Committee: Finance Committee – For Information	Dated: 15th July 2026
Subject: Revenue Outturn 2025/26 – Finance Committee Operational Services	**Public report:** For Information
This proposal: • **provides statutory duties** • **provides business enabling functions**	
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: The Chamberlain; The Town Clerk; The City Surveyor; The Remembrancer; and Director of Community and Children's Services	
Report author: Dawit Araya, Finance Business Partner, Chamberlain's Department	

Summary

This report presents a comparison between the 2025/26 revenue outturn for the services managed by your Committee and the budget for the year. It also includes details of the carry forward requests that have been submitted for consideration, subject to approval by the Chamberlain in consultation with the Chair and Deputy Chair of Finance.

The budget for 2025/26 was set at £70.019m, reflecting an increase of £3.3m (5%) from the start of year budget of £66.700m. Appendix 1 provides a detailed breakdown of the main variations.

The total net expenditure on operational services managed by your committee was £70.790m, which is an overspend of £771k (1%) compared to the budget of £70.019m. This comprised an underspend on local risk budgets of £2.915m, offset in part by an overspend on central risk budgets of £2.570m and a net overspending of £1.116m on Cyclical Work Programme (CWP) and Capital and Support services recharges.

Appendix 3 provides a detailed comparison of local risk outturn against the 2025/26 budget for each Chief Officer by division of service, with explanations of significant variations. Appendix 4 provides the same analysis for central risk outturn.

A detailed review of local risk underspend shows that the Town Clerk was £1.042m underspent mainly due to the rephasing of the five-year Cyclical Works Programme. The Remembrancer was £1.336m underspent as a result of additional income from events and the Chamberlain and City Surveyor recorded a combined underspend of £537k mainly reflecting staff cost savings and delays to the Financial Services Division training plan. The delivery of the training plan is essential and due to additional competing priorities and staff turnover the staff training has been deferred and will be delivered during 2026/27.

The Chamberlain and the Director of Community and Children's Services have submitted budget carry-forward requests from 2025/26 to 2026/27 totaling £438k. These requests are detailed in Appendix 2. While the overall committee budget is overspent, Chief Officers may still submit carry-forward requests against individual departmental underspends. These requests are assessed in the context of each fund's overall financial position and are delegated for approval by the Chamberlain, in consultation with the Chair and Deputy Chair of Resource Allocation Sub Committee – this meeting takes place on 1st July.

Recommendations

Members are asked to note:

- The 2025/26 revenue outturn which reveals an overall net overspend of £771,000 compared to the 2025/26 budget for operational services under this Committee.
- The proposed local risk budget carry-forwards totaling £438,000 to the financial year 2026/27.

Main Report

Budget Position for 2025/26

1. The 2025/26 budget for operational services overseen by this Committee totals £70.019m, which is an increase of £3.3m (5%) compared to the start of year budget of £66.700m. A detailed breakdown of the movement in budget by Chief Officer is set out in Appendix 1.

Revenue Outturn for 2025/26

2. The actual net expenditure on operational services overseen by your Committee was £70.790m, which is £771k more than the budget of £70.019m. Below is a summary comparison with the budget.

Table 1 – Summary comparison of 2025-26 Revenue Outturn with Budget 2025-26

	Budget 2025/26 £000	Revenue Outturn £000	Variation (Better) / Worse £000
Direct Net Expenditure			
The Chamberlain	40,847	43,623	2,776
The Town Clerk	5,163	4,393	(770)
The City Surveyor	14,077	13,296	(781)
The Remembrancer	1,437	(6)	(1,443)
Director of Community and Children's Services	252	125	(127)
Total Direct Net Expenditure	**61,776**	**61,431**	**(345)**
The City Surveyor CWP	**4,767**	**4,447**	**(320)**
Capital and Support Services	**3,476**	**4,912**	**1,436**
Total Net Expenditure	**70,019**	**70,790**	**771**

Income and favorable variances are presented in brackets.

3. Major variances for the £771k total net overspend comprise:
   - **Chamberlain's** – £2.776m net expenditure increased mainly due to actual insurance premium increase and claims made during the year.
   - **Town Clerk** – (£770k) net underspend largely relates to deferral of CWP works at

Mansion House which will now be included as part of the wider Mansion House Shutdown.

