

APPENDIX 3 COMMERCIAL AND OPERATIONS

In addition to the Corporate Core, there are other services that are under the remit of the Resources and Governance Scrutiny Committee, these are traded services with Operations and Commissioning and are set out in the following table: The gross budget is £24.07m, with a net credit budget of £10.536m and a total employee of 352.

Commercial & Operations

Revenue Budget

Commercial and Operations	2021/22 Gross Budget	2021/22 Net Budget	2021/22 Budgeted Posts (FTE)
	£'000	£'000	
Advertising	63	(4,175)	0
Fleet	961	(278)	14
Pest Control	717	114	18
Markets	9,152	(1,079)	52
Catering	3,036	172	219
Management	19	19	0
Bereavement Services	2,429	(1,029)	48
Residual City Works	149	149	0
Off Street Parking	7,242	(4,720)	0
CCTV	302	291	1
Total	24,070	(10,536)	352

Headline Priorities for the Service

Commercial and Operations

- Markets – traditional, local, wholesale and specialist markets.
- Pest Control - tailored service for domestic and business premises to treat, monitor and eradicate pests.
- Bereavement Services - Manchester's five cemeteries and one crematorium (at Blackley) manage some 3,000 funerals a year, working seven days a week to meet the needs of the city's diverse cultural communities.

Priorities:

- Investment in New Smithfield Market – business case being prepared.
- Markets – Investment proposals for Gorton and Longsight prepared for potential inclusion in Levelling-Up fund bids.

Commercial

- Civic Quarter Heat Network – providing a sustainable heat and power system to several buildings in Manchester city centre.
- Parking - The service directly supports the transport strategy for the city and our aim is to keep the city's roads safe and moving.

Priorities

- Delivery of outstanding savings from advertising.
- Development of parking strategy and review of on / off street pricing.

2022/23 Revenue Budget

Approved 2022/23 Savings

Members will recall that the 2021/22 approved City Council budget identified over £48m savings over the three years 2021/22 - 2023/24. Of these savings £5.935m related to Commercial and Operations activities, with £5.76m included as part of the 2021/22 budget. Due to the majority of these being through traded services, there have been adverse implications from Covid, and the following savings have not been achieved in 2021/22: -

- Car Parking income £4.1m income following the bringing back in house of the off street car parking arrangements. Due to ongoing restrictions and reduced numbers of individuals working in the City Centre the usage, and particularly the season ticket sales have not returned as quickly as forecast. It is expected that Spring 2022 will see a continued increase in staff returning and so users should increase. This will be retained under review in 2022/23.
- £225k advertising income from the proposed screen in Picadilly Garden. This was not delivered during 2021/22 and revised plans to meet the advertising income budget target are being developed.

Covid Implications on Income

As part of the 2021/22 budget, additional support was provided to allow for reduced income due to Covid. Operations and Commissioning received one off budget support of £3.136m to support the reduction in car parking income This was one off support in 2021/22 and has been removed in 2022/23.

Inflationary Pressures

Provision has been made for inflationary price increases and potential pay awards. This is held centrally and will be allocated to service budgets when the details are available.

	2022/23 £'000
Operations and Commissioning	
2022/23 Approved Savings	(225)
Reverse Covid income adjustments	(3,136)
Net Operations and Commissioning	(3,361)