



Summary of performance and accounts

2010/11

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

This document has been produced to keep our stakeholders up to date on the City of London's activities in 2010/11.

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 and policing services for our communities; and supplying valued services to 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 – our contact details are on the back page.



Performance highlights 2010/11

Assessments and awards

- Our **children's services** were rated as **'performing excellently'** by OFSTED in their 2010 inspection.
- The Care Quality Commission rated our **Adult Social Care services** as **'performing excellently'** in their 2010 inspection.
- The City of London Police Counter Terrorism team have been awarded an **'Excellent' grading by the National Counter Terrorism Security Office.**
- Our Open Spaces were awarded **14 Green Flag Awards** and **seven areas were accredited as Green Heritage Sites.** Additionally, we have maintained **Green Flag and Green Heritage** status at the **Cemetery & Crematorium.**



- London Metropolitan Archives retained its top rating under The National Archives' assessment of local authority archives services in England and Wales. **LMA received the top rating of four stars in all five categories making it the top local authority archive service in the country.**
- We achieved recognition for **facilitating the development of buildings of exemplary and sustainable design:** 7-10 Old Bailey won an International Architecture Award 2010; Apex London Wall Hotel, 7/9 Cophall Avenue won three awards for excellence in project delivery; Watermark Place, 1 Angel Place won the New City Architecture Award; and the Monument was the RICS London Awards 2010 Overall Winner. It also won two other conservation awards.
- The Environmental Enhancement (formerly Street Scene) Team won the **Best Historic Building Management London Planning Award 2010** for St Paul's Churchyard, a national RTPI Planning Award 2010 for its work with the public through IT. The Fen Court scheme was shortlisted for the International Arts & Works Award 2010 and won two other awards.
- **Keats House** was granted the **Sandford Award for Heritage Education by the Heritage Education Trust** in recognition of the 'quality and excellence in the educational services and facilities' at the house.
- Our City Gardens received the **Champion of Champions award and Chairman's award in the London in Bloom competition,** and achieved **Gold and Category Winner and the Sustainable Landscaping award in Britain in Bloom.**
- Our department of Environmental Services has **won a number of Building Control Project Awards**

in conjunction with the development teams, including Local Authority Business Control (LABC) Building Excellence Awards 2010 and Best Sustainable Project for Watermark Place.

- This department has also been awarded the **Eventia Gold Award for Best Small Venue of the Year** for the Walkways at Tower Bridge, the **London Councils Green Apple Silver Environment Award** and the **Partners in Parking Innovation Award** at the British Parking Awards for their work on mystery shopping.
- We have **maintained ISO 9001 accreditation,** the international standard for quality management, for Environmental Health (Food and Smithfield) and Port Health (Imported food control).
- Heathrow Animal Reception Centre won the **RSPCA Multi-agency Group Innovator Award.**
- The **Barbican Centre** was named the **Coolest Conference and Exhibition Centre** at the Cool Venue Awards, won **Coolest Conference/ Exhibition Centre** at Prestige Events and was awarded the **D&DA Award for best designed exhibition of 2010** for Surreal House, Gallery Exhibition.
- The Barbican Centre received a **Silver Award for Green Apple Sustainability in Practice 2010.**

Consultation and engagement

- **The City-wide City Residents' meeting** in June 2010 enabled residents from across the City to share their views and keep up-to-date with our work. Issues discussed included the City of London Police's cycling safety initiative, volunteering and adult social care. Estate-based residents' meetings and a 'Rest of the City' meeting (for those who do not live on an estate) were also held through the year.
- **The annual Business Ratepayers' meeting** in February 2011 enabled businesses to hear about our work and priorities, key issues for the City and the business rate premium.
- **We regularly consult residents, businesses and workers** on a variety of issues and proposals affecting the City. Examples in 2010/11 include the Local Development Framework and widespread public consultation on Sexual Entertainment Venues.

