

<b>Committee(s)</b>	<b>Dated:</b>
Culture, Heritage and Libraries	15 <sup>th</sup> July 2024
<b>Subject:</b> Revenue Outturn – 2023/24	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	<b>1-4, 7-12</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	<b>N/A</b>
<b>Report of:</b> The Chamberlain Deputy Town Clerk Executive Director of Innovation & Growth Interim Executive Director Environment Executive Director of Community and Children’s Services <b>Report Author:</b> Mark Jarvis, Head of Finance, Chamberlain’s Department Reece Surridge- Senior Accountant, Chamberlain’s Department	<b>For Information</b>

### Summary

This report compares the revenue outturn for the services overseen by your Committee in 2023-24 with the final budget for the year. It also details the carry forward requests which are yet to be approved.

The outturn presented in this report are for the services summarised below:

- i) **Deputy Town Clerk** – London Metropolitan Archives, Guildhall Library & CHL Central Management.
- ii) **Executive Director of Innovation & Growth** – Destination City.
- iii) **Executive Director of Children’s & Community Services** – Barbican and Artizan Street Libraries.
- iv) **Interim Executive Director of Environment** - Monument & Keats House.
- v) **City Surveyors** - Lower Thames Street, Mayoralty & Shrievally.

Overall total net expenditure during the year was £21.455m whereas the budget was £21.219m representing an overspend of £0.236m as summarised below.

	Final Agreed Budget	Revenue Outturn	Variations (Worse)/Better against Final Budget
	£000's	£000's	£000's
<b>Chief Officer</b>			
The Deputy Town Clerk	-4,473	-4,434	39
Executive Director of Innovation Growth	-1,645	-1,424	221
Executive Director of Community and Children's Services	-2,886	-2,779	107
Interim Executive Director of Environment	-25	-162	-137
The City Surveyor	-110	-62	48
<b>Total Chief Officer</b>	<b>-9,139</b>	<b>-8,861</b>	<b>278</b>
Museum of London Grant	-5,292	-5,460	-168
Cyclical Works Programme	-516	-601	-85
Capital and Support Services	-6,272	-6,519	-247
<b>Net Expenditure</b>	<b>-21,219</b>	<b>-21,441</b>	<b>-222</b>

Expenditure and unfavourable variances are presented in brackets.

The overall outturn represented an overspend of £0.236m comprising of variations across several service areas detailed in paragraphs 3 & 4 of this report. The main variations are:

- **Executive Director of Innovation & Growth- underspend of £0.221m –** Driven largely by a reduction in activity across Destination City throughout Q3 & Q4 whilst the external review was underway. In addition the City Information Centre achieved higher than expected income due to resuming usual opening hours post Covid.
- **Executive Director of Community & Children's services- underspend of £0.107m –** Driven by staffing vacancies across the Libraries (£190k) partly offset by reduced income generation against budget (£100k).
- **Interim Executive Director of Environment – overspend of £0.137m – Mainly due to** previously unidentified savings (£199k) not being achieved at The Monument, partly offset by higher than budgeted income from admissions (£55k).
- **Recharges & Support Services- increased net expenditure of £0.247m-** During 2023/24 a review of central support services recharges was carried out. This involved updating the basis of apportionment for all recharges following the TOM and Governance Review along with trying to make them more transparent and fairer across all services. The updated basis has led to several variations to the original budget across committees, but overall total recharges have remained within the total original envelope. City Fund Original Budget £29.9m, Outturn £27.9m, and City's Estate Original Budget £24.2m, Outturn £22.9m. Consultation has been held with areas where recharges are funded from local reserves, i.e. HRA and Police, any variation/increase in costs across other services are met from the deficit funding and have no effect on front-line services.

The full review has not yet been formally approved by Members as work is ongoing as to how the new basis will affect 2024/25 budgets. Once the

review is fully adopted the 2024/25 budget will be reviewed and updated where necessary and the paper on the review made available.

### **Recommendations**

Members are asked to note the:

- Revenue outturn for 2023/24 showing an overall adverse variance to final budget of £0.236m; and
- Yet to be agreed carry forward requests of local risk budgets of £0.015m to 2024/25 which relates to Innovation & Growth.

