

city of London



Summary of performance and accounts

2008/09

Welcome to this year's summary of performance and accounts.

This document has been produced to keep all our stakeholders up to date on how we've been doing during 2008/09.

It has been another busy year and the information inside just scratches the surface of what the City of London Corporation has achieved.

The performance summary covers all our activities across our three main areas of work - supporting and promoting the business City, providing modern, efficient and high quality local services for our communities and supplying valued services for London and the nation.

The accounts summary gives an overview of where we spent money in our role as a local, police and port health authority and where those funds came from.

As ever, your feedback is important. If you'd like more information on any activities please let us know so we can make this summary as useful as possible. Contact details are on the back page.



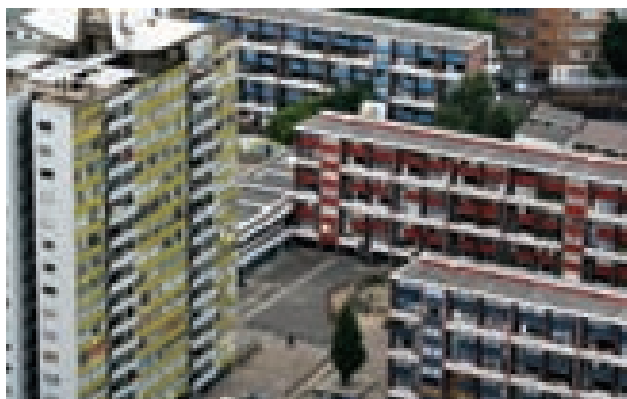
Performance highlights 2008/09

Comprehensive Performance Assessment

In February we retained our **four star rating**, placing us amongst the top performing local authorities in England. The Comprehensive Performance Assessment judges how efficiently councils are run, looking at quality and delivery of services and value for money. We were also rated as "**improving strongly**" in the report and rated four star overall for our use of resources.

Place Survey

Over 1,200 City residents completed the 2008 Place Survey. The Survey found that **93% of residents are satisfied with their local area** as a place to live and 92% agree that people from different backgrounds get on well together.



Inspections, assessments and awards

- We retained our "outstanding" judgement for our **Family and Young People's Services** in the 2008 annual performance assessment and retained our star rating of "excellent" for our **Adult Services**.
- Our **Open Spaces** received a number of awards including **13 Green Flag Awards**, four **Green Heritage Awards** for Ashted Common, Burnham Beeches, Epping Forest and Highgate Wood and a **Special Award for Innovation and Excellence** for the management of West Ham Park. The City Gardens team received several awards including a **Gold Award** from London in Bloom and a **Silver Gilt Award** at the RHS Inner Temple Show.
- **New Spitalfields Market** now recycles some 67% of its waste and won a **Commendation award** from the World Union of Wholesale Markets for its imaginative improvements in sustainability and recycling.
- Our archive service - the **London Metropolitan Archives** - came top in The National Archives' self-assessment league table for the third time.
- Our **Operation Atrium road safety project**, focused on cyclists and HGV drivers and run in partnership with City of London Police, won the Road Safety award at the 2009 **London Transport Awards**.

- **The City of London Cemetery & Crematorium**, the 200 acre site near Epping Forest, was awarded a **Green Flag** for the seventh consecutive year and also retained its Green Heritage Award.
- The **City of London School for Girls** received an outstanding Inspection Report in January 2009. A-Level students produced exceptional examination results, with 99.6% of entries awarded grades A or B, placing the school at the top of The Times School League Tables. **The City of London School** also had some excellent results, with 75% of all A-Level entries awarded an A grade and 50% of GCSE entries awarded an A* grade.

Consultation and engagement

How is the City Corporation facilitating consultation and engagement with our residents and businesses?

- **The Central City Residents' meeting** in June 2008 enabled residents to share their views and keep up-to-date on the City Corporation's work. Discussion topics included the night-time economy, neighbourhood policing and development work in the City.
- **The annual Business Ratepayers' meeting** in February 2009 enabled businesses to hear about our priorities and achievements and to discuss our budget policy, crime statistics and the business rate premium.
- Consultation with carers in the City directly shaped the development of our **Carers' Strategy** and we also consulted all service users on changes to the Home Care Service.
- We regularly consult on **public realm improvement schemes in the City**. In 2008/09 we consulted residents, businesses, workers and a range of interested parties on the Cheapside Area Strategy which proposed environmental and transport improvements and ideas for an ongoing cultural programme of events and activities in the Cheapside area.



