

## City of London Corporation Committee Report

<b>Committee(s):</b> Culture, Heritage and Libraries – For decision	<b>Dated:</b> 9 December 2024
<b>Subject: Departmental Budget Estimates 2025-26 – Culture, Heritage and Libraries Committee</b>	<b>Public report:</b> For Decision
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• delivers Corporate Plan 2024-29 outcomes</li> <li>• provides statutory duties</li> <li>• provides business enabling functions</li> </ul>	Statutory duties for a balanced 25.26 budget.
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	Yes
<b>Report of:</b> The Chamberlain Deputy Town Clerk Executive Director Environment Executive Director of Community and Children’s Services The City Surveyor	REVIEW
<b>Report author:</b> Mark Jarvis - Head of Finance, Chamberlain’s Department Declan Greaves – Finance Business Partner - Chamberlains	

## Summary

This report is the annual submission of the revenue budgets in relation to the operational services directly overseen by your committee. It is asking Members to note the latest revenue budget for 2024/25 and approve the proposed revenue budget for 2025/26.

The estimates presented in this report are for the services by Chief Officer, which are summarised below:

- i) **Deputy Town Clerk** – Guildhall Library, The London Archives (TLA), City Records Service, Heritage Gallery and the Destination City Team (recently move from Innovation and Growth).
- ii) **Executive Director of Community and Children’s Services** – Artizan Street, Barbican and Shoe Lane Libraries.
- iii) **Executive Director Environment** – Keats House and Monument
- iv) **The City Surveyor** – Mayoralty & Shrievalty and Lower Thames Street

The proposed budget for 2025/26 totals net expenditure of £24.610m, which is an increase of £3.129m (14.5% increase) compared with the 2024/25 original budget of £21.481m, which is principally due to:

Net 2% inflation (£0.163m),

An increase in the Cyclical Works Programme (£0.650m),

3% inflationary uplift applied to the Museum of London grant (£0.170m),

An increase in capital and support services (£1.966m).

## Overall Budget Summarised by Chief Officer.

Category	Original Budget 2024/25 (£m)	Latest Budget 2024/25 (£m)	Movement 2024/25 Original to Latest (£m)	Original Budget 2025/26 (£m)	Movement 2024/25 Original to 2025/26 Original (£m)
<b>Local Risk</b>					
The Deputy Town Clerk	(3.814)	(5.919)	2.105	(5.306)	(1.492)
Executive Director of Innovation Growth	(1.388)	0	(1.388)	0	1.388
Executive Director of Community and Children's Services	(2.662)	(2.662)	0	(2.715)	(0.053)
Executive Director Environment	0.003	0.003	0	0.003	0
The City Surveyor	(0.104)	(0.057)	(0.047)	(0.109)	(0.005)
<b>Total Local Risk</b>	<b>(7.965)</b>	<b>(8.635)</b>	<b>0.670</b>	<b>(8.127)</b>	<b>(0.162)</b>
<b>Central Risk</b>					
The Deputy Town Clerk	(0.742)	(1.099)	0.357	(1.125)	(0.357)
Executive Director of Innovation Growth	(0.382)	0	(0.382)	0	0.382
Executive Director of Community and Children's Services	(0.283)	(0.283)	0	(0.283)	0
Executive Director Environment	(0.022)	(0.022)	0	0.008	0.014
The City Surveyor	(0.006)	(0.006)	0	(0.012)	(0.006)
Central Management of CHL (Museum of London)	(5.451)	(5.640)	0.189	(5.810)	(0.358)
<b>Total Central Risk</b>	<b>(6.886)</b>	<b>(7.050)</b>	<b>0.164</b>	<b>(7.237)</b>	<b>(0.351)</b>
Cyclical Works Programme (CWP)	(0.459)	(0.459)	0	(1.109)	(0.650)
Capital and Support Services	(6.171)	(6.171)	0	(8.137)	(1.966)
<b>Committee Total</b>	<b>(21.481)</b>	<b>(22.315)</b>	<b>0.834</b>	<b>(24.610)</b>	<b>(3.129)</b>

## Recommendation(s)

Members are asked to:

- Review the proposed allocation of the 2025/26 revenue budget to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to the Finance Committee.
- Authorise the Chamberlain, in consultation with the Deputy Town Clerk, Executive Directors of Community and Children's Services, Environment, and the City Surveyor to revise these budgets to allow for any further implications arising from Corporate Projects, the Target Operating Model other reviews and changes to the Cyclical Works Programme.
- Authorise the Chamberlain to agree minor amendments for 2025/26 budgets arising during budget setting.

