

2022/23 Original Budget to Proposed 2023/24 Original Budget

| Provisional Revenue Budgets 2023/24 | Original Budget (OR) 2022/23 £'000 | Original Budget (OR) 2023/24 £'000 | Movement OR to OR Better / (Worse) £'000 | Para Ref (Table 5) |
|---|--|--|--|--------------------------|
| LOCAL RISK | | | | |
| Expenditure | | | | |
| Employees | (15,042) | (14,316) | 726 | 1, 2, 5, 9 |
| Premises Related Expenses | (1,050) | (1,128) | (78) | 3, 6 |
| Premises Related Expenses: City Surveyor | (637) | (367) | 270 | 8 |
| Transport Related Expenses | (523) | (684) | (161) | 6, 9 |
| Supplies and Services | (2,098) | (2,019) | 79 | 3, 9 |
| Third Party Payments | (7,564) | (8,431) | (867) | 4 |
| Savings to be Applied | 1,029 | 1,219 | 190 | 1, 3, 10 |
| TOTAL Expenditure | (25,885) | (25,726) | 159 | |
| Income | | | | |
| Government Grants | 0 | 476 | 476 | 9 |
| Other Grants, Reimbursements and Contributions | 249 | 457 | 208 | 5 |
| Customer, Client Receipts | 17,752 | 16,670 | (1,082) | 3,4,5,7,9 |
| Transfer from Reserves | 0 | 0 | 0 | |
| TOTAL Income | 18,001 | 17,603 | (398) | |
| TOTAL LOCAL RISK | (7,884) | (8,123) | (239) | |
| CENTRAL RISK | | | | |
| Expenditure | | | | |
| Employees | (18) | (18) | 0 | |
| Supplies and Services | (12) | (31) | (19) | |
| Third Party Payments | (33) | (33) | 0 | |
| TOTAL Expenditure | (63) | (82) | (19) | |
| Income | | | | |
| Transfer from Reserves | 55 | 74 | 19 | |
| TOTAL Income | 55 | 74 | 19 | |
| TOTAL CENTRAL RISK | (8) | (8) | 0 | |
| TOTAL LOCAL & CENTRAL RISK | (7,892) | (8,131) | (239) | |
| RECHARGES | | | | |
| Central Recharges | (4,325) | (4,325) | 0 | |
| Recharges within Fund | (1,682) | (2,321) | (639) | |
| Recharges across Funds | (435) | 0 | 435 | |
| TOTAL RECHARGES | (6,442) | (6,646) | (204) | |
| TOTAL NET EXPENDITURE | (14,334) | (14,777) | (443) | |

The significant movements in the local and central risk budgets are explained in Table 5 below.

| Table 5 Movements between 2022/23 Original Budget and 2023/24 Original Budget | | | |
|--|--|-------------------------|-----------------------------------|
| Reason for Variance | Movement Original Budget 2022/23 to Original Budget 2023/24 | | |
| | Expenditure £'000 | Income £'000 | Net Movement £'000 |
| 1) Effects of TOM restructure implementation: | | | |
| a. Employee costs | 319 | | 319 |
| b. Savings to be Applied | (258) | | (258) |
| 2) An increase in employee costs due to: | | | |
| a. full year effect of July 2022 pay award | (502) | | (502) |
| b. provision for pay increases due to estimated July 2023 pay award, incremental and career grade progression | (400) | | (400) |
| 3) Allocation of planned Cleansing savings: | | | |
| a. Premises Related Expenses | 47 | | 47 |
| b. Supplies and Services | 10 | | 10 |
| c. Savings to be Applied | (65) | | (65) |
| d. Customer, Client Receipts | | 8 | 8 |
| 4) Inflationary price increases for Waste Collection & Street Cleansing and Waste Disposal contracts: | | | |
| a. Third Party Payments | (912) | | (912) |
| b. Customer, Client Receipts | | 135 | 135 |
| 5) New posts fully funded by increased income from Ports and Construction/Deconstruction Levy: | | | |
| a. Employee costs | (346) | | (346) |
| b. Other Grants, Reimbursements and Contributions | | 171 | 171 |
| c. Customer, Client Receipts | | 175 | 175 |
| 6) Increases in expenditure at Heathrow Animal Reception Centre: | | | |
| a. Premises Related Expenses – repairs and maintenance | (65) | | (65) |
| b. Transport Related Expenses – provision to replace 3 vehicles which pass the date they can be used on the airport by the end of the financial year | (180) | | (180) |
| 7) Increases in income from: | | | |
| a. Heathrow Animal Reception Centre | | 51 | 51 |
| b. Port and Launches – non-EU trade | | 594 | 594 |
| c. Cemetery and Crematorium | | 152 | 152 |

Appendix 3

| | | | |
|---|------------|--------------|--------------|
| 8) Changes to phasing of the City Surveyor's Cyclical Works Programme | 276 | | 276 |
| 9) Port Brexit impact ⁱ⁾ : | | | |
| a. Employee Costs | 1,676 | | 1,676 |
| b. Transport Related Expenses | 45 | | 45 |
| c. Supplies and Services | 13 | | 13 |
| d. Government Grants | | 476 | 476 |
| e. Customer, Client Receipts – EU trade | | (2,210) | (2,210) |
| 10) Increase in savings still to be identified after taking into account all other changes in local risk income and expenditure | 513 | | 513 |
| Minor variations | (31) | 69 | 38 |
| Total Movement Local and Central Risk | 140 | (379) | (239) |

Notes:

i) Following the announcement that the introduction of checks on EU products has been deferred until at least 2024, DEFRA are no longer underwriting the financial risk of all additional staff previously recruited in preparation for Brexit. A reduced number of posts will continue to be funded by DEFRA, the funding for which is now shown as grant income. The 2022/23 original budget assumed a level of EU trade income sufficient to meet the costs of all additional staff but following the deferral of checks it is now anticipated that there will be no EU trade income in 2023/24, and the income budget is reduced accordingly.

The increase of (£204,000) in support services and capital charge expenditure reflects changes in the budgets of departments and their apportionment between committees, most significantly due to implementation of the TOM restructure.