We supported and promoted 'The City' as the world leader in international finance and business services by

- **Establishing and co-ordinating TheCityUK.** We secured agreement from key players in government and industry for the City Corporation to lead the work to set up and co-ordinate this new practitioner-led single body responsible for promoting UK financial services.
- **Working with site owners and developers to deliver high quality new floorspace for City businesses.** The Broadgate Tower is a prominent new feature on the City skyline and there was over 1 million m² of new office floorspace under construction in the City in March 2009.
- **Providing inward investment and property advice** to support businesses looking to stay in or move to the City.
- **Supporting and promoting the interests of UK-based financial services firms in the key emerging markets of China and India,** including through our offices in Beijing, Shanghai and Mumbai which provided assistance to over 130 City firms.
- **Leading business delegations on overseas visits and hosting high-level inward visits.** The Lord Mayor and the Chairman of Policy and Resources regularly travel abroad and host overseas visitors to London, promoting the City of London brand and building relationships.
- **Building on our reputation for evidence-based policy-making through our research programme,** providing accurate, timely, well-focused analysis of trends and the needs of the London economy, particularly the financial and business services clusters in and around the City.



We provided modern, efficient and high quality local services and policing within the Square Mile by

- **Refreshing the community strategy for the City** in partnership with The City Together, the Local Strategic Partnership for the Square Mile. This provides a shared focus for the City's partners and communities, helping to co-ordinate activities and improve the delivery of services.
- **Helping residents and small and medium sized enterprises (SMEs) in the City and City fringe to cope with the impacts of the economic downturn** through a range of programmes which, among other things, assisted 145 residents into employment and provided business support to over 2,000 SMEs.
- **Improving the delivery of local policing** and increasing the capacity to deal with serious investigations through a major restructure of the City of London Police. 2008/09 saw the seventh year of **falling crime in the City** (down 3.9%), bringing an overall reduction of 28% since 2002.
- **Developing the Adult Wellbeing Partnership** to improve the health and wellbeing of residents and workers in the City by bringing together key partners, including those in the voluntary and community sector.
- **Establishing a Licensing Liaison Partnership** in April 2008, which considered over 150 licensing applications, with representations made on licence proposals where necessary. We also appointed a Night Time Inspector in February 2009 with the remit of visiting and monitoring premises causing concern.
- **Launching the Portsoken Everybody Online project,** to inspire residents in this area of low internet connectivity and high unemployment to use the internet and benefit from the opportunities it can bring. The project is delivered by the Digital Inclusion Team, which is hosted by the City Corporation and funded by the Department for Communities and Local Government.
- **Reducing the waste we send to landfill and increasing recycling rates** by, amongst other things, extending the range of waste recycling services provided to residents of the Barbican Estate and encouraging businesses to become involved in the Clean City Awards Scheme. We also installed equipment at Billingsgate Market to melt polystyrene fish packaging, reducing the volume sent to landfill and increasing recycling.
- **Establishing a "Quiet Zone" project** as part of the Quiet City Project to identify and preserve or enhance the tranquillity of threatened quiet areas within the City.

- **Significantly improving the public realm** across a range of sites in the City through Street Scene partnership working. The re-landscaping of Fen Court, which included a memorial to the abolition of slavery unveiled by Archbishop Tutu, was recognised in the Civic Trust Awards 2009.
- **Agreeing The City Together Compact**, a voluntary agreement between the City's public sector and third sector which sets out how we will work together in partnership for mutual benefit and for wider community gain.
- **Entering our biggest ever squad in the London Youth Games including** over 500 children from the City's housing estates and schools.
- **Securing funding from Sport England to expand our sports provision** to include a competition co-ordinator for Youth Sport and City Masters, a series of sports clubs for over 45s.
- **Completing a major refurbishment of the Guildhall's North Wing**, improving the reception service for visitors and creating a new venue space, The Livery Hall.