## Main Report

### Introduction

1. The revenue budget management arrangements are to:

- Provide a clear distinction between local risk, central risk and recharge budgets.
- Place responsibility for budgetary control on departmental Chief Officers.
- Apply a cash limit policy to Chief Officers' budgets.

2. The budget has been analysed by the service expenditure and compared with the original budget for the current year.

3. The overall budget is summarised in Table 1, including detail on the movement between the original and latest budget for the current

financial year, and the movement between the original 2024/25 and proposed budget for 2025/26.

4. This committee report collates multiple budgets responsible for delivering various services. The report breaks this information into risk area and presents budget for 25.26. We would not necessarily discuss activity (where monies been spent) as that is reviewed in the outturn report.

## **Assumptions**

5. The estimate for 2025/26 includes a 2% uplift for inflation distributed across each budget line for local risk.
6. The estimate for 2025/26 does not include the Destination City Growth Bid of £2.3m as it is held in Policy & Resources budget contingency funds. A report was considered at Culture, Heritage and Libraries, Resource Allocation (Sub), Finance, Policy and Resources Committees in February 2022 titled "Destination City – Strategic Review Independent Review Report – Growth Bid" which set out that £2.3m/year was to resource the implementation of a Destination Strategy and to realise the Strategic Review's vision. Since then, Members agreed to the implementation of the recommendations of the Destination City Independent Review in April 2024, which split the responsibilities between culture and a re-cast Destination City programme between CHL and P&R. In October 2024, Members of the P&R Committee approved the re-allocation of the remaining Growth Bid 2023-2024 budget of approximately £2.6 million from the former Destination City initiative to the new Destination City programme.
7. In relation to staff costs, the estimates assume a 3% uplift for 2024/25 and 2025/26 financial years in relation to the Employers pay award.
8. Members should note that the Cyclical Works Programme (CWP) figures included in the Estimate Report relate only to elements of previously agreed programmes, which will be completed in 2024/25 and 2025/26. The separate bid for CWP works programme for 2025/26 has not been included in this report. The report is expected to be submitted to Committee in January 2025 and will then require approval from Resource Allocation Sub-Committee to agree the funding. Once both Sub-Committees have agreed the 2025/26 programme Members will be advised of the outcome and Members are asked to authorise the Chamberlain to revise the budgets to allow for these approvals.
9. Support services budgets reflect the attribution and cost of central departments. All support services are based on time spent or use of services and were reviewed during 2024/25 with the method of apportionment updated to reflect the latest up to date corporate information.

## Current Position

### Latest Approved Budget 2024/25

10. The latest approved budget for 2024/25 totals net expenditure of £22.315m which is an increase of £0.834m (3.88%) compared with the original budget of £21.515m. £0.750m relates to a carry forward from 23.24 financial year within the Visitor Services and City Information Centre. £0.019m relates to Monument with an increase in Surveyor costs.

## Proposals

### Departmental budget estimates for 2025/26

The proposed budget for 2025/26 totals net expenditure of £24.610m, which is an increase of £3.129m (14.5% increase) compared with the 2024/25 original budget of £21.481m, which is principally due to:

- i) **Deputy Town Clerk (£1.9492m net increase)** – In year Guildhall Art Gallery, Visitor & Information Services and City Outdoor Arts Programme reporting line was moved under Deputy Town Clerk from the Innovation and Growth Department, representing a budget across local and central risk of £1.849m. The full year effect of the 2% inflationary uplift on local risk budgets within the revised remit of the Deputy Town Clerk accounted for £0.104m of the budget.
- ii) **Innovation and Growth (1.770m decrease)** – due to services being moved under the Deputy Town Clerk.
- iii) **Executive Director of Community and Children's Services (£0.053m net increase)** – The full effect of the net 2% inflationary uplift to local risk budgets.
- iv) **Executive Director Environment (£0.014m net decrease)** – minor adjustment, decrease attributed to a reduction in depreciation at Keats House.
- v) **Recharges and support services (£1.996m net increase)** – There has been an increase in CHL's apportionment of the central recharges as part of the recharges refresh across the corporation during the year, please refer to paragraph 8.
- vi) **Cyclical Works Programme (£0.650 net increase)** – increase related to the charges for the cyclical works programme.
- vii) **Central Management - Museum of London (£0.362 increase)** – increase related to assumed 3% uplift in the grant supporting the Museum.

