

|                                                                                                                                                     |                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| <b>Committee(s):</b><br>Digital Services Committee                                                                                                  | <b>Dated:</b><br>10th July 2025          |
| <b>Subject:</b><br>Revenue Outturn 2024/25                                                                                                          | <b>Public report:</b><br>For Information |
| <b>This proposal:</b> <ul style="list-style-type: none"> <li>• provides statutory duties</li> <li>• provides business enabling functions</li> </ul> |                                          |
| <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>                                                                       | N/A                                      |
| <b>Report of:</b><br>The Chamberlain                                                                                                                |                                          |
| <b>Report author:</b><br>Dawit Araya, Finance Business Partner, Chamberlain's Department                                                            |                                          |

### Summary

This report outlines the revenue outturn for the financial year 2024/25 for your committee. It provides a detailed comparison between the actual revenue outturn for the services overseen by your Committee and the budgeted figures for the same period. Additionally, it includes information on the carry-forward requests that have been submitted for review and consideration.

The revenue outturn is evaluated against the 2024/25 budget for your committee, which stands at £8.817 million. The initial budget was set at £8.109 million and subsequently increased by £708,000 (9%) to establish the 2024/25 budget. Details of this increase are provided in Appendix 1.

The total net expenditure for the year amounted to £8.910 million, which exceeds the budget for 2024/25 of £8.817 million, resulting in an overspend of £93,000 or 1%. This variance is primarily attributed to additional agency staff and license costs, a proportion of which have been recovered from the City of London Police.

Although the service was overspent, the Chamberlain overall underspent against the local risk budget, and this has allowed the service to request two carry-forwards to fund projects in 2025/26 totaling £68,000. Detailed information on this can be found in paragraph 5 of this report.

### Recommendations

It is recommended that Members note:

- i. The revenue outturn for 2024/25; and
- ii. The proposed local risk carry-forwards totaling £68,000 to the fiscal year 2025/26

## Main Report

### Revenue Outturn for 2024/25

1. The revenue outturn position for 2024/25 is a net expenditure of £8.910m. This is an overall overspending of £93,000 compared to the budget of £8.817m (1%).
2. The service overspent by £103,000 against the local risk budget of £8.801m (1%) but this overspending was more than covered by underspendings on Chamberlain's other services. Across all committees, the Chamberlain was underspent by £406,000 for the year 2024/25.
3. The summary below details the relevant variances.

| Summary Comparison of 2024/25 Revenue Outturn with Budget 2024/25                   |                           |                            |                  |               |       |
|-------------------------------------------------------------------------------------|---------------------------|----------------------------|------------------|---------------|-------|
| Committee(s): Digital Services                                                      | Budget<br>2024/25<br>£000 | Revenue<br>Outturn<br>£000 | Variance<br>£000 | Variance<br>% | Notes |
| <b>Local Risk</b>                                                                   |                           |                            |                  |               |       |
| <b>Expenditure</b>                                                                  |                           |                            |                  |               |       |
| Employee Costs                                                                      | (7,034)                   | (7,209)                    | (175)            | 2%            | i     |
| Transport related                                                                   | 0                         | (2)                        | (2)              | N/M           |       |
| Supplies and Services (mainly professional fees & hardware/Software & system costs) | (8,170)                   | (8,305)                    | (135)            | 2%            | ii    |
| Sub Total                                                                           | (15,204)                  | (15,516)                   | (312)            | 2%            |       |
| <b>Income</b>                                                                       |                           |                            |                  |               |       |
| Fees and Charges (mainly recovery from COLP and London Councils)                    | 4,689                     | 4,822                      | 133              | 3%            | iii   |
| Recovery of staff time from Capital projects                                        | 2,083                     | 2,159                      | 76               | 4%            | iv    |
| Sub Total                                                                           | 6,772                     | 6,981                      | 209              | 3%            |       |
| <b>Total Local Risk</b>                                                             | (8,432)                   | (8,535)                    | (103)            | 1%            |       |
| <b>Central Risk</b>                                                                 |                           |                            |                  |               |       |
| Project Costs                                                                       | (258)                     | (258)                      | 0                | 0%            |       |
| Professional & Consultant Fee (Transformation Fund)                                 | (111)                     | (99)                       | 12               | -11%          | v     |
| <b>Total Central Risk</b>                                                           | (369)                     | (357)                      | 12               | -3%           |       |
| <b>TOTAL LOCAL AND CENTRAL RISK</b>                                                 | (8,801)                   | (8,892)                    | (91)             | 1%            |       |
| <b>RECHARGES</b>                                                                    |                           |                            |                  |               |       |
| <b>Expenditure</b>                                                                  |                           |                            |                  |               |       |
| Support Services (Guildhall Complex, CLPS & Insurance)                              | (16)                      | (18)                       | (2)              | 13%           |       |
| <b>TOTAL RECHARGES</b>                                                              | (16)                      | (18)                       | (2)              | 13%           |       |
| <b>TOTAL LOCAL, CENTRAL RISK and Support Services Charge</b>                        | (8,817)                   | (8,910)                    | (93)             | 1%            |       |