We provided valued services to London and the nation by

- **Launching Central London Forward**, a partnership of Central London Boroughs and the City of London Corporation which works to promote the strategic importance of central London, influence policy affecting the area and identify and work together on a range of issues of mutual interest.
- **Helping 48 new City employers to support their local communities** by developing a Corporate Responsibility Programme or joining volunteering programmes through our City Action and Heart of the City initiatives.
- **Opening the City of London Academy, Islington** in September 2008 and preparing for the opening of the City Academy, Hackney in September 2009. We are co-sponsors of both academies and sole sponsor of the City of London Academy, Southwark.
- **Welcoming over 800,000 visitors to ticketed arts events at the Barbican Centre**, including 42,500 visitors to The House of Viktor & Rolf exhibition at the Barbican Art Gallery.

- **Distributing over £15m to London's voluntary and community sector through the City Bridge Trust**, supporting a variety of community-based activities and services across the capital.
- **Re-opening The Monument** after completing an 18 month refurbishment programme which involved cleaning and repairing the stonework and re-gilding the golden orb.
- **Staging the Watts exhibition in Guildhall Art Gallery**, rated at the top of a Sunday Times "What's On" critical list and in the top five best exhibitions by The Independent.
- **Embarking upon a pioneering grave memorial reuse scheme** at the City of London Cemetery & Crematorium which has implications for other cemeteries across the nation.
- **Providing outreach in neighbouring areas through City of London School programmes**, including seconding the Head of PE and Games to neighbouring boroughs to help promote sport and fitness in the build up to the London Olympics and providing 'Gifted & Talented' tuition in Science and English for students in Stepney.
- **Progressing work on the creation of the 'Barbican Campus'**, a unique collaboration between the Guildhall School of Music & Drama, the Barbican Centre and the London Symphony Orchestra to create the world's leading centre for performance, training and education in the performing arts by 2012. In March, a grant of £2.245m was awarded by the Higher Education Funding Council for England to support this work.
- **Working in partnership with the meat traders at Smithfield Market**, resulting in accreditation from the Food Standards Agency for the Market to operate as a series of Food Businesses under new EU Regulations. **Billingsgate Market** received similar accreditation from the London Borough of Tower Hamlets' Environmental Health inspectors.
- **Securing a Heritage Lottery Fund grant of £4.76m towards the Epping Forest Branching Out Project** to deliver long-lasting improvements to visitor facilities, education projects and conservation work.

Our Plans for 2009/10

Details of what we plan to do in 2009/10 in support of our strategic aims and policies for the local area can be found in our Corporate Plan 2009-2012 and in our sustainable community strategy, The City Together Strategy: The Heart of a World Class City 2008-2014. Both are available to download from our website www.cityoflondon.gov.uk/corporateplan

Summary of accounts 2008/09

This accounts summary contains financial information on the City of London Corporation's activities in our capacity as a local, police and port health authority. An overview of our spending and income during 2008/09 is provided together with our financial position at 31 March 2009. The City Corporation's 2008/09 financial statements were prepared in accordance with recommended accounting practice, and the independent auditors' opinion was that the statements present fairly the financial position at 31 March 2009 and the income and expenditure for the year. The figures in this summary have been drawn from the audited statements but have been re-presented to reflect the nature of this document. A full copy of the financial statements is available at

www.cityoflondon.gov.uk/finance

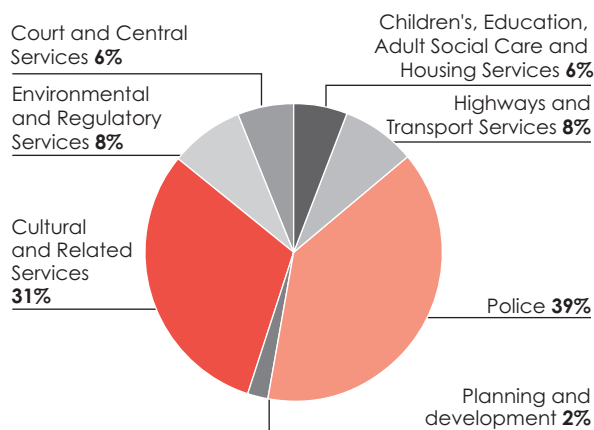
The cost of services

This table summarises the revenue account for 2008/09 and shows the costs of providing services, where the money came from towards meeting these costs and the surplus for the year.