### **In Report**

#### **Budget Position for 2023-24**

1. The 2023-24 original budget for the services overseen by your Committee was £20.272m as endorsed by the Court of Common Council in March 2023. This has subsequently been increased to a final budget of £21.219m. An analysis of the increase of £0.947m is provided in Appendix 1.

#### **Revenue Outturn for 2023-24**

2. As indicated in the table in the summary, actual net expenditure for your Committee's services during 2023-24 totalled £21.455m compared to a budget of £21.219m, resulting in an overspend of £0.236m. A comparison of the final budget with the revenue outturn by Chief Officer is shown in the Summary and is analysed by risk in the table below.

Summary Revenue Budgets 2023/24 By Chief Officer and Risk	Final Agreed Budget 2023/24 £000's	Revenue Outturn 2023/24 £000's	Variations (Worse)/Better against Final Budget £000's
<b>Local Risk</b>			
The Deputy Town Clerk	-3,691	-3,571	120
Executive Director of Innovation Growth	-1,276	-1,065	211
Executive Director of Community and Children's Services	-2,603	-2,495	108
Interim Executive Director of Environment	-17	-154	-137
The City Surveyor	-104	-56	48
<b>Total Local Risk</b>	<b>-7,691</b>	<b>-7,342</b>	<b>349</b>
<b>Central Risk</b>			
The Deputy Town Clerk	-782	-863	-81
Executive Director of Innovation Growth	-369	-359	10
Executive Director of Community and Children's Services	-283	-284	-1
Interim Executive Director of Environment	-8	-8	0
The City Surveyor	-6	-6	0
<b>Total Central Risk</b>	<b>-1,448</b>	<b>-1,520</b>	<b>-72</b>
Museum of London Grant	-5,292	-5,460	-168
Cyclical Works Programme	-516	-601	-85
Capital and Support Services	-6,272	-6,519	-247
<b>Committee Total</b>	<b>-21,219</b>	<b>-21,441</b>	<b>-222</b>

Expenditure and unfavourable variances are presented in brackets.

3. The main reasons for the variation to the **local risk budgets** are:

- i. **The Deputy Town Clerk – £0.120m underspend** – Driven predominantly by staffing underspends due to natural staff attrition across Guildhall Library & the London Metropolitan Archives.
- ii. **The Executive Director of Innovation & Growth - £0.211m underspend** – Driven largely by a reduction in activity across Destination City throughout Q3 & Q4 whilst the external review was underway. In addition the City Information Centre achieved higher than expected income due to resuming usual opening hours post covid.
- iii. **Executive Director of Community & Childrens Services - £0.108m underspend** – Driven by an underspend in staffing due to vacancies in Barbican & Lending Libraries establishment.
- iv. **Interim Executive Director of Environment - £0.137m overspend** – Mainly due to unidentified savings at The Monument (£199k) not being achieved, partly offset by higher than budgeted income from admissions (£55k).

4. The main reasons for the variation to the **central risk budgets** are:
  - i. **The Deputy Town Clerk - £0.081m overspend** – The driver behind the increased expenditure are business rate & insurance cost increases in the LMA (£0.063m).

### **Carry Forwards to 2024-25**

5. There are local risk budget carry forward requests to the total of £0.015m and are all in relation to the Executive Director of Innovation & Growth. Details of the Carry Forwards are set out in Appendix 2.

### **Year-end position and financial pressure in 2023/24**

6. Looking forward to 2023/24 there are no significant financial risks which have been identified.

### **Appendices**

- Appendix 1 – Analysis of movements from 2023-24 Original Budget to 2023-24 Final Budget
- Appendix 2 – Proposed Carry Forwards to 2024/25

#### **Contact:**

##### **Mark Jarvis**

Head of Finance: Chamberlains Department

[Mark.Jarvis@cityoflondon.gov.uk](mailto:Mark.Jarvis@cityoflondon.gov.uk)

##### **Reece Surridge**

Senior Accountant: Chamberlain's Department

[Reece.Surridge@cityoflondon.gov.uk](mailto:Reece.Surridge@cityoflondon.gov.uk)