## Potential Further Budget Adjustments

The provisional nature of the revenue budgets recognises that further revisions maybe required to realign funds for:

- i) Central and departmental support services apportionments; and

ii) Decisions of the Resource Allocation Sub Committee in relation to the Cyclical Works Programme.

## Staffing Statement

11. A summary of the employee related costs and FTEs by department are shown in the table below. Table 1.

Staffing statement	Original Budget		Original Budget	
	2024/25		2025/26	
	Staffing	Estimated	Staffing	Estimated
	FTE	cost	FTE	cost
		£m		£m
Guildhall Library	9	(0.495)	8.8	(0.533)
The London Archives (TLA)	36.7	(2.175)	38.2	(2.193)
TLA Project	7.1	(0.377)	6.8	(0.397)
City Records Services	19.7	(1.161)	18.3	(1.065)
Guildhall Art Gallery	2.6	(0.193)	2.6	(0.200)
Visitor services & City Information Centre	23.2	(1.574)	25.6	(1.479)
<b>Total Deputy Town Clerk</b>	<b>98.3</b>	<b>(5.975)</b>	<b>100.3</b>	<b>(5.867)</b>
Barbican and Shoe Lane Library	37.4	(1.981)	37.4	(2.031)
Artizan Steet Library	6	(0.288)	6	(0.292)
<b>Total Executive Director of Community and Children's Services</b>	<b>43.4</b>	<b>(2.269)</b>	<b>43.4</b>	<b>-2.323</b>
Keats House	3.9	(0.247)	3.9	(0.253)
Monument	4.9	(0.265)	4.9	(0.265)
<b>Total Executive Director Environment</b>	<b>8.8</b>	<b>(0.512)</b>	<b>8.8</b>	<b>(0.518)</b>
<b>TOTAL CULTURE, HERITAGE AND LIBRARIES</b>	<b>150.5</b>	<b>(8.756)</b>	<b>152.5</b>	<b>(8.708)</b>

12. Staffing levels have increased for the Deputy Town Clerk' teams as they include staff previously within Innovation & Growth whilst Community and Children's Services and Executive Director of Environment has maintained the same staffing levels between 2024/25 and 2025/26.

## Capital and Supplementary Revenue Project Costs

14. The latest Capital and Supplementary Revenue Project forecast expenditure on approved schemes will be presented to the Court of Common Council for formal approval in March 2025. Please refer to Appendix 2 for capital project bids.

## Corporate & Strategic Implications – 'none'

### Security Implications

16. All events under the Outdoor Arts Programme will require robust Risk Assessment and Method Statements (RAMS) which will be developed in consultation with internal and external security services including the City Police.

## **Financial Implications**

17. The proposed 2025/26 budget includes a 2% inflationary uplift based on the original 2024/25 budget after other adjustments to risk areas have been considered.

18. The budgets overseen by this Committee of the Deputy Town Clerk, Executive Director of Community and Children's Services and Executive Director Environment have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees.

## **Public sector equality duty**

19. Our fees and charges are regularly benchmarked with neighbouring / competing facilities, but we will continue to informally assess any negative impact on protected characteristic groups.

## **Resourcing implications**

20. The budgets presented in this report are within their available resource base. As a result, there are currently no resourcing implications identified.

## **Conclusion**

21. This report presents budgets overseen by this Committee for 2024/25 for the Deputy Town Clerk, Executive Director of Community and Children's and Executive Director of Environment for Members to consider and approve.

## **Appendices**

- Appendix 1 – Budgets by Service Area and Risk allocation
- Appendix 2 – Capital Project Bids 2025/26

## Contacts:

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## Appendix 1 - Budget by Chief Officer.

Category	Original Budget 2024/25 (£m)	Latest Budget 2024/25 (£m)	Movement 2024/25 Original to Latest (£m)	Original Budget 2025/26 (£m)	Movement 2024/25 Original to 2025/26 Original (£m)
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## Appendix 2 – Capital Project Bids for 2024/25. No capital bids in 25.26.