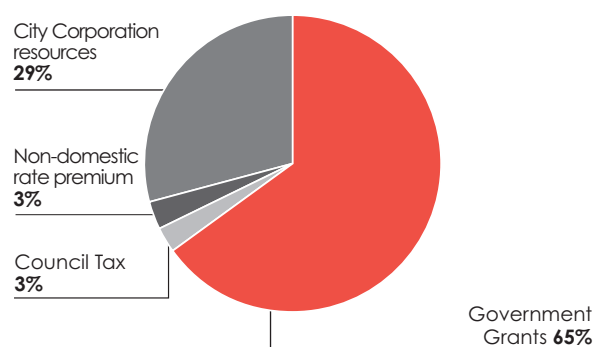
	Gross expenditure £m	Gross income £m	Net expenditure £m
Children's and Education Services	9.1	(5.9)	3.2
Adult Social Care	7.2	(0.6)	6.6
Housing Services	32.1	(31.8)	0.3
Highways and Transport Services	27.7	(14.7)	13.0
Police Services	97.2	(34.3)	62.9
Planning and Development Services	13.4	(9.4)	4.0
Environmental and Regulatory Services	26.6	(13.6)	13.0
Cultural and Related Services	69.9	(18.6)	51.3
Court Services	8.0	(5.8)	2.2
Central Services	14.4	(6.4)	8.0
Sub Total	305.6	(141.1)	164.5
Internal charges and accounting adjustments			(7.8)
Amount to be met from government grants, City Corporation resources and local taxation			156.7
Government Grants			
Contribution from non-domestic rates pool		(71.3)	
Police grant		(20.2)	
Revenue support grant		(10.7)	(102.2)
City Corporation Resources			
Investment income and interest earnings			(45.7)
Local Taxation			
Non-domestic rate premium		(4.6)	
Council tax		(5.3)	(9.9)
Total income			(157.8)
Surplus for year			(1.1)

The surplus for the year of £1.1m (2007/08 – deficit of £2.1m) compares to the latest budget approved by the Court of Common Council which anticipated a deficit of £5.3m. The main reasons for this improvement of £6.4m include higher than budgeted income from interest earnings, government grants, reimbursements and contributions together with small under-spending across a number of services. Whilst the result for the year is encouraging, the City Corporation's financial strategy of eliminating the need for the use of general reserves by matching ongoing revenue expenditure to revenue income over the medium term remains challenging particularly in the current economic climate. The £1.1m was added to unallocated reserves which had a balance of £48m at 31 March 2009.

Net cost of services



Where the money came from



Housing revenue account

By law, local authorities are required to maintain a separate landlord account - the Housing Revenue Account. As at 31 March 2009 the City of London's HRA rental stock was 1,886 dwellings. The HRA also includes costs and service charge income relating to sold properties of which there were 872 as at 31 March 2009. The following table indicates a deficit for the year of £0.9m (2007/08 – surplus of £1.8m) which was £0.3m greater than budget due mainly to increased expenditure on repairs and maintenance, energy and supervision and management.

	£m
Expenditure	
Repairs and Maintenance	4.8
Supervision and Management	6.3
Depreciation and other costs	2.5
Total Expenditure	<u>13.6</u>
Income	
Rents:	
Dwellings	(7.1)
Other	(1.6)
Services and facilities	(3.0)
Government subsidy	(0.5)
Total Income	<u>(12.2)</u>
Net expenditure	1.4
Technical accounting adjustments including loan repayments	(0.5)
Deficit for year	<u>0.9</u>
Balance 1 April 2008 (surplus)	(7.2)
Balance 31 March 2009 (surplus)	<u>(6.3)</u>

Capital expenditure summary

Capital expenditure generally represents spending on purchasing, upgrading and improving assets such as roads, buildings, vehicles and computer systems. The benefits from capital expenditure are received over a period of longer than a year. Set out below are the main areas of capital expenditure during 2008/09 together with how the expenditure was paid for.

