

# City Fund Overview

Summary statement

## 2014-2015



The City of London Corporation's summary statement of where it spent its City Fund income over the past year.

## The City of London Corporation has three main areas of work:

- supporting and promoting the business City;
- providing modern, efficient and high quality local and policing services for our communities; and
- supplying valued services to London and the nation.

City Fund covers the City Corporation's activities in its capacity as a local authority, police authority and port health authority. It is made up of business rates, council tax, various government grants and income from our own investments. When the business rates retained by the City Corporation are added to other general grants receivable from government, the total funding from government equates to 15% of the total business rates collected by the City Corporation.

The figures in this summary have been drawn from the 2014/15 audited financial statements modified for clarity and brevity. A full copy of the audited Accounts 2014/15 can be found on the City Corporation's website at

[www.cityoflondon.gov.uk/budgetsandspending](http://www.cityoflondon.gov.uk/budgetsandspending)

### Annual income\* - where the money came from



General government grants	£84.8m	54.9%
Investment income and interest earnings	£41.8m	27.1%
Local taxation (council tax and non-domestic rates premium)	£27.8m	18.0%
<b>Total</b>	<b>£154.4m</b>	<b>100%</b>

### Annual expenditure\* - what the money was spent on



Police services	£60.3m	43.1%
Cultural and related services	£42.1m	30.1%
Highways and transport services	£9.6m	6.9%
Court services and other central services	£9.3m	6.5%
Adult social care	£5.5m	3.9%
Environmental and regulatory services	£5m	3.6%
Planning services	£3.9m	2.8%
Children's and education services	£3.9m	2.8%
Housing services	£0.3m	0.2%
Public health	£0.1m	0.1%
<b>Total</b>	<b>£140.0m</b>	<b>100%</b>



As ever, your feedback is important. If you'd like more information on any activities please let us know – our contact details are on the last page.

\*1 April 2014– 31 March 2015

## Financial summaries

### Services provided

	2014/15		2013/14	
	Expenditure £m	Income £m	Net expenditure/ (income) £m	Net expenditure/ (income) £m
Police services	113.9	(53.6)	60.3	63.9
Cultural and related services	67.6	(25.5)	42.1	42.6
Environmental and regulatory services	17.6	(12.6)	5.0	6.2
Planning services	11.5	(7.6)	3.9	4.1
Highways and transport services	31.5	(21.9)	9.6	7.4
Children's and education services	8.5	(4.6)	3.9	3.0
Adult social care	6.1	(0.6)	5.5	5.0
Public health	2.3	(2.2)	0.1	0.1
Housing services	35.1	(34.8)	0.3	0.1
Court services and other central services	18.7	(9.4)	9.3	10.2
<b>Sub total</b>			140.0	142.6
Internal charges and accounting adjustments			<b>0.9</b>	<b>0.8</b>
<b>Amount to be met from general income*</b>			<b>140.9</b>	<b>143.4</b>
General government grants			(84.8)	(91.5)
Investment income and interest earnings			(41.8)	(36.7)
Local taxation (council tax and non-domestic rates)			(27.8)	(26.1)
<b>Total general income</b>			<b>(154.4)</b>	<b>(154.3)</b>
Purchase of investment properties			0.0	38.3
<b>Surplus/Deficit for year**</b>			<b>(13.5)</b>	<b>27.4</b>

\* Income collected from fees, charges and specific government grants is included in the net cost of services.

\*\* The £13.5m surplus for the year was added to the unallocated reserves which had a balance of £57.1m at 31 March 2015.

### Balance sheet

What the City Fund owns and what is due to it and owed by it.

	at 31 March 2015 £m	at 31 March 2014 £m
Long term assets <sup>1</sup>	2,013.40	1,775.00
Current assets	660.90	441.00
Current liabilities <sup>1</sup>	(213.70)	(144.80)
Long term liabilities <sup>1</sup>	(1,235.60)	(991.00)
Provisions	(44.00)	(35.10)
<b>Net assets</b>	<b>1,181.00</b>	<b>1,045.10</b>
Represented By:		
Usable reserves <sup>2</sup> :		
revenue	(136.00)	(128.90)
capital <sup>1</sup>	(100.20)	(60.70)
Unusable reserves <sup>1,3</sup>	(944.80)	(855.50)
<b>Total reserves</b>	<b>(1,181.00)</b>	<b>(1,045.10)</b>

<sup>1</sup> During 2014/15 the City Corporation reconsidered the classification of premiums received for the sale of leasehold properties. This had no impact on the City Corporation's overall net assets and reserves position, however, there was some reclassification between individual lines.

<sup>2</sup> available to spend, subject to the need to maintain a prudent level and any statutory limitations e.g. capital reserves may only be used to fund capital expenditure or repay debt.

<sup>3</sup> unavailable to spend, amounts which represent accounting adjustments in accordance with regulations or unrealised gains and losses where amounts only become available if the assets are sold.

## Capital expenditure and financing

Capital expenditure generally represents spending on purchasing, upgrading and improving assets such as roads, buildings,

vehicles and computer systems where the benefits last more than one year.

