

Committee(s)	Dated:
Planning & Transportation Committee	18 th July 2023
Subject: Revenue Outturn 2022/23	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/A
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 The City Surveyor	For Information
Report author: Dipti Patel, Chamberlain's Department	

Summary

This report compares the revenue outturn for the services overseen by your Committee in 2022/22 with the final budget for the year. Overall total net expenditure across all risks during the year was (£15.918m), whereas the total budget was (£14.718m), representing an overspend of (£1.2m) as set out below.

Summary Comparison of 2022/23 Revenue Outturn with Final Agreed Budget				
	Original Budget	Final Budget	Revenue Outturn	Variation Better/ (Worse)
	£'000	£'000	£'000	£'000
Direct Net Expenditure				
Executive Director Environment	(3,791)	(5,162)	(5,191)	(29)
The City Surveyor (including Cyclical Works Programme)	(384)	(1,032)	(532)	500
Total Direct Net Expenditure	(4,175)	(6,194)	(5,723)	471
Capital & Support Services	(9,993)	(8,524)	(10,195)	(1,671)
Overall Total	(14,168)	(14,718)	(15,918)	(1,200)

The Executive Director Environment has submitted a request to carry forward underspendings, and these will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of Resource Allocation Sub Committee. Carry-forwards totalling £58,000 have been requested in relation to the work of this Committee.

Recommendation(s)

Members are asked to:

- Note the report and the carry forward of local risk underspending to 2023/24.

Main Report

Revenue Outturn for 2022/23

1. Actual net expenditure across all risks for your Committee's services during 2022/23 totalled (£15.918m), an overspend of (£1.2m) compared to the final budget of (£14.718m). A summary comparison with the final budget for the year is tabulated below. In this and subsequent tables, expenditure and adverse variances are presented in brackets. Only significant variances (generally those greater than £50,000) have been commented on.

Table 1 - Summary Comparison of 2022/23 Revenue Outturn with Final Budget				
	Original Budget £'000	Final Budget £'000	Revenue Outturn £'000	Variation Better/ (Worse) £'000
Local Risk				
Executive Director Environment	(10,535)	(12,692)	(11,871)	821
The City Surveyor	(267)	(272)	(257)	15
Total Local Risk	(10,802)	(12,964)	(12,128)	836
Central Risk	6,744	7,530	6,680	(850)
Cyclical Works Programme	(117)	(760)	(275)	485
Capital and Support Services	(9,993)	(8,524)	(10,195)	(1,671)
Overall Total	(14,168)	(14,718)	(15,918)	(1,200)

2. The most significant local risk variations comprise:
- **Executive Director Environment £821,000 underspend:**
 - (i) **Employees underspend £2,242,000** – staff vacancies during the process of TOM implementation.
 - (ii) **Additional customer & client receipts £1,192,000** – additional income mainly from Planning fees & Planning Performance Agreements £623,000, Traffic Management fees £493,000, Bazalgette Tunnel Ltd contribution towards staff costs relating to the delivery of the Thames Tideway Tunnel project at Blackfriars Bridge foreshore £228,000, Building Regulation fees £94,000 and Drainage Services admin charges £84,000. Partly offset by shortfall in car parking fees (£330,000).
 - (iii) **Reduced third party payments £678,000** – due to new contract savings for car park management and on-street parking enforcement costs.
 - (iv) **Committee contingency overspend (£2,269,000)** – due to the Committee’s share of the Department’s unidentified savings mainly relating to TOM, which was held as a contingency and not allocated to individual services across the department during the ongoing TOM implementation process.
 - (v) **Premises related expenses overspend (£623,000)** – due to increases in the new Highways repairs and maintenance contract costs with FM Conway and electricity cost increases.
 - (vi) **Street Scene overspend (£200,000)** – due to not being able to secure sufficient third-party contributions for the Sculpture in the City Artwork (year 11).
3. Executive Director Environment central risk overspend of (£850,000) comprises of the following most significant variations:
- (i) **Staff cost recharges to capital projects overspend (£481,000)** – due to shortfall in staff cost recharges to capital projects as a result of staff vacancies and reduced allocation of officer’s time to projects.
 - (ii) **On Street Parking overspend (£524,000)** – due to an increase in transfer funding to the Parking Reserve Account enabled by net additional income, reduced contractor costs relating to Beech Street not progressing and reduced net local risk operating costs.
 - (iii) **Off-Street Parking underspend £111,000** – due to an increased transfer of funding required from the Parking Reserve Account as a result of an overall increase in local risk operating costs caused mainly by reduced car parking income and increased energy costs, plus additional overall increases in central support charges.
4. The Cyclical Works Programme (CWP) underspend of £485,000 was mainly due to works being capitalised at year end, as part of the review of revenue

expenditure for audit purposes. The CWP does not form part of the City Surveyor's local risk budget and any variances will be carried over to 2023/24.

5. The overspend on capital and support services of (£1,671,000) is due to increases in infrastructure asset depreciation costs (£910,000), increased charges from other corporate central support services to the Environment Department to reflect the most recent time and cost attributions (£413,000), and reduced income recharges from the Environment Business Support Team across the various Environment Department Services (£348,000) due to lower operating costs.
6. Appendix A and B provides a more detailed comparison of the local and central risk outturn against the final budget, including explanation of significant variations.
7. Appendix C shows the movement from the 2022/23 original budget to the final budget.

Local Risk Carry Forward to 2023/24

8. The Executive Director Environment has a local risk underspending of £821,000 on the activities overseen by your Committee. The Executive Director had net local risk underspends totalling £304,000 on activities overseen by other Committees, after adjusting for unspent carry forwards from 2021-22. The Director has requested that her maximum eligible underspend of £500,000 be carried forward, of which £58,000 relates to activities overseen by your Committee for the following purpose:
 - £50,000 towards data collection for the Transport Strategy Review and Night-time/Motorcycle Parking Review.
 - £8,000 for Development of Whole Life Carbon Optioneering Planning Advice Note. Prepared with external consultant advice and approved by P&T Committee on 7 March 2023. Committee requested additional information, which was not anticipated, but expected to be completed by end March. This has overrun and will now be completed during April/May 2023.

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.

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Appendices:

Appendix A – Planning & Transportation Committee – Comparison of 2022/23 Local Risk Revenue Outturn with Final Budget

Appendix B – Planning & Transportation Committee – Comparison of 2022/23 Central Risk Revenue Outturn with Final Budget

Appendix C – Planning & Transportation Committee – Movement in 2022/23 Original Budget to Final Budget