- **City Surveyor** – net expenditure decreased by (£781k), primarily due to decreased rates, managed fund underspend and electricity rebate.
- **Remembrancer** – net expenditure decreased by (£1.443m) due mainly to overachievement of income relating to events and some underspends across several budget lines.
- **Director of Community & Children's Services** – the (£127k) underspend relates to deferred maintenance works on the Gresham almshouses. A carry forward request has been made for £100k to cover warden call system, bollard lighting, security improvement and additional funding for other small items was approved in October 2024.
- **Cyclical Works Programme (CWP)** – decreased expenditure on services covered by this committee of (£320k) below budget. This is due to re-alignment of the phasing to give better economies of scale by combining projects which will see the proposed schemes being delivered in 2026/27. In 2025/26 the overall CWP programme across the City was ahead of budget. The overall outturn for the CWP is reported to Resource Allocation Sub-Committee.
- **Capital and Support Service Recharges** – increase in net expenditure of £1.436m. This variance primarily reflects the overachievement of income by the Remembrancer increasing the net recharge required to balance. This has been retained within Finance Committee.

4. Appendix 3 and Appendix 4 provide detailed analysis of significant variances against Local and Central risk budgets by Chief Officer and division of service.

Carry Forwards to 2026/27

5. The Chamberlain and the Director of Community & Children's Services have requested budget carry forwards to 2026/27 totaling £438,000 in respect of your Committee. The details of these are shown in Appendix 2.

Appendices

- Appendix 1 – Breakdown of budget adjustment from start of year Budget 2025/26
- Appendix 2 – Proposed Budget Carry Forwards to 2026/27
- Appendix 3 – Comparison of 2025/26 Revenue Outturn with the Budget and commentaries for Local Risk
- Appendix 4 – Comparison of 2025/26 Revenue Outturn with the Budget and commentaries for Central Risk

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Appendix 1

Finance Committee Operational Services
Breakdown of Movement in Budget 2025/26

Review of Adjustments to Budget 2025/26	
Local Risk Budget Adjustments by Chief Officer	**£000**
Local Risk Budget Before Adjustment (Chamberlain)	**16,324**
Contingency Allocation for HRA Survey, Procurement Transformation Programme & Project & Governanace Team	743
2025 Pay Award, apprentice funding and income from London Councils	671
Carry Forwards 2024-25 to 2025-26 -Internal Audit, Commercial & Business Support	418
Virement Following The Split of London Council Income	64
Local Risk Budget 2025/26 (Chamberlain)	**18,220**
Local Risk Budget Before Adjustment (Town Clerk)	**2,718**
Change in Surveyor's Repairs & Maintenance, Cleaning & Security budget	1,326
Pay Award 2025	4
Local Risk Budget 2025/26 (Town Clerk)	**4,048**
Local Risk Budget Before Adjustment (City Surveyor)	**16,767**
Pay Award 2025, Central Apprenticship & Energy & Contract inflation budget uplift	609
Film income and other adjustments	(1,023)
Changes in Surveyor's Repairs & Maintenance budget	(2,501)
Local Risk Budget 2025/26 (City Surveyor)	**13,852**
Local Risk BudgetBefore Adjustment (Remembrancer)	**(358)**
Virement Following The Creation of Trading Account for Remembrancer	927
2025 Pay Award & apprentice funding	32
Local Risk Budget 2025/26 (Remembrancer)	**601**
Total Local Risk Budget	**36,721**

These variations are either approved within Chamberlain's delegations or by Committee / Court during the 2025/26 budget setting process.

Review of adjustments to budget 2025/26 (continued overleaf).

Central Risk Budget Adjustments by Chief Officer	£000
Central Risk Budget Before Adjustment (Chamberlain)	**18,895**
Contingency Allocation Ambition 25, & PM professional development & Consultants Fee	3,380
Transformation Fund for Commercial	264
Budget Transfer from other Committee to Commercial following the new structure (A25)	88
Central Risk Budget 2025/26 (Chamberlain)	**22,627**
Central Risk Budget Before Adjustment (Town Clerk)	**1,034**
Contingency OPR review and other	129
Carry Forwards from 23-24	24
Budget Transfer from other Town Clerk to Remembrancer	(72)
Central Risk Budget 2025/26 (Town Clerk)	**1,115**
Central Risk Budget Before Adjustment (City Surveyor)	**5,236**
Increase in Supplementary Revenue Projects	395
Rate rebate P&L adjsutments	(639)
Central Risk Budget 2025/26 (City Surveyor)	**4,992**
Central Risk Budget Before Adjustment (Remembrancer)	**192**
2023 Pay Award & Hospitality from Contingency	644
Central Risk Budget 2025/26 (Remembrancer)	**836**
Central Risk Budget Before Adjustment (Director of Community and Children's Services)	**65**
Contingency Allocation Gresham Carry Forward	187
Central Risk Budget 2025/26 (Director of Community and Children's Services)	**252**
Total Central Risk Final Budget 2025/26	**29,822**
Capital and Support Services Budget Before Adjustment	**5,827**
Net Adjustments in central recharges	(2,351)
Capital and Support Services Budget 2025/26	**3,476**
TOTAL 2025/26 BUDGET BEFORE ADJUSTMENT	**66,700**
Adjustments	3,319
TOTAL 2025-26 BUDGET	**70,019**
Figures in brackets indicate income, increase in income or decreases in expenditure.	