Sustainability

We continue to embed sustainability in all that we do and strive to make the City of London a sustainable place to live, work and do business. Our leadership is demonstrated by the continuing success of our internationally recognised Sustainable City Awards scheme, and our on-going engagement with the government in promoting the low carbon economy. 2011 also saw the establishment of a new Energy and Sustainability Sub-Committee of Policy and Resources which will assist in meeting the significant challenges of our commitments to reducing our carbon emissions and energy use.

Equalities

In May 2009 the City of London formally adopted the new **Equality Framework for Local Government** and set itself the ambitious target of April 2012 for achieving "Excellent Authority" status under the Framework. Considerable work has already been undertaken to ensure that we meet this target. The adoption of our new Single Equality Scheme in December 2010 is helping to ensure that our strategies, policies and projects do not discriminate against anyone, that (where possible) they actively promote equality and that the City of London meets all its obligations under the Equality Act 2010.

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

- **Leading business delegations on overseas visits and hosting high-level inward visits.** The Lord Mayor and the Chairman of the Policy & Resources Committee regularly travel abroad and host overseas visitors to London, promoting the City of London brand and building relationships.



- **Ensuring the City's interests are represented on European and international legislative issues** through the establishment of the International Regulatory Strategy Group in partnership with TheCityUK and influencing policy such as the Market in Financial Instruments Directive.
- **Promoting the City's international competitiveness** by helping to influence the new government policy on skilled migration, allowing City businesses to continue to employ the most talented staff from across the world.
- **Establishing the City of London Advisory Council for China** to guide the City of London's engagement with China and the activities of its offices in Beijing and Shanghai.
- **Publishing reports on a range of issues** such as taxation, banking regulation and employee volunteering to influence government and public debate and help inform the City business community.
- **Working with partners to support improvements to London's strategic transport infrastructure.** This has resulted in the opening of the East London Line, the introduction of three car trains on DLR, construction work progressing on Cannon Street Station and the new Blackfriars Thameslink

station, continued preparatory work on Crossrail and the completion and closure of the Central London Bus Priority Network partnership and the Route 38 project.

- **Receiving national recognition for our Environmental Enhancement and Local Transportation Planning Team's** public realm design expertise in reducing the risk of vehicle-borne terrorism. The Centre for the Protection of National Infrastructure's publication 'Integrated Security: A Public Realm Design Guide for Hostile Vehicle Mitigation' uses many examples from the City.
- **Leading City negotiations to ensure the delivery of electricity supply via a new duct route across Southwark Bridge** to provide for the needs of five major developments totalling in excess of 250,000 sq m (2.5 million sq ft) in area.

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

- **Helping 170 residents into paid employment** in the City and surrounding fringe boroughs.
- **Supporting 453 Small and Medium Enterprises (SMEs)** in the City and fringe boroughs through our targeted programmes.
- Enabling **paid placements for 87 school leavers from City and City fringe schools** with City firms as part of the City Business Traineeship programme.
- **Recruiting 68 companies from the City and surrounding boroughs to the Heart of the City 'Newcomers' programme** helping them to develop a variety of Corporate Responsibility initiatives
- Partnership working between staff in the Departments of Libraries, Archives & Guildhall Art Gallery and Community & Children's Services which led to the **staging of family events across the City in support of National Parents' Week and culminated in the first City Life Festival.**
- **Achieving the highest collection rate, nationally, for Council Tax (99.4%)** and being in the top 50 for Non-Domestic Rates (99.1%).
- **Securing better access to health and wellbeing facilities for residents and workers** by improving the use of the Portsoken Health and Community Centre and increasing the number of workers and residents quitting smoking.
- **Improving involvement opportunities for service users** by setting up the Adults Advisory Group.
- **Improving independence for City of London residents** by increasing the use of individual budgets for adult social care clients and rough sleepers.
- Providing information to visitors at the City Information Centre. **The Centre has now welcomed its one millionth customer since the new building opened in 2007.**

