

| | | |
|---|--|-----------------|
| Committee(s): | Date(s): | Item no. |
| Residents' Consultation Committee Barbican Residential Committee | 10 September 2012 24 September 2012 | |
| Subject: 2011/12 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 2011/12 with the final agreed budget for the year. Total net income during the year was £97,000, whereas the total agreed budget was net expenditure of £27,000, representing an underspend of £124,000. This is summarised in the table below:

| Summary Comparison of 2011/12 Revenue Outturn with Final Agreed Budget – Barbican Residential Committee | | | |
|--|-------------------------------------|---------------------------------|--|
| | Final Agreed Budget £000 | Revenue Outturn £000 | Variations Increase/ (Reduction) £000 |
| Local Risk | (2,223) | (2,401) | (178) |
| Central Risk | (1,105) | (1,153) | (48) |
| Recharges | 3,355 | 3,457 | 102 |
| Overall Totals | 27 | (97) | (124) |

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 £7.465m, against a total local risk budget of £8.159m, amounting to a total net underspend of £0.694m.
3. The Director of Community and Children's Services has carried forward £500,000 of her underspend, the maximum sum permitted. Of this sum, £60,000 has been added to the Director's 2012/13 local risk budget relating to the Barbican Residential Committee. The balance of £440,000 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 2011/12 and the budgets carried forward to 2012/13 are noted.

Main Report

Revenue Outturn for 2011/12

5. Actual net revenue income for your Committee's services during 2011/12 totalled £97,000. A summary comparison of this expenditure with the final agreed budget for the year of £27,000 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 2011/12 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 | 9,080 | 8,210 | (870) |
| Income | <u>(11,303)</u> | <u>(10,611)</u> | <u>692</u> |
| Total | (2,223) | (2,401) | (178) |
| Central Risk | (1,105) | (1,153) | (48) |
| Recharges | 3,355 | 3,457 | 102 |
| Total | 27 | (97) | (124) |

6. Annex A provides more detail and explanations of variations for local risk, central risk and recharges.
7. Annex B analyses, in greater detail, the variations on repairs, maintenance and improvements.
8. Annex C presents the outturn information in the format requested by the Residents' Consultation Committee and compares the outturn for 2011/12 with the outturn for the previous year and to the final agreed budget for 2011/12.

Local Risk Carry Forward 2011/12

9. 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.
10. Overspendings are normally carried forward in full and are to be met from agreed 2011/12 budgets.
11. 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 2012/13.
12. The Director has allocated £60,000 of her carry forward to Barbican Residential landlord's expenditure on the following activities:
 - £10,000 Replace estate signage.
 - £50,000 Replace corroded drainage pipes in north Barbican podium area.
13. The balance of £440,000 has been added to the Director's 2012/13 local risk budget overseen by the Community and Children's Services Committee.

Chris Bilsland

Chamberlain

Joy Hollister

Director of Community &
Children's Services

Contact:

Chamberlain's Department – David Bacon, Senior Accountant, Financial
Services

020 7332 1078

david.bacon@cityoflondon.gov.uk

Barbican Estate Office – Anne Mason, Budget and Service Charge Manager

020 7029 3912

anne.mason@cityoflondon.gov.uk

**Barbican Residential Committee – Comparison of 2011/12 Revenue
Outturn with Final Agreed Budget**

| | Final Agreed Budget £000 | Revenue Outturn £000 | Variation Increase/ (Decrease) £000 |
|------------------------|-----------------------------------|----------------------------|--|
| SUMMARY | | | |
| Local Risk | (2,223) | (2,401) | (178) |
| Central Risk | (1,105) | (1,153) | (48) |
| Recharges | 3,355 | 3,457 | 102 |
| COMMITTEE TOTAL | 27 | (97) | (124) |

LOCAL RISK

Reasons

City Fund

| | | | | |
|--------------------------------------|----------------|----------------|--------------|---|
| Supervision and Management – General | 620 | 473 | (147) | 1 |
| Service Charge Account | 109 | 86 | (23) | |
| Landlords Services | (1,564) | (1,610) | (46) | |
| Car Parking | (179) | (138) | 41 | |
| Stores | (340) | (332) | 8 | |
| Trade Centre | (951) | (955) | (4) | |
| Other Non-Housing | 82 | 75 | (7) | |
| TOTAL LOCAL RISK | (2,223) | (2,401) | (178) | |

Reasons for Significant Variations

- The main decrease in the local risk comprises the net effect of the following:-
 - Reduction of £60,000 in employee expenses is a result of the transfer of a finance post from the Community and Children's Services to the Chamberlain's department this is reflected in the increase in support services see reason 2 below.
 - Reduction of £49,000 in computing due to this charge now routed through Community and Children's Services and then recharged to Barbican through the recharges section of the account.

| | Final Agreed Budget £000 | Revenue Outturn £000 | Variation Increase/(Decrease) £000 | Reasons |
|---------------------------|-----------------------------------|----------------------------|--|---------|
| CENTRAL RISK | | | | |
| City Fund | | | | |
| Service Charge Account | (850) | (864) | (14) | |
| Landlords Services | (201) | (228) | (27) | |
| Trade Centre | (35) | (17) | 18 | |
| Other Non-Housing | (19) | (44) | (25) | |
| TOTAL CENTRAL RISK | (1,105) | (1,153) | (48) | |

**Barbican Residential Committee – Comparison of 2011/12 Revenue
Outturn with Final Agreed Budget**

| | Final Agreed Budget £000 | Revenue Outturn £000 | Variation Increase/(Decrease) £000 | Reasons |
|---|-----------------------------------|----------------------------|--|---------|
| RECHARGES | | | | |
| City Fund | | | | |
| Insurance | 357 | 354 | (3) | |
| IS Recharges | 88 | 107 | 19 | |
| Support Services | 436 | 522 | 86 | 2 |
| Capital Charges | 1,991 | 2,022 | 31 | |
| Recharges from / (to) other Committees within Fund | 483 | 452 | (31) | |
| TOTAL RECHARGES | 3,355 | 3,457 | 102 | |

Reasons for Significant Variations

- This increase is due to the transfer of certain finance staff from the Community and Children's Services Department to the Chamberlain's Department as a result of the Strategic Finance review, this has been partly offset by a reduction in Supervision and Management employees' costs see reason 1 above.