£m	Financed by:	£m
Investment Properties - strategic acquisitions and refurbishments	Capital receipts	(110.6)
62.4	Grants and contributions	(10.3)
Operational Properties - improvements to the Guildhall Complex	Revenue finance	(1.6)
46.8	HRA major repairs reserve	(1.1)
Highways - Transport for London schemes and streetscene/riverside walkway enhancements		
6.7		
Housing and Social Services		
2.3		
Recreation and Tourism - improvements to the Barbican Centre		
1.9		
Police - vehicle purchases and IT systems		
1.9		
Digital Inclusion and Challenge projects		
1.3		
Refuse Collection and Disposal - vehicle replacements		
0.3		
123.6		<u>(123.6)</u>

Collection fund revenue account

The City of London Corporation, like other billing authorities, is required to maintain a Collection Fund which receives income from non-domestic rates and council taxes and makes payments to the Government's non-domestic rates pool, to precepting authorities and to the City of London Corporation's revenue account. The Fund has a significant impact on cash flow due to the level of income from business ratepayers in the City.

	£m
Expenditure	
Government's non-domestic rates pool	534.4
City of London Revenue Account:	
Council tax	5.3
Non-domestic rate premium	4.6
Cost of collection allowance	1.6
Greater London Authority	0.5
Total expenditure	<u>546.4</u>
Income	
Income from business ratepayers	(540.6)
Council taxes	(5.8)
Total income	<u>(546.4)</u>
Deficit for year	0.0
Balance 1 April 2008 (surplus)	(0.3)
Balance 31 March 2009 (surplus)	<u>(0.3)</u>

Balance sheet at 31 March 2009

This table summarises what the City of London Corporation owns and what is due to it and owed by it.

	Notes	£m		Notes	£m
Fixed Assets:			Represented by:		
Operational	1	660.9	Capital adjustment account	6	(1,370.8)
Investment Properties	2	556.0	Revaluation reserves	7	164.0
Investments	3	345.5	Usable capital receipts		(134.5)
Sums due		56.5	HRA major repairs reserve		(10.4)
Sums owed		(126.8)	Revenue reserves	8	(119.2)
Pension liability	4	(437.9)	HRA and Collection Fund		(6.6)
Other net liabilities	5	(14.6)	Pension reserves	4	437.9
Total net assets		<u>1,039.6</u>	Total Equity	9	<u>(1,039.6)</u>

Notes

- The value of land, buildings (including council dwellings), infrastructure and vehicles that are used in the provision of services.
- The value of properties that are held to provide revenue income for the funding of services.
- The value of cash invested in deposits to provide interest earnings for the funding of services.
- The commitment to pay retirement benefits to police officers over future years, matched by a negative reserve on the other side of the balance sheet.
- Other net liabilities relate to grants and contributions received that have been deferred for matching against the associated expenditure in later years (£24.3m) partly offset by a cash balance of £9.3m and stock of £0.4m. The cash balance was £14.1m higher than in the previous year resulting from net inflows of £34.0m and £15.9m for revenue and capital activities respectively, partly reduced by an increase in short term deposits of £35.8m.
- The capital adjustment account mainly includes entries for the financing of capital expenditure partly offset by reductions for depreciation, impairment and disposals of fixed assets.
- The revaluation reserves contain recognised gains and losses since the inception of the reserve on 1 April 2007. The reserves indicate net losses of £164m as they include unrealised losses on revaluation of investment properties which reflect general falls in prices that are not anticipated to be permanent.
- Includes both sums earmarked for specific purposes and unallocated balances.
- Total equity reduced by £132m compared to the previous year (2007/08 – increased by £8m) primarily due to the net unrealised losses on revaluation of investment properties.

Contact details

Please contact us if you would like more information on any of the issues covered in this document or if you would like to receive a copy of this publication in an alternative format such as Braille, large print or audio tape.

The City Corporation would welcome comments on whether you find this document useful. These comments should be sent to chb.summaryaccounts@cityoflondon.gov.uk.

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The City of London Corporation is an unusually diverse organisation with three main aims –

- to support and promote 'The City' as the world leader in international finance and business services
- to provide modern, efficient and high quality local services and policing within the Square Mile for the benefit of workers, residents and visitors, whilst delivering sustainable outcomes
- to provide valued services to London and the nation.

The City pre-dates parliament and its experience and tradition underpin its modern and efficient services. It operates on a non-party political basis through its Lord Mayor, aldermen and elected council members.

This summary was produced in September 2009.