- Hosting and sponsoring a programme of events, including the **Youth Aspiration Conference**. Substantial resources are committed to regeneration work in our neighbouring boroughs. A key element is raising the aspiration and skills of young people in these areas, helping to bring the City closer to its neighbouring boroughs.
- **Improving the delivery of local policing**, resulting in a fall in total recordable crime of 158 (2.4%) in the City in the last year.
- **Using part of the funding received for completion of the 2007/10 Local Area Agreement to support 17 projects**, including the Portsoken Community Centre, the Tiomkin Festival for young people with the LSO, City of London Festival education programme, Creative Learning in the Barbican, after school activities with the Guildhall School of Music & Drama, the Young at Heart scheme for elderly City residents and a Community Multi Sports programme.
- **Involving the local community**, with over 6500 volunteers at Burnham Beeches and approximately 8000 volunteers at City Commons to help manage the sites and conservation groups.
- **Developing a 'Green to Gold' campaign** associated with the 2012 Games. In recognition of its accessible, participative and inspiring ambitions to promote and celebrate the value of open space to surrounding communities, this campaign has been awarded the 2012 Olympic Inspire Mark.
- Hosting various events across our Open Spaces, including **staging the largest ever Forest Festival** with a record breaking 30,000 visitors in Epping Forest and **successfully implementing a summer holiday entertainments programme** at Highgate Wood and Queen's Park, delivered in partnership with Education and Play staff from Hampstead Heath.

We provided valued services to London and the nation by

- **Supporting 42 community organisations in the City's neighbouring boroughs through City Action**, a free volunteer broker for City businesses with 615 skills-based volunteers from 55 businesses getting involved.
- **Admitting 1,692 people to the Freedom of the City during 2010**, including Simon Russell Beale, Barbara Windsor and Andrew Strauss.
- **Completing successful youth projects as part of the 2012 Cultural Olympiad at Guildhall Art Gallery and Keats House** which formed part of the nationwide 'Stories of the World' strand, aimed at introducing young people to museums and galleries.
- Collaborating closely with London Funders, the Association of Charitable Foundations, London Councils, Government Office for London and key voluntary and community sector partners to **consider the impact of the recession on the third sector and London's communities**.
- **Making a significant investment in the East London Bond**, a new social finance vehicle by which organisations and individuals can lend their capital to support charities. The City Bridge Trust is seen as a leader in the sector for its participation in this project.
- **Organising commemorative events**, including a Service at St Paul's Cathedral followed by receptions at Guildhall and several Livery Halls to commemorate and honour the Battle of Britain and RAF World War II veterans.
- **Hosting a reception to mark the 6th Meeting of the International Olympic Coordination Committee**. The event formed part of an on-going programme of City Corporation support for the London 2012 Games and for the work of the London Organising Committee of the Olympic and Paralympic Games.
- **Encouraging City firms to sponsor British athletes** in the lead up to the London Games in 2012 by hosting a Team 2012 Reception.
- Concluding our five year 'Fear & Fashion' initiative, delivered in partnership with four other charitable funders. This **highlighted examples of best practice in the prevention of knife-crime and youth involvement in this part of gang culture**.
- The **Barbican Centre and Guildhall School were selected as lead partners for Artworks London**, a new initiative by the Paul Hamlyn Foundation which supports the continuing professional development of artists working in participatory settings.



Our plans for 2011/12

Our Corporate Plan 2011-2015 and our sustainable community strategy, The City Together Strategy: The Heart of a World Class City, provide further details of our strategic aims and key priorities for 2011/12. Both are available to download from our website www.cityoflondon.gov.uk/corporateplan

Summary of accounts 2010/11

This document contains financial information on the City of London Corporation's activities in its capacity as a local authority, police authority and port health authority. A summary of its spending and income during 2010/11 is provided together with its financial position at 31 March 2011. The City of London Corporation's 2010/11 financial statements were prepared in accordance with recommended accounting practice, and the independent auditor's opinion was that the statements present fairly the financial position at 31 March 2011 and the income and expenditure for the year. The figures in this summary have been drawn from the audited statements but some modifications have been made for reasons of clarity and brevity.