## Appendix 1

Analysis of movements 2023-24 Original Budget to Final Budget	£000's
<b>Original Local Risk Budget (Deputy Town Clerk)</b>	<b>-3,311</b>
2023-24 Pay Award inc Winter Payment	-277
2023-24 Energy Pressure Allocation	-92
2023-24 Apprenticeships Contingency Allocation	-11
<b>Final Local Risk Budget (Deputy Town Clerk)</b>	<b>-3,691</b>
<b>Original Local Risk Budget (Executive Director I&amp;G)</b>	<b>-1,191</b>
2023-24 Pay Award inc Winter Payment	-57
2023-24 Apprenticeships Contingency Allocation	-28
<b>Final Local Risk Budget (Executive Director I&amp;G)</b>	<b>-1,276</b>
<b>Original Local Risk Budget (Executive Director DCCS)</b>	<b>-2,356</b>
2023-24 Pay Award inc Winter Payment	-172
2023-24 Apprenticeships Contingency Allocation	-28
2023-24 DCCS Virement for Childrens Centre Services	-45
2023-24 Energy Pressure Allocation	-3
2023-24 Hays Pay Award	-5
Reallocation of Green Box/ Portsocken Community Hall Budgets to DCCS	6
<b>Final Local Risk Budget (Executive Director DCCS)</b>	<b>-2,603</b>
<b>Original Local Risk Budget (City Surveyor)</b>	<b>-102</b>
IFM New Costings	-2
<b>Final Local Risk Budget (City Surveyor)</b>	<b>-104</b>
<b>Original Local Risk Budget (Interim Executive Director Environment)</b>	<b>38</b>
2023-24 Pay Award inc Winter Payment	-12
2023-24 Energy Pressure Allocation	-15
Monument Feasibility Study Virement	-27
Introduction of the TOM2 staffing restructure within Natural Environment	-1
<b>Final Local Risk Budget (Interim Executive Director Environment)</b>	<b>-17</b>
<b>Original Central Risk Budget (Deputy Town Clerk)</b>	<b>-742</b>
2023-24 SRP Budget Allocation	-40
<b>Final Central Risk Budget (Deputy Town Clerk)</b>	<b>-782</b>
<b>Original Central Risk Budget (Executive Director I&amp;G)</b>	<b>-340</b>
2023-24 Pay Award inc Winter Payment	-29
<b>Final Central Risk Budget (Executive Director I&amp;G)</b>	<b>-369</b>
<b>Original Central Risk Budget (Executive Director DCCS)</b>	<b>-283</b>
Net Movements	0
<b>Final Central Risk Budget (Executive Director DCCS)</b>	<b>-283</b>
<b>Original Central Risk Budget (Interim Executive Director Environment)</b>	<b>-8</b>
Net Movements	0
<b>Final Central Risk Budget (Interim Executive Director Environment)</b>	<b>-8</b>
<b>Original Central Risk Budget (City Surveyor)</b>	<b>-6</b>
Net Movements	0
<b>Final Central Risk Budget (City Surveyor)</b>	<b>-6</b>
<b>Original Museum of London Grant Budget</b>	<b>-5,292</b>
Net Movements	0
<b>Final MoL Grant Budget</b>	<b>-5,292</b>
<b>Cyclical Works Programme (CWP)</b>	<b>-409</b>
Net Movements	-107
<b>Final CWP Budget</b>	<b>-516</b>
<b>Original Support Services and Capital Charges Budget</b>	<b>-6,270</b>
Net movements	-2
<b>Final Support Services and Capital Charges Budget</b>	<b>-6,272</b>
<b>Total Original Budget</b>	<b>-20,272</b>
Total increase	-947
<b>Total Final Budget</b>	<b>-21,219</b>

1.

## Appendix 2

<b>Local Risk Carry Forwards by Chief Officer</b>	<b>£m</b>
<b>The Executive Director of Innovation &amp; Growth (Culture, Heritage &amp; Libraries)</b>  To complete the Revealing the City's past project which experienced delays to it's completion in 2023/24. Formal approval of the text was approved 24th April 2024.	0.015
<b>Total Executive Director of Innovation &amp; Growth (Local Risk)</b>	<b>0.015</b>
<b>TOTAL CARRY FORWARDS (to be approved)</b>	<b>0.015</b>