

Committee(s):	Date(s):	Item no.
Residents' Consultation Committee Barbican Residential Committee	12 September 2011 26 September 2011	
Subject: 2010/11 Revenue Outturn		Public
Report of: The Chamberlain and the Director of Community and Children's Services		For Information

Summary

1. This report compares the revenue outturn for the services overseen by your Committee in 2010/11 with the final agreed budget for the year. Total net expenditure during the year was £194,000, whereas the total agreed budget was £374,000, representing an underspend of £180,000. This is summarised in the table below:

Summary Comparison of 2010/11 Revenue Outturn with Final Agreed Budget – Barbican Residential Committee			
	Final Agreed Budget £000	Revenue Outturn £000	Variations Increase/ (Reduction) £000
Local Risk	(1,926)	(1,960)	(34)
Central Risk	(1,129)	(1,121)	8
Recharges	3,429	3,275	(154)
Overall Totals	374	194	(180)

2. The Director of Community & Children's Services overall local risk outturn, including the services overseen by the Community and Children's Services Committee, was net expenditure of £8.784m, against a total local risk budget of £9.458m, amounting to a total net underspend of £0.674m.
3. The Director of Community and Children's Services has carried forward £500,000 of her underspend, the maximum sum permitted. Of this sum, £55,000 has been added to the Director's 2011/12 local risk budget relating to the Barbican Residential Committee. The balance of £445,000 has been added to the Director's budget in Community and Children's Service Committee.

Recommendations

4. It is recommended that this revenue outturn report for 2010/11 and the budgets carried forward to 2011/12 are noted.

Main Report

Revenue Outturn for 2010/11

5. Actual net revenue expenditure for your Committee's services during 2010/11 totalled £194,000. A summary comparison of this expenditure with the final agreed budget for the year of £374,000 is tabulated below. In the various tables, figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.

Summary Comparison of 2010/11 Revenue Outturn with Final Agreed Budget			
	Final Agreed Budget £000	Revenue Outturn £000	Variations Increase/ (Decrease) £000
The Director of Community and Children's Services			
Local Risk			
Expenditure	9,061	8,483	(578)
Income	<u>(10,987)</u>	<u>(10,443)</u>	<u>544</u>
Total	(1,926)	(1,960)	(34)
Central Risk	(1,129)	(1,121)	8
Recharges	3,429	3,275	(154)
Total	374	194	(180)

6. The main variation of £154,000 in recharges is primarily in relation to a decrease in the recharge from central departments.
7. Annex A provides more detail and explanations of variations for local risk, central risk and recharges.
8. Annex B analyses, in greater detail, the variations on repairs, maintenance and improvements.
9. Annex C presents the outturn information in the format requested by the Residents' Consultation Committee and compares the outturn for 2010/11 with the outturn for the previous year and to the final agreed budget for 2010/11.

Local Risk Carry Forward 2010/11

10. Chief Officers can request underspends of up to 10% or £500,000 (whichever is the lesser) of the final agreed local risk budget to be carried forward, provided the underspending is not fortuitous and the resources are required for a planned purpose. Such requests are subject to the approval of the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.
11. Overspendings are normally carried forward in full and are to be met from agreed 2011/12 budgets.
12. Including the Community and Children's Services Committee, the Director of Community and Children's Services' overall local risk underspend was £0.674m of which £500,000 (the maximum permitted) has been approved for carry forward to 2011/12.
13. The Director has allocated £55,000 of her carry forward to Barbican Residential landlord's expenditure on the following activities:
 - £7,000 on drainage cleaning and descaling to the east Barbican podium.
 - £48,000 on prevention works in respect of podium area leaks.
14. The balance of £455,000 has been added to the Director's 2011/12 local risk budget overseen by the Community and Children's Services Committee.

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Chamberlain

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**Barbican Residential Committee – Comparison of 2010/11 Revenue
Outturn with Final Agreed Budget**

	Final Agreed Budget £000	Revenue Outturn £000	Variation Increase/ (Decrease) £000
SUMMARY			
Local Risk	(1,926)	(1,960)	(34)
Central Risk	(1,129)	(1,121)	8
Recharges	3,429	3,275	(154)
COMMITTEE TOTAL	374	194	(180)

LOCAL RISK

Reasons

City Fund

Supervision and Management – General	682	666	(16)	
Service Charge Account	154	95	(59)	1
Landlords Services	(1,436)	(1,428)	8	
Car Parking	(105)	(120)	(15)	
Stores	(324)	(302)	22	
Trade Centre	(979)	(962)	17	
Other Non-Housing	82	91	9	
TOTAL LOCAL RISK	(1,926)	(1,960)	(34)	

Reasons for Significant Variations

1. The service charge account in total is mainly cost neutral as any increase or decrease in expenditure is reflected in an increase or decrease in income. The only change would be due to differences in the number of voids. This decrease in local risk is offset by an increase in the proportion of time spent by the technical services on the service charge account compared to the original budget.

The main increase in the local risk comprises the net effect of the following :-

- Reduction of £155,000 in employee expenses as a result of lower levels of sickness absence for estate cleaners, lower superannuation costs as new staff have not joined the pension scheme partly offset by the use of agency staff to cover vacant estate concierge posts.
- Reduction in repairs and maintenance due to a) redecoration works being deferred following condition survey b) a reduced requirement for breakdown repairs c) a number of contingency budgets not fully required.
- Increase in energy costs of £236,000 due to the increased unit rate for electricity and an increase in consumption for the under floor heating
- Reduction in service charge income is due to the net effect of the above.

Barbican Residential Committee – Comparison of 2010/11 Revenue**Outturn with Final Agreed Budget**

	Final Agreed Budget £000	Revenue Outturn £000	Variation Increase/(Decrease) £000	Reasons
CENTRAL RISK				
City Fund				
Service Charge Account	(848)	(880)	(32)	
Landlords Services	(229)	(196)	33	
Trade Centre	(33)	(17)	16	
Other Non-Housing	(19)	(28)	(9)	
TOTAL CENTRAL RISK	(1,129)	(1,121)	8	

**Barbican Residential Committee – Comparison of 2010/11 Revenue
Outturn with Final Agreed Budget**

	Final Agreed Budget £000	Revenue Outturn £000	Variation Increase/(Decrease) £000	Reasons
RECHARGES				
City Fund				
Insurance	346	349	3	
IS Recharges	121	114	(7)	
Support Services	518	412	(106)	2
Capital Charges	1,961	1,961	0	
Recharges from / (to) other Committees within Fund	483	439	(44)	
TOTAL RECHARGES	3,429	3,275	(154)	

Reasons for Significant Variations

2. A reduction in the time spent by Chamberlain's and Comptroller and City Solicitor's departments.