The City of London Corporation would welcome comments on whether you find these summary accounts useful and on their presentation. These should be sent to chb.summaryaccounts@cityoflondon.gov.uk

The cost of services and how they were financed

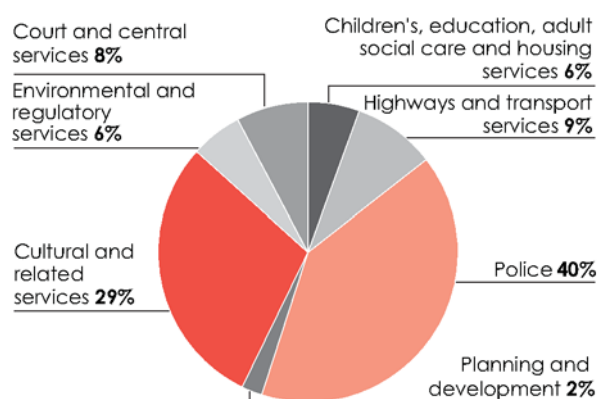
The table summarises the revenue account for 2010/11 and shows the costs of providing services, where the money came from towards meeting these costs and the surplus for the year.

	Gross expenditure £m	Gross income £m	Net expenditure £m
Education and Children's Services	8.9	(6.1)	2.8
Adult Social Care	7.2	(0.8)	6.4
Housing Revenue Account and Other Housing Services	32.0	(31.4)	0.6
Highways and Transport Services	33.0	(17.6)	15.4
Police Services	105.7	(36.3)	69.4
Planning and Development Services	13.8	(9.7)	4.1
Environmental and Regulatory Services	24.3	(14.3)	10.0
Barbican Centre and Other Cultural and Related Services	69.6	(19.3)	50.3
Court Services	9.1	(5.6)	3.5
Corporate, Democratic and Central Services	15.0	(5.6)	9.4
Sub total	318.6	(146.7)	171.9
Internal charges and accounting adjustments			(11.3)
Amount to be met from government grants, City Corporation resources and local taxation			160.6
Government grants			
Contribution from non-domestic rate pool		(72.4)	
Police grant		(21.8)	
Revenue support grant		(10.5)	
City Offset		(10.0)	
Other grants		(2.2)	(116.9)
City Corporation resources			
Investment income and interest earnings			(36.2)
Local taxation			
Non-domestic rate premium		(6.4)	
Council tax		(5.5)	(11.9)
Total income			(165.0)
Surplus for year			(4.4)

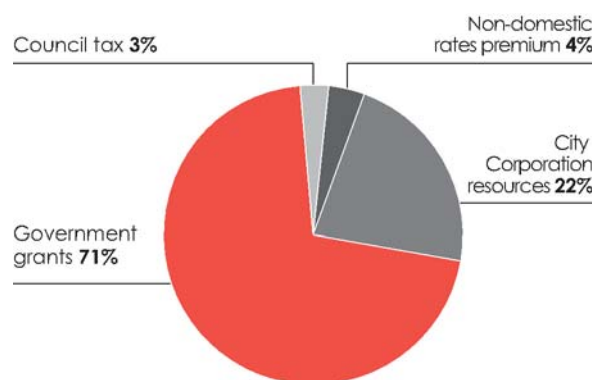
Surplus for the year

The surplus for the year of £4.4m (2009/10 – surplus of £0.7m) compares to the latest budget approved by the Court of Common Council which anticipated a deficit of £5.7m. The reasons for this improvement of £10.1m include increased income from interest earned on balances, lower calls on contingencies, slippage on certain projects, and better-than-budget positions across most services through a combination of additional incomes and management of costs. 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. This is due to the continuing difficult economic climate and the significant reduction in government grants from 2011/12 with further reductions signalled from 2013/14 to cover the four year period of the Government's Comprehensive Spending Review. The £4.4m was added to unallocated reserves which had a balance of £52.9m at 31 March 2011.

