

Committee	Dated:
Port Health and Environmental Services	16 July 2018
Subject: Revenue Outturn 2017/18	Public
Report of: Chamberlain Director of the Built Environment Director of Markets and Consumer Protection Director of Open Spaces	For Information
Report author: Jenny Pitcairn, Chamberlain's Department	

Summary

This report compares the revenue outturn for the services overseen by your Committee in 2017/18 with the final budget for the year. Overall total net expenditure for the year was £13.905m, whereas the total agreed budget was £14.427m, representing an underspend of £522k as set out below:

Summary Comparison of 2017/18 Revenue Outturn with Final Budget			
	Final Budget	Revenue Outturn	Variation (Increase)/ Reduction
	£'000	£'000	£'000
Direct Net Expenditure			
Director of the Built Environment	(6,755)	(6,581)	174
Director of Markets & Consumer Protection	(2,603)	(2,435)	168
Director of Open Spaces	1,684	2,181	497
City Surveyor	(945)	(952)	(7)
Total Direct Net Expenditure	(8,619)	(7,787)	832
Capital and Support Services	(5,755)	(6,072)	(317)
Overall Total	(14,427)	(13,905)	522

Chief Officers submitted requests to carry forward underspendings, and these have been considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee. The following carry forward sums have been agreed:

- Director of the Built Environment £65,000
- Director of Markets and Consumer Protection £246,000
- Director of Open Spaces £130,000

Recommendation(s)

Members are asked to:

- Note the report and the proposed carry forward of local risk underspendings to 2018/19.

Main Report

Revenue Outturn for 2017/18

1. Actual net expenditure for your Committee's services during 2017/18 totalled £13.905m, an underspend of £522k compared to the final budget of £14.427m net expenditure. A summary comparison with the final budget for the year is tabulated below. In this and subsequent tables, figures in brackets indicate expenditure, increases in expenditure or decreases in income.

Summary Comparison of 2017/18 Revenue Outturn with Final Budget				
	Final Budget	Revenue Outturn	Variation (Increase)/ Reduction	Variation (Increase)/ Reduction
	£000	£000	£000	%
Local Risk				
Director of the Built Environment	(6,755)	(6,581)	174	3
Director of Markets & Consumer Protection	(2,603)	(2,435)	168	6
Director of Open Spaces	1,684	2,181	497	30
City Surveyor	(945)	(952)	(7)	(1)
Total Local Risk	(8,619)	(7,787)	832	10
Central Risk				
Director of the Built Environment	0	7	7	100
Director of Markets & Consumer Protection	(48)	(48)	0	0
Director of Open Spaces	(5)	(5)	0	0
Total Central Risk	(53)	46	7	13
Capital and Support Services	(5,755)	(6,072)	(317)	(6)
Overall Total	(14,427)	(13,905)	522	4

2. The main local risk variations comprise:

- **Director of the Built Environment (£174,000 underspend)**
 - additional income from waste collection services, £78,000;
 - a reduction in street cleansing contract costs, £77,000;
- **Director of Markets and Consumer Protection (£168,000 underspend)**
 - a reduction in employee costs as a result of vacancies, employees not in the pension scheme, and reduced use of overtime and casual workers, £267,000;
 - an underspend on rates due to changes in rateable value for the London Gateway Border Control Post, £111,000;
 - additional income of £155,000 due to an increased volume of chargeable checks on imported food and feed;

- additional grants income of £71,000 from the Food Standards Agency for animal feed sampling;
 - a transfer to the Products of Animal Origin Reserve of £475,000
 - **Director of Open Spaces (£497,000 additional income)**
 - an increase in income from cremations, burials, sales of graves, and memorial dedications £575,000;
 - a transfer to reserves of £174,000.
3. The £7,000 underspend on central risk is due to a rates refund following changes to the rating valuation of public conveniences.
 4. The £317,000 overspend on capital and support services is due mainly to increases in cost and changes in time allocations of central departments, the most significant of which are:
 - Chamberlain (including IT, City Procurement) - £162,000 increase;
 - Comptroller and City Solicitor - £78,000 increase
 5. Appendix 1 provides a more detailed comparison of the local risk outturn against the final budget, including explanation of significant variations. Appendix 2 shows the gross local risk expenditure and income against budget for each Division of Service.
 6. Appendix 3 shows the movement from the 2017/18 original budget and the latest approved budget (as reported to your Committee in November 2017) to the final budget.

Local Risk Carry Forward to 2018/19

7. The Director of the Built Environment had a local risk underspending of £174,000 on the activities overseen by your Committee. The Director also had net local risk overspendings totalling £55,000 on activities overseen by other Committees, providing a net local risk underspend position of £119,000 of which £65,000 was eligible for carry forward to 2018/19. Agreement has been reached with the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee that the maximum eligible sum be carried forward, none of which relates to activities overseen by your Committee.
8. The Director of Markets and Consumer Protection had a local risk underspending of £168,000 on the activities overseen by your Committee. The Director also had local risk underspending totalling £159,000 on activities overseen by other Committees, providing a net local risk underspend position of £327,000 of which £307,000 was eligible for carry forward to 2018/19. Agreement has been reached with the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee that a total of £246,000 be carried forward for all the services within his remit, of which £127,000 relates to services overseen by your Committee for the following purposes:
 - To develop a number of Air Quality initiatives – £45,000:

- Research into emission limits for proposed City legislation;
 - Raising awareness of the Ultra Low Emission Zone;
 - Events for National Clean Air Day 2018.
- To purchase an electric van to replace an end-of-life diesel vehicle at the Heathrow Animal Reception Centre – £50,000
 - To carry out specialist investigations into the public health effects of operational rail noise from LUL lines affecting the residents of the Barbican Estate – £12,000
 - To employ a project manager to support the procurement process for the new Project & Regulatory Services Casework Management System – £20,000
9. The Director of Open Spaces had a local risk underspending of £497,000 on the activities overseen by your Committee. The Director also had local risk underspending totalling £461,000 on activities overseen by other Committees, providing a net local risk underspend of £958,000 of which £500,000 was eligible for carry forward to 2018/19. Agreement has been reached with the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee that a total of £130,000 be carried forward, none of which relates to activities overseen by your Committee.

Appendices

- Appendix 1 – Port Health and Environmental Services Committee Comparison of 2017/18 Revenue Outturn with Final Budget
- Appendix 2 – Port Health and Environmental Services Committee Analysis of Local Risk Revenue Outturn 2017/18 by Service
- Appendix 3 – Port Health and Environmental Services Committee Analysis of Movements 2017/18 Latest Approved Budget to Final Budget.

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