

Committee(s): Port Health and Environmental Services	Dated: 22 07 2022
Subject: Revenue Outturn 2021/22	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	n/a
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of: Chamberlain Executive Director Environment	For Information
Report author: Jenny Pitcairn, Chamberlain's Department	

Summary

This report compares the revenue outturn for the services overseen by your Committee in 2021/22 with the final budget for the year. Overall total net expenditure for the year was £13.43m, whereas the total agreed budget was £16.717m, representing an underspend of £3.287m as set out below:

Summary Comparison of 2020/21 Revenue Outturn with Final Budget				
	Original Budget £000	Final Budget £000	Revenue Outturn £000	Variation Better/ (Worse) £000
Direct Net Expenditure				
Environment	(7,430)	(8,870)	(5,993)	2,877
City Surveyor (including Cyclical Works Programme)	(840)	(986)	(838)	148
Total Direct Net Expenditure	(8,270)	(9,856)	(6,831)	3,025
Capital and Support Services	(6,433)	(6,861)	(6,599)	262
Overall Total	(14,703)	(16,717)	(13,430)	3,287

The Executive Director Environment submitted a request to carry forward underspendings, and these have been considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of Resource Allocation Sub Committee. Carry-forwards totalling £353,000 have been agreed in relation to the work of this Committee.

Recommendation

Members are asked to:

- Note the report and the carry forward of local risk underspending to 2022/23.

Main Report

Revenue Outturn for 2021/22

1. Actual net expenditure for your Committee's services during 2021/22 totalled £13.43m, an underspend of £3.287m compared to the final budget of £16.717m. A summary comparison with the final budget for the year is tabulated below. In this and subsequent tables, figures in brackets indicated expenditure, increases in expenditure or decreases in income.

Summary Comparison of 2020/21 Revenue Outturn with Final Budget				
	Original Budget £000	Final Budget £000	Revenue Outturn £000	Variation Better/ (Worse) £000
Local Risk				
Environment	(7,422)	(7,737)	(6,679)	1,058
City Surveyor	(372)	(347)	(332)	15
Total Local Risk	(7,794)	(8,084)	(7,011)	1,073
Central Risk				
Environment	(8)	(1,133)	686	1,819
Total Central Risk	(8)	(1,133)	686	1,819
Cyclical Works Programme	(468)	(639)	(506)	133
Capital and Support Services	(6,433)	(6,861)	(6,599)	262
Overall Total	(14,703)	(16,717)	(13,430)	3,287

2. The most significant local risk variations comprise:
 - **Environment, £1.058m underspend:**
 - a reduction in employee costs, mainly from vacancies, £1.093m
 - a reduction in transport related costs, most significantly in car allowances as a consequence of staff vacancies, £246,000;
 - an increase in grant funding and other contributions, mainly for Port Health Brexit preparations and sampling, £706,000
 - an increase in income from:
 - Construction / Deconstruction Levy, £201,000;
 - Animal Health Services, £178,000
 - Port Health, £1.243m
 - Cemetery & Crematorium, £842,000
 - Commercial waste, £99,000
 - Other services, £59,000

- a net increase in transfers to reserves for Port Health (£1.913m) and Cemetery & Crematorium (£490,000)
 - an overspend of (£1.397m) against contingencies, which represented the savings target for the Committee to be met by reductions on individual budget lines.
3. The underspend on central risk is primarily due to receipt of central government reimbursement for costs of the Fishmonger’s Hall inquest in excess of the budgeted contingency allocation. The overall cost of the inquest was neutral for the City Corporation.
 4. The £133,00 underspend on the Cyclical Works Programme is primarily due to a number of projects at the Cemetery & Crematorium that whilst started in 2021/22 will now compete in 2022/23 as reported to and approved by Operational Property and Project Sub Committee in May.
 5. The £262,000 underspend on capital and support services is due primarily to a reduction in the cost of Walbrook Wharf depot recharged from Finance Committee (£288,000 underspend).
 6. Appendix 1 provides a more detailed comparison of the local risk outturn against the final budget, including explanation of significant variations. Appendix 2 shows the gross local risk expenditure and income against budget for each Division of Service.
 7. Appendix 3 shows the movement from the 2021/22 original budget to the final budget.

Local Risk Carry Forward to 2022/23

8. The Executive Director Environment has a local risk underspending of £1.058m on the activities overseen by your Committee. The Executive Director had net local risk underspendings totalling £461,000 on activities overseen by other Committees. The Director requested that her maximum eligible underspend of £500,000 be carried forward, of which £353,000 relates to activities overseen by your Committee for the following purposes:
 - £202,000 to increase kennel capacity at Heathrow Animal Reception Centre;
 - £121,000 towards the ongoing impact of 2021/22 inflation uplift to the street cleansing contract;
 - £30,000 for deep cleaning of severely stained bus stops.
9. Carry-forward requests were considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of Resource Allocation Sub Committee, and the sums listed in paragraph 8 have all been approved.

Corporate & Strategic Implications

Strategic implications – none.

Financial implications – none.

Resource implications – none.

Legal implications – none.

Risk implications – none.

Equalities implications – none.

Climate implications – none.

Security implications – none.

Appendices

- Appendix 1 – Port Health and Environmental Services Committee Comparison of 2021/22 Local Risk Revenue Outturn with Final Budget
- Appendix 2 – Port Health and Environmental Services Committee Analysis of 2021/22 Local Risk Revenue Outturn by Service
- Appendix 3 – Port Health and Environmental Services Committee Analysis of Movements 2021/22 Original Budget to Final Budget

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