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 (HRA). As at 31 March 2011 the City of London's HRA rental stock was 1,887 dwellings. The HRA also includes costs and service charge income relating to sold properties of which there were 872 as at 31 March 2011. The following table indicates a deficit for the year of £0.8m (2009/10 – deficit of £1.1m) which was a £0.4m improvement on budget due mainly to increased income from rents and charges for services.

Expenditure	£m
Repairs and Maintenance	4.9
Supervision and Management	6.1
Depreciation and other costs	2.4
Payment to HRA Subsidy Pool	0.1
Total Expenditure	<u>13.5</u>
Income	
Rents:	
Dwellings	(7.4)
Other	(1.6)
Services and facilities	(3.1)
Interest receivable	(0.3)
Total Income	<u>(12.4)</u>
Net expenditure	1.1
Technical accounting adjustments	<u>(0.3)</u>
Deficit for year	0.8
Balance 1 April 2010 (surplus)	<u>(5.2)</u>
Balance 31 March 2011 (surplus)	<u>(4.4)</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 2010/11 together with how the expenditure was paid for.

Expenditure:	£m	Financed by:	£m
Investment properties - strategic acquisitions and refurbishments	23.5	Capital receipts	(29.4)
Highways - Transport for London schemes and streetscene/riverside walkway enhancements	9.6	Grants and contributions	(12.8)
Housing and Social Services	3.9	Revenue finance	(2.6)
Museum of London grant	3.3	HRA major repairs reserve	(0.8)
Police - vehicle purchases and IT systems	1.2		
Barbican Centre and other cultural related services	1.2		
Digital Inclusion and Challenge projects	1.0		
Other operational properties and assets	1.9		
	<u>45.6</u>		<u>(45.6)</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	648.9
City of London Revenue Account	
Council tax	5.5
Non-domestic rate premium	6.4
Cost of collection allowance	1.7
City Offset	10.0
Greater London Authority	
Precept	0.6
Crossrail Business Rate Supplement	30.7
Total expenditure	<u>703.8</u>
Income	
Income from business ratepayers	(697.8)
Council taxes	(6.2)
Total income	<u>(704.0)</u>
Surplus for year	(0.2)
Balance 1 April 2010 (surplus)	(0.4)
Balance 31 March 2011 (surplus)	<u>(0.6)</u>

Balance sheet at 31 March 2011

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	613.7	Usable reserves		
Investment Properties	2	717.9	Revenue	6	(144.5)
Investments	3	327.9	Capital receipts and grants	7	(77.8)
Sums receivable		47.5	HRA Major Repairs		(11.4)
Cash		10.5	Unusable reserves		
Sums payable		(89.8)	Capital Adjustment Account	8	(1,286.3)
Capital grants and contributions received in advance	4	(51.3)	Revaluation	9	(58.3)
Pension liability	5	(470.7)	Other		1.9
Total net assets		<u>1,105.7</u>	Pension	5	470.7
			Total reserves	10	<u>(1,105.7)</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 both revenue income for the funding of services and capital appreciation.
- The value of cash invested in fixed term deposits of varying lengths and in money market funds to provide interest earnings for the funding of services.
- These capital grants and contributions have conditions attached to them which, if not met, will require the monies to be returned to the providers.
- 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.
- Includes both sums earmarked for specific purposes and unallocated balances. Revenue reserves may generally be used to fund revenue or capital expenditure.
- Capital receipts and grants can only be used for meeting the costs of capital expenditure.
- 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 reserve contains recognised but unrealised gains and losses since the inception of the reserve on 1 April 2007.
- Total equity increased by £182.1m compared to the previous year (2009/10 reduced by £124.6m) primarily due to a reduction in the police pension liability. There was also an increase in short term investments but this was offset by a reduction in the value of long term assets and an increase in creditors.

A full copy of the audited Statement of Accounts 2010/11 is available by contacting the Chief Accountant, Financial Services Division, Guildhall, PO Box 270, London EC2P 2EJ or at www.cityoflondon.gov.uk/finance



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

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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 October 2011.