4. The principal reasons for the variations are set out below:

### Local Risk

- i **Employee Cost- overspend £175,000** – This is due additional staffing costs, offset by income, agency and out of hours costs for the year, staff advertising and police check costs. A proportion of these costs were recovered from the City of London Police and programs (see below). The year end adjustment to the centrally funded apprentice budgets also added to this pressure.
- ii **Supplies & Services- overspend £135,000** – this is mainly due to increase in professional fees for COLP due to, additional licenses requested and increased license costs for London councils. Some of these costs were recovered (see below)
- iii **Fees and Charges - increased by £133,000** – This reflects the recovery of some of the additional costs, set out above, plus pay award for staff recovered from the City of London Police.
- iv **Recovery of staff time from capital projects - increased by £76,000** – Reflects additional work undertaken on projects particularly the ERP project replacing the finance and HR systems

### Central Risk

- v **Professional & Consultant Fee – underspend £12,000** – this is due to a grant from the Department of Levelling Up, Housing & Communities for the Cyber Assessment Framework. The full amount wasn't utilised in 2024/25. A carry-forward request has been made

### Budget Carry- Forwards

- 5. As Chamberlain local risk budget underspent overall, two budget carry forwards have been requested, totaling £68,000, to 2025/26. The split is as follows:
  - Midland HR Contract- £53,000 to cover the contract extension prior to migration to SAP as previously agreed. This covers costs from Q1 to Q3 in 2025/26 prior to migration.
  - A grant of £15,000 from Department for Levelling Up, Housing and Communities (DLUHC) for a Cyber Assessment Framework (CAF) received late in the year 2024/25. A budget carry-forward has been requested to allow this work to be undertaken and money spent in 2025/26

### **Appendices**

Appendix 1 – Approved Budget Adjustments for the 2023/24 Budget

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## Appendix 1

|                                                      | Review of Changes from 2024/25 Initial Budget to Budget 2024/25 |       |                |  |
|------------------------------------------------------|-----------------------------------------------------------------|-------|----------------|--|
| <u>Local Risk</u>                                    |                                                                 | £'000 | £'000          |  |
| <b>Initial Budget Local Risk</b>                     |                                                                 |       | <b>(7,720)</b> |  |
| Add:                                                 |                                                                 |       |                |  |
|                                                      | Finance Contingency Allocation 24-25- ERP                       | (446) |                |  |
|                                                      | Contingency COLP DiTs                                           | (91)  |                |  |
|                                                      | Pay Award 24/25                                                 | (70)  |                |  |
|                                                      | Midland-HR Drawdown from contingency                            | (62)  |                |  |
|                                                      | 2024/25 Centrally Funded Apprenticeships                        | (28)  |                |  |
|                                                      | Agency backdated pay from contingency                           | (15)  |                |  |
|                                                      |                                                                 |       | (712)          |  |
| <b>Local Risk Budget 2024/25</b>                     |                                                                 |       | <b>(8,432)</b> |  |
|                                                      |                                                                 |       |                |  |
|                                                      |                                                                 |       |                |  |
| <u>Central Risk</u>                                  |                                                                 |       |                |  |
| <b>Initial Budget Central Risk</b>                   |                                                                 |       | 0              |  |
| Add:                                                 |                                                                 |       |                |  |
|                                                      | 24/25 SRP Budget L5-CoL IT Transformation PH2                   |       |                |  |
|                                                      | /ERP/Wide Area Network. Contract Renewals                       | (258) |                |  |
|                                                      | C/F TF Carry Forwards from 2023/24                              | (96)  |                |  |
|                                                      | DTI Strategy - Transformation Fund                              | (15)  |                |  |
|                                                      |                                                                 |       | (369)          |  |
| <b>Central Risk Budget 2024/25</b>                   |                                                                 |       | <b>(369)</b>   |  |
|                                                      |                                                                 |       |                |  |
|                                                      |                                                                 |       |                |  |
| <u>Recharges</u>                                     |                                                                 |       |                |  |
| <b>Initial Recharge Budget</b>                       |                                                                 |       | <b>(389)</b>   |  |
| Remove Existing budgets<br>(New basis of allocation) |                                                                 |       | 373            |  |
| <b>Recharge Budget 2024/25</b>                       |                                                                 |       | <b>(16)</b>    |  |
|                                                      |                                                                 |       |                |  |
|                                                      |                                                                 |       |                |  |
| <b>Summary</b>                                       |                                                                 |       |                |  |
| Initial Budget                                       |                                                                 |       | (8,109)        |  |
| Budget 2024/25                                       |                                                                 |       | (8,817)        |  |
| <b>Increase</b>                                      |                                                                 |       | <b>(708)</b>   |  |
|                                                      |                                                                 |       |                |  |