These variations are either approved within Chamberlain's delegations or by Committee / Court during the 2025/26 budget setting process.

Summary of in year budget adjustments from £66.700m to £70.019m

Summary of Adjustments to Budget 2025/26	Net £000
Starting Position	**66,700**
Contingency Allocations	4,703
Budget Transfer from other Committee to Commercial (Ambition 25) and all virements	1,007
Net movements including pay award, energy & contract inflation, apprentice funding and other minor changes	937
Carry Forwards 2024-25 to 2025-26	442
Supplementary Revenue Projects and budget adjustments	(244)
Changes in the timing of cyclical repairs and maintenance works programme	(1,175)
Reduction in Recharge budgets	(2,351)
Budget 2025/26	**70,019**
Income and favorable variances are presented in brackets.	

Appendix 2

Requests For Budget to be Carried Forward From 2025/26 to 2026/27	
	Requested Carry Forward To 2026-27 £000
Chamberlain's Department	
Chamberlain's - General Temporary support under Financial Services Division, is needed to bolster the team's capabilities and capacity given the significant workstreams being implemented during 2026/27 - i.e. Ambition 25, Programme SAPphire, FIT Strategy; Savings, three-year integrated budget planning; upskilling, over and above business as usual. Without this support it is highly likely deadlines will not be met.	338
Total Chief Financial Officer and Chamberlain	**338**
Director of Community & Children's Services	
To Fund remaining security and Health & safety work at the Gresham Almshouses including, Warden system £41k, Bollard Lighting £23k, Security improvements £14k, Tree root investigation £7k, Structural Survey £4k, Electrical Repairs £5k, Contingency £5k.	100
Director of Community & Children's Services	**100**
Total	**438**

Note of Carry-Forward Rules

Financial Regulation 2.18 provides that any surpluses on a department's local risk budgets may be carried forward provided that these do not include any fortuitous savings outside the control of the Chief Officer and are carried forward for a specific purpose. The cumulative underspend which is to be carried forward is limited to 10% of the Chief Officer's local risk budget, up to a general maximum of £500,000 or £1,000,000 in the case of the City Surveyor.

Carry-forward bids are agreed by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee – this meeting is taking place on 1st July.

Any deficit on the total of a Chief Officer's local risk budget is required to be carried forward and recovered from within the department's budget allocation for the following year unless specifically waived during the carry- forward meeting with the Chamberlain in consultation with the Chair and Deputy Chair of Resource Allocation Sub Committee.

Finance Committee Operational Services
Comparison of 2025/26 Revenue Outturn with Budget 2025/26 for Local Risk

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Comparison of 2025-26 Revenue Outturn with Budget 2025/26 – Local Risk				
Local Risk	**Budget 2025/26 £000**	**Revenue Outturn £000**	**Variation (Better) / Worse £000**	**Notes**
By Chief Officer				
Local Risk				
The Chamberlain	18,220	17,864	(356)	
The Town Clerk	4,048	3,006	(1,042)	
The City Surveyor	9,085	8,904	(181)	
The Remembrancer	601	(735)	(1,336)	
Total Local Risk	**31,954**	**29,039**	**(2,915)**	
By Division of Service				
Chamberlain's - General	8,993	9,028	35	
Chamberlain's - Internal Audit	933	953	20	
Chamberlain's - Business Support	1,333	909	(424)	i
Chamberlain's - Commercial	4,818	4,854	36	
Chamberlain's Court	120	14	(106)	ii
Chamberlain's - Cost of Collection	2,023	2,106	83	iii
Town Clerk - Corporate Services	33	23	(10)	
Town Clerk - Shrieval Support	531	416	(115)	iv
Town Clerk - Mansion House Premises	3,484	2,567	(917)	v
City Surveyor - Central Criminal Court	452	443	(9)	
City Surveyor - Mayor's Court	40	38	(2)	
City Surveyor - Walbrook Wharf	1,053	1,024	(29)	
City Surveyor - Guildhall Complex	7,540	7,399	(141)	vi
Remembrancer - Guildhall Trading Account	84	(1,126)	(1,210)	vii
Remembrancer - Guildhall Complex	517	391	(126)	viii
Division of Service Totals	**31,954**	**29,039**	**(2,915)**	

Figures in brackets indicate income, increase in income or decreases in expenditure.