	2014/15 £m	2013/14 £m
<b>Expenditure</b>		
Investment properties	15.7	167.5
Operational properties and assets	38.4	16.1
Intangible assets	0.0	0.1
	<b>54.1</b>	<b>183.7</b>
<b>Financing</b>		
Capital receipts, grants and other contributions	(47.6)	(98.8)
Direct revenue contributions	(6.5)	(84.9)
	<b>(54.1)</b>	<b>(183.7)</b>

## Other funds

This publication only covers City Fund. This is one of three funds from which the City Corporation pays for its work. The others are Bridge House Estates and City's Cash.

**Bridge House Estates** was originally set up through bridge taxes, rent and private bequests to deal with the upkeep of London Bridge. This now funds the maintenance of Tower, London, Southwark, Millennium and Blackfriars Bridges. The funds have been effectively managed over the centuries so we can now also help charitable causes across London through the City Bridge Trust with grants amounting to around £20m every year. The accounts for this fund and listing of grants are published separately.

**City's Cash** is revenues derived from the City Corporation's estates and used to provide services that are of importance nationally and internationally as well as to the City and Greater London. These services include the work of the Lord Mayor in promoting UK trade overseas, numerous green spaces and the City Corporation's work in surrounding boroughs supporting education, training and employment opportunities.

## Culture and related services

Our Barbican Centre is the largest multiveneue arts centre in Europe.

We maintain Guildhall Art Gallery and the Roman Amphitheatre, along with the building housing the Roman Bath at Lower Thames Street.

We provide 50% of baseline funding for the Museum of London.

As well as lending libraries we have two specialist reference libraries – the Guildhall Library and the City Business Library. We operate London Metropolitan Archives and plant and manage 78 gardens and churchyards as well as 122 other areas of landscaping in the City.

We run the City Information Centre and meet the cost of floodlighting for St Paul's Cathedral.

We also maintain Golden Lane Sport & Fitness.

## Adult social care

The City Corporation arranges residential and community care for adults with mental health problems, learning disabilities or physical difficulties (including occupational therapy). We also commission advice services for residents and workers.

## Court services and other central services

Services which do not fall into any other categories include providing premises for the Central Criminal Court at the Old Bailey, and the Mayor's and City of London Court facilities, providing New Spitalfields Market; electoral services; collecting business rates and council tax; and providing Coroner's Court facilities.

## Children's and education services

As the Local Education Authority we are responsible for development of the Sir John Cass Foundation Primary School and the Cass Child and Family Centre; providing children's social care services; providing support to unaccompanied asylum-seeking minors; supporting nursery education providers around the City; commissioning youth services and providing Adult and Community learning courses.

## Housing services

Social housing is provided from 11 estates - two within the Square Mile - nine in London boroughs. We have three sheltered housing schemes in Lewisham, Islington and Southwark. We provide a range of services to help vulnerable people manage their tenancies. We provide a housing advice service to explain to people the different housing options available. We administer housing benefit and manage housing on the Barbican Estate.

## Police services

The City of London Police's priorities are to protect the City of London from the threat of terrorism and extremism; to protect the City of London and UK from fraud; to respond effectively to public disorder; to reduce crime; to improve road safety; to tackle anti-social behaviour associated with the night time economy in the City of London; to support the Strategic Policing Requirement; and to combat economic crime through their work as the National Lead Force.

## Highways and transport services

We are responsible for the repair, maintenance and reconstruction of streets, signs, street lighting and street furniture. We are also responsible for project management and

implementation of highway improvement and renewal schemes, and for street cleaning. We provide strategic and local transport planning and improve the City's environment. We provide off-street car parks and onstreet parking spaces, and operate concessionary parking schemes and parking enforcement. We also act as management contractor to Thames Water in respect of the City's sewers. The road safety section develops traffic management schemes.

## Environmental and regulatory services

We are responsible for environmental health, trading standards and licensing regulation and enforcement. We are Port Health Authority for London, provide veterinary, policing and enforcement services, and the Animal Reception Centre at Heathrow. We work with others to ensure a desirable mix of entertainment and control certain trade activities through licensing and inspection.

We provide public conveniences, and burial, cremation and memorial facilities for the Square Mile, north east London and part of south west Essex. We also provide refuse collection and disposal services.

## Planning services

We carry out town planning, including processing applications for planning and other permissions, including adverts, looking after listed buildings, archaeology and conservation areas, maintaining the Local Land Charges Register and preparing the local development plan.

The District Surveyor exercises statutory powers under Building Regulations, acts as the Dangerous Structures Surveyor, and provides advice during the conception and design stages to ensure compliance.

## Public health

We are responsible for public health services in the City. Responsibilities include improving the health and wellbeing of residents and workers, carrying out health improvement and health protection functions delegated from the Secretary of State, reducing health inequalities and ensuring healthcare advice is provided. In addition to our core Public Health Grant, other streams support related services such as dedicated drug action and alcohol harm teams.

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