

Original Budget 2023/24 to Original Budget 2024/25 – Movement Notes

Local Risk

1. **Employment Costs** – the decrease of £337k is mainly attributable to the full year impact of the closure of the Poultry Market in August 2023.
2. **Premises Related Expenses** – the increase of (£139k) is mainly due to:
 - £167k decreased at Smithfield Market because of the Poultry Market becoming vacant in August 2023.
 - (£70k) increase in rates at Billingsgate Market.
 - Increase in Reactive (Breakdown) budgets of (£100k) across all markets because of an increase in works.
 - (£139k) increase in Energy Costs that are not covered by Service Charge or the PPA (Power Purchase Agreement)
 - Reduction in rates at Smithfield Car Park £55k
3. **Supplies & Services** – net increase of (£39k) across all the Markets.
4. **Waste & Cleaning Contract at New Spitalfields Market** – the (£186k) increase comprises is due to the fixed element of the contract because of inflation related price rises.
5. **Transfer to Reserves** – the £63k reduction relates to reduced transfers to the Repainting and Repair (R&R) reserve at New Spitalfields Market.
6. **Unidentified Efficiency Savings** – £138k of savings have been identified following the closure of the Poultry Market, the Superintendent, Director of Markets and Chamberlain are reviewing expenditure budgets to remove this efficiency saving.
7. **Customer, Client Receipts** – the increase in income of £601k is attributable to;
 - £75k increased income from trade and retail parking at Billingsgate Market following an increase in the price charged to customers as well as additional enforcement at the market.
 - £420k additional income from Spitalfields Market from Service Charge, Pallet Collection, Refuse Collection and recovery of Gas and Electricity.
 - The increase in Energy prices across all the Markets which is reflected in Premises Costs above, has resulted in an increase in Service Charge income.

Central Risk

8. **Capital Charges/Depreciation** – the reduction of £125k can be explained by reduced depreciation charges Smithfield Market, in relation to the Building, Vehicle and Equipment following the closure of the Poultry Market in August 2023.
9. **Customer, Client Receipts (Rent)** – the decrease of (£139k) can be explained the Poultry Market being vacant from August 2023.

10. Support Services and Capital Charges

- These costs are still being calculated by the Chamberlain as these include input from other Committees with later estimate reporting deadlines. An assumption has been made that these figures will be broadly in line with 2023/24 budgets and the Chamberlain will amend these budgets in line with delegation requested within the report recommendations.

11. City Surveyor – Repairs and Maintenance

- The Cyclical Works Programme has yet to be agreed for 2024/25 following a report of the Chamberlain to Resource Allocation during the Summer. This is incorporating the “Backlog of Maintenance” and a refreshed review of the current 20-year plans to determine investment in operational properties over the next 3 years. The Chamberlain will amend these budgets in line with delegation requested within the report recommendations.