

<b>Committee(s)</b>	<b>Dated:</b>
Planning & Transportation Committee	23 <sup>rd</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>N/A</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> Chamberlain Planning & Development Director City Operations Director Chief of Staff (Environment) The City Surveyor	<b>For Information</b>
<b>Report author:</b> Dipti Patel, Chamberlain's Department	

### Summary

This report compares the revenue outturn for the services overseen by your Committee in 2023/24 with the final budget for the year. Overall total net expenditure across all risks during the year was (£15.448m), whereas the total budget was (£18.333m), representing an underspend of £2.885m as set out below.

<b>Summary Comparison of 2023/24 Revenue Outturn with Final Agreed Budget</b>				
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Revenue Outturn</b>	<b>Variation Better/ (Worse)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Direct Net Expenditure</b>				
Interim Executive Director Environment	(4,468)	(6,174)	(4,406)	1,768
The City Surveyor (including Cyclical Works Programme)	(1,978)	(1,946)	(861)	1,085
<b>Total Direct Net Expenditure</b>	<b>(6,446)</b>	<b>(8,120)</b>	<b>(5,267)</b>	<b>2,853</b>
<b>Capital &amp; Support Services</b>	<b>(10,121)</b>	<b>(10,213)</b>	<b>(10,181)</b>	<b>32</b>
<b>Overall Total</b>	<b>(16,567)</b>	<b>(18,333)</b>	<b>(15,448)</b>	<b>2,885</b>

## Recommendation(s)

Members are asked to:

- Note the report.

## Main Report

### Revenue Outturn for 2023/24

1. Actual net expenditure across all risks for your Committee's services during 2023/24 totalled (£15.448m), an underspend of £2.885m compared to the final budget of (£18.333m). 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.

<b>Table 1 - Summary Comparison of 2023/24 Revenue Outturn with Final Budget</b>				
	<b>Original Budget £'000</b>	<b>Final Budget £'000</b>	<b>Revenue Outturn £'000</b>	<b>Variation Better/ (Worse) £'000</b>
<b>Local Risk</b>				
Interim Executive Director Environment	(12,499)	(13,799)	(11,692)	2,107
The City Surveyor	(273)	(241)	(140)	101
<b>Total Local Risk</b>	<b>(12,772)</b>	<b>(14,040)</b>	<b>(11,832)</b>	<b>2,208</b>
<b>Central Risk</b>	<b>8,031</b>	<b>7,625</b>	<b>7,286</b>	<b>(339)</b>
<b>Cyclical Works Programme</b>	<b>(1,705)</b>	<b>(1,705)</b>	<b>(721)</b>	<b>984</b>
<b>Capital and Support Services</b>	<b>(10,121)</b>	<b>(10,213)</b>	<b>(10,181)</b>	<b>32</b>
<b>Overall Total</b>	<b>(16,567)</b>	<b>(18,333)</b>	<b>(15,448)</b>	<b>2,885</b>

2. Interim Executive Director Environment local risk underspend of £2.107m comprises of the following most significant variations:
  - (i) **Employees underspend £1,452,000** – staff vacancies during the process of TOM implementation.
  - (ii) **Additional customer & client receipts £1,336,000** – additional income mainly from Planning fees & Planning Performance Agreements £958,000; Traffic Management fees £743,000; Building Regulation fees £94,000; and other admin charges £17,000. Partly offset by shortfall in car parking fees and rental income (£476,000).
  - (iii) **Reduced third party payments £338,000** – due to contract savings for car park management and on-street parking enforcement costs.
  - (iv) **Premises Related expenses (£250,000)** – largely due to additional Highways repairs and maintenance costs (£601,000). These are partly offset by underspend for car parks rate reductions £224,000; reduced energy costs £74,000; and reduced Highways Structures breakdown maintenance works £59,000.
  - (v) **Transfer to reserve (£759,000)** – lower On Street Parking net local risk operating costs facilitated an increased transfer to Parking Reserve Account (£659,000), plus transfer to reserves of unspent (£100,000) Digital Planning Funding Programme Grant, which will now be spent in 2024/25.
3. Interim Executive Director Environment central risk overspend of (£339,000) comprises of the following most significant variations:
  - (i) **Staff cost recharges to capital projects overspend (£577,000)** – due to shortfall in staff cost recharges to capital projects, mainly as a result of staff vacancies and reduced allocation of officer's time to projects.
  - (ii) **Off-Street Parking overspend (£139,000)** – due to lower local risk operating costs and lower central support recharges, this facilitated an increased transfer of funding to the Parking Reserve Account.
  - (iii) **Town Planning underspend £298,000** - due to increase in pre-application fees and land charges fees £298,000.
  - (iv) **On Street Parking underspend £71,000** – underspend due to increase in suspension and pay & display income £903,000 and reduction in bad debt provision £800,000. These were largely offset by reduced PCN income for the year (£619,000) and an increased transfer of funding to the Parking Reserve Account (£1,013,000).
4. The Cyclical Works Programme (CWP) underspend of £984,000 was due to works on Highway Structures being deferred to 2024/25 after review by the Engineering Team. The CWP does not form part of the City Surveyor's local risk budget and any variances will be carried over to 2024/25.

5. The reduction in the City Surveyors breakdown repairs maintenance works of £101,000 was due to reductions in reactive call outs on Highway Structures and reduction in the overall costs of the new planned preventative maintenance contract at the car parks.
6. There was an underspend on capital and support services of £32,000. 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) vs Outturn (£27.9m), and City's Estate Original Budget (£24.2m) vs 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 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.
7. 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.
8. Appendix C shows the movement from the 2023/24 original budget of (£16.567m) to the final budget of (£18.333m).

#### **Local Risk Carry Forward to 2023/24**

9. The Interim Executive Director Environment had a local risk underspending of £2,107,000 on the activities overseen by your Committee. The Interim Executive Director had net local risk overspends totalling (£2,070,000) on activities overseen by other Committees, after adjusting for unspent carry forwards from 2022-23. The Director had requested that his maximum eligible underspend of £37,000 be carried forward, none of which relates to activities overseen by your Committee.

## **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.

### **Report author**

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### **Appendices:**

**Appendix A** – Planning & Transportation Committee – Comparison of 2023/24 Local Risk Revenue Outturn with Final Budget

**Appendix B** – Planning & Transportation Committee – Comparison of 2023/24 Central Risk Revenue Outturn with Final Budget

**Appendix C** – Planning & Transportation Committee – Movement in 2023/24 Original Budget to Final Budget