The Local risk favorable variance of £2.915m compared to the budget primarily consists of:

i **Chamberlain's Business Support (£424k) underspend** – mainly due to vacant posts and lower-than-anticipated training requirements during 2025/26. The related staff training activity is expected to be delivered in 2026/27.

ii **Chamberlain's Court (£106k) underspend** – principally relates to additional income from Freedom ceremonies due to an increase in activity and higher charges.

iii **Chamberlain - Cost of Collection £83k overspend –** mainly due to Business Rates legal costs in tackling tax avoidance schemes.

iv **Town Clerk - Shrieval Support (£115k) underspend –** due to savings from vacant posts.

v **Town Clerk - Mansion House Premises (£917k) underspend –** principally due to under utilised additional funding allocated in 2025/26 for security costs and some extra costs for building surveys for future works.

vi **City Surveyor - Guildhall Complex (£141k) underspend –** due to less reactive repairs and maintenance works than anticipated and savings on equipment, furniture and materials budgets due to lower requirements.

vii **Remembrancer - Guildhall Trading Account (£1.210m) underspend –** The underspend is primarily attributed to increased income from hosting larger and more events in 2025/26 partially offset by increased staff costs associated with the events.

viii **Remembrancer - Guildhall Complex (£126k) underspend –** savings from staff vacancy, equipment and printing due to lower requirements.

Finance Committee Operational Services
Comparison of 2025/26 Revenue Outturn with Budget 2025/26 for Central Risk

Comparison of 2025-26 Revenue Outturn with Budget 2025/26 – Central Risk				
Central Risk	**Budget 2025/26 £000**	**Revenue Outturn £000**	**Variation (Better) / Worse £000**	**Notes**
By Chief Officer				
Central Risk				
The Chamberlain	22,627	25,759	3,132	
The Town Clerk	1,115	1,387	272	
The City Surveyor	4,992	4,392	(600)	
The Remembrancer	836	729	(107)	
Director of Community and Children's Services	252	125	(127)	
Total Central Risk	**29,822**	**32,392**	**2,570**	
By Division of Service				
Chamberlain's - General	20,321	22,923	2,602	i
Chamberlain's - City Moiety	(314)	(347)	(33)	
Chamberlain's - Discretionary Expenditure	859	804	(55)	
Chamberlain's - Business Support	(31)	257	288	ii
Chamberlain's - Commercial	3,274	3,729	455	iii
Chamberlain's - Cost of Collection	(1,482)	(1,607)	(125)	iv
Town Clerk - Corporate Services	906	1,232	326	v
Town Clerk - Mansion House Premises	209	155	(54)	
City Surveyor - Central Criminal Court	453	808	355	vi
City Surveyor - Walbrook Wharf	609	782	173	vii
City Surveyor - Guildhall Complex	3,930	2,802	(1,128)	viii
Remembrancer - Corporate Services	401	367	(34)	
Remembrancer - Guildhall Trading Account	435	362	(73)	ix
Director of Community and Children's Services	252	125	(127)	x
Division of Service Totals	**29,822**	**32,392**	**2,570**	

Figures in brackets indicate income, increase in income or decreases in expenditure.

The Central risk unfavorable variance of £2.570m against the budget principally comprises:

i **Chamberlain General £2.602m overspend** – mainly due to an increase in insurance premium and claims during the year.

ii **Chamberlain Business Support £288k overspend –** mainly due to increased WorldPay charges from higher transaction volumes, partially offset by higher interest receipts from cash balances due to rising interest rates.

iii **Chamberlain - Commercial £455k overspend –** primarily results from agency costs for consultants fee to fund the ongoing procurement improvement programme.

iv **Chamberlain - Cost of Collection (£125k) underspend** - primarily attributed to an increase in income from the 2025/26 national non-domestic rates cost of collection allowance.

v **Town Clerk £326k overspend -** primarily due to higher AV costs, additional costs in relation to the recent elections and a number of other administrative items

vi **City Surveyor - Central Criminal Court £355k overspend –** primarily relates to non-recoverable element of rates as only 95% is recoverable from HMCTS.

vii **City Surveyor - Walbrook Wharf £173k overspend –** primarily due to higher rates and additional premises costs.

viii **City Surveyor - Guildhall Complex (£1.128m) underspend –** primarily attributed to a rates rebate received during the year and higher rental income than anticipated for 65a Basinghall Street, offset in part by an increase in energy costs.

ix **City Surveyor - Guildhall Trading Account (£73k) underspend –** primarily attributed to a reduction in rates.

x **Director of Community & Children's Service (£127k) underspend –** savings on repairs and maintenance, equipment and printing due to lower requirements.