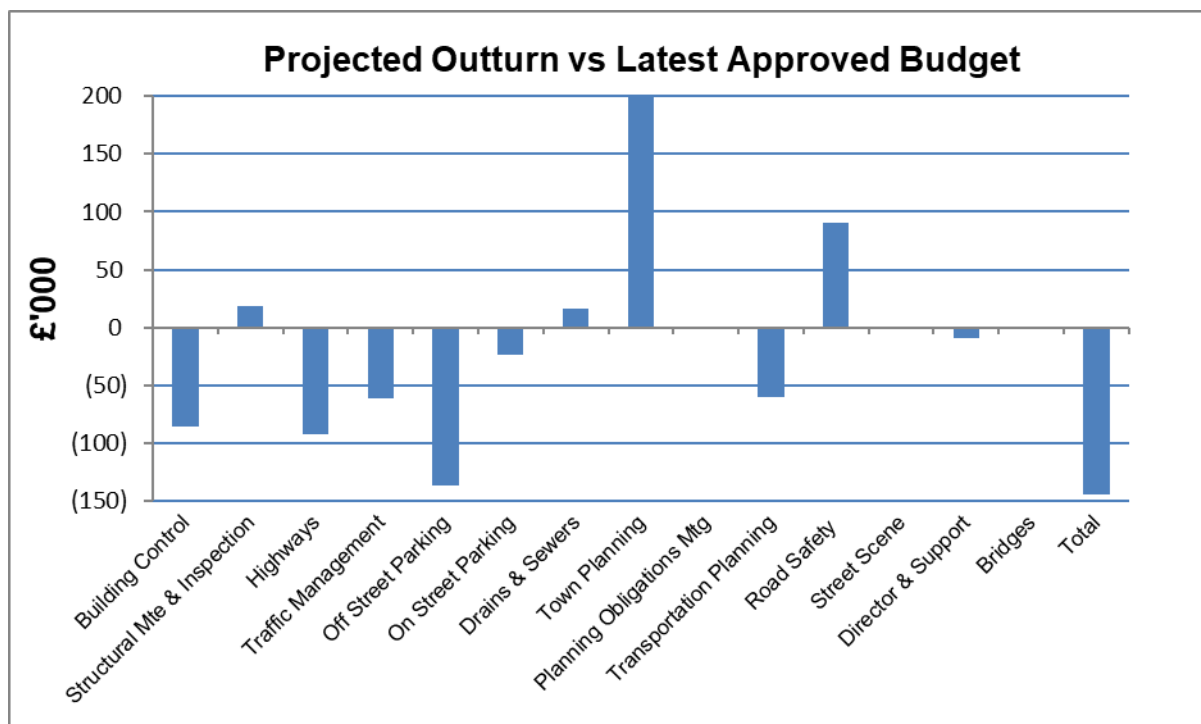
11. The end of January 2020 monitoring position for the Department of Built Environment services covered by Planning & Transportation Committee is provided at Appendix 3. This reveals a net overspend to date for the Department of £279k (2.9%) against the overall local risk budget to date of £9.511m for the end of January 2020.
12. The worse than budget position at the end of January 2020 is mainly due to additional spends on Highways repairs & maintenance works carried out ahead of schedule; under recovery of staff costs recharged to capital projects; reduced Off-Street car parking income due to decreased activity levels; and lower than expected fee income. These overspends are partly offset by staffing vacancies throughout the Department.



### Notes:

1. Graph shows the actual local risk net position against the profiled budget to date for each Division.
2. A position above the baseline shows overall net income.
3. A position below the baseline shows overall net expenditure.
4. DBE total actual to date net exp of £9,790k is £279k over the profiled budget to date of £9,511k.

13. Overall the Director of Built Environment is currently forecasting a year end overspend position of £144k (1.2%) for her City Fund and Bridge House Estate services within Planning & Transportation Committee.



**Notes:**

1. Zero is the baseline latest approved budget for each Division of Service.
2. Graph shows projected outturn position against the latest approved budget.
3. A variance above the baseline is favourable i.e. either additional income or reduced expenditure.
4. A variance below the baseline is unfavourable i.e. additional expenditure or reduced income.
5. Overall the Department is forecasting an overspend of £144k at year end.

14. The reasons for the significant budget variations are detailed in Appendix 3, which sets out a detailed financial analysis of each individual division of service relating to this Committee.

15. The Director of Built Environment anticipates this current worse than budget position will largely continue to year end. This is due to forecast reductions in building regulation income and hoarding and scaffolding licence fee income due to lower than expected activity levels within the City; reduced Off-Street car parking income forecast; additional costs for On-Street Parking due to the Mobius contract dispute legal settlement; additional spends on Highways repairs & maintenance works; and the continuation of under recovery of staff costs recharged to capital projects. These anticipated overspends are partly offset by the continued staffing vacancies held throughout the Department; and reduced electricity costs from the installation of LED street lighting.

16. A detailed recovery plan is in place and weekly review discussions happening at SLT level and local management teams. All non urgent spending has been halted to help reduce the overspend.

### **Appendices**

- Appendix 1 – Infographic
- Appendix 2 – Supporting Data
- Appendix 3 – Finance Report

### **Background Papers**

DBE Business Plan 2019/20  
Transport Strategy Update Q3

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