

Committee(s)	Dated:
Residents' Consultation Committee	07 September 2020
Barbican Residential Committee	21 September 2020
Subject: 2019/20 Revenue Outturn (Excluding the Residential Service Charge Account)	Public
Report of: The Chamberlain Director of Community & Children's Services	For Information
Report author: Mark Jarvis Head of Finance, Chamberlains	

Summary

This report compares the revenue outturn for the services overseen by your committee in 2019/20, with the final agreed budget for the year.

These accounts do not include income and expenditure in relation to dwellings service charges, which is the subject of a separate report before you today, but does include the following: -

- Landlord Services

This includes income and expenditure relating to short term lessee flats, void flats and commercial properties as well as grounds maintenance for public areas.

- Car Parking

The running expenses, capital charges, rent income and service charges relating to 1,525 car spaces some of which are occupied by 473 stores.

- Baggage Stores

The running expenses, capital charges, rent income and service charges relating to 1,050 baggage stores.

- Trade Centre

This is a commercial area of some 117,000 square feet bounded broadly by Beech Street, Aldersgate Street, Fann Street and Bridgewater Square. Capital charges are the main item of expense, although some premises and supervision and management costs are incurred. Income comprises rent and charges for services including Virgin Active, GSMD Practice room, Laundrette, Parking Services and Creche.

1. Total net expenditure during the year was £2,035,000, whereas the total agreed budget for net expenditure was £2,547,000, representing an underspend of £512,000. This is summarised in the table below:

Summary Comparison of 2019/20 Revenue Outturn with Final Agreed Budget – Barbican Residential Committee			
	Final Agreed Budget £000	Revenue Outturn £000	Variations Increase/ (Reduction) £000
Expenditure	(3,913)	(3,518)	395
Income	5,028	5,145	117
Net Local Risk	1,115	1,627	512
Central Risk	320	325	5
Recharges	(3,982)	(3,987)	(5)
Overall Totals	(2,547)	(2,035)	512

2. Of the Director of Community and Children’s Service’s local risk underspend of £512,000 in 2019/20, £210,000 has been agreed to be carried forward to help fund works to welfare facilities for estate cleaning staff which were delayed in the financial year. Further carry forward requests totalling £130,000 related to concrete repairs to podiums and walkways were not agreed.

Recommendation(s)

3. It is recommended that this revenue outturn report for 2019/20 and the budgets carried forward to 2020/21 are noted.

Main Report

Revenue Outturn for 2019/20

4. This report compares the revenue outturn for the services overseen by your Committee in 2019/20, excluding the dwellings Service Charge account, which is the subject of a separate report, with the final agreed budget for the year.

5. Actual net revenue expenditure for your Committee's services during 2019/20 totalled £2,035,000. A summary comparison of this expenditure with the final agreed budget for the year of £2,547,000 as set out in the budget report to this Committee in December 2019, is tabulated below. In the various tables, figures in brackets indicate expenditure or adverse variances, decreases in income or increases in expenditure.

Comparison of 2019/20 Revenue Outturn with Final Agreed Budget					
	<i>Original Budget</i>	Final Agreed Budget	Revenue Outturn	Variations Increase/ (Reduction)	
	£000	£000	£000	£000	
<u>Local risk</u>					
Employees	(1,920)	(2,032)	(1,952)	80	6
Repairs and Maintenance	(1,282)	(1,342)	(992)	350	7
Other Property Related Supplies and Services	(290) (121)	(370) (169)	(370) (204)	0 (35)	8
Total Expenditure	(3,613)	(3,913)	(3,518)	395	
Total Income	4,980	5,028	5,145	117	9
Net Local Risk	1,367	1,115	1,627	512	
Central Risk	225	320	325	5	
Total Recharges	(4,537)	(3,982)	(3,987)	(5)	
Total	(2,945)	(2,547)	(2,035)	512	

6. The underspend of £80k in Employees costs is due to less than expected overtime and temporary staff cost mainly within the Car Park Service and Supervision & Management.

7. The underspend in Repairs and Maintenance of £350k is mainly due to the delay to works on welfare facilities for estate cleaning staff caused by the longer than expected time taken to obtain planning permission and a longer tender process. There was also lower than anticipated spend on miscellaneous works, redecorations work, insurance works, drains, and sprinklers.

8. Supplies and Services related expenditure has increased due to an increase in Professional Fees and Bad Debt Provision Cost.

9. The growth in income is related to additional income in Car Parking, collected from Car Parking Bay and Stores Rental Hire.
10. Annex A1 sets out an analysis by service area of the £512,000 overall outturn variance.
11. Annex A2 shows the reconciliation of the original budget to the latest agreed budget.

Appendices

- Annex A1 - Barbican Residential Committee – Comparison of 2019/20 Revenue Outturn with Latest Agreed Budget by Service Areas.
- Annex A2 - Barbican Residential Committee – Comparison of 2019/20 Original Budget with Latest Agreed Budget.

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Barbican Residential Committee – Comparison of 2019/20 Revenue Outturn with Final Agreed Budget

Comparison of 2019/20 Revenue Outturn with Final Agreed Budget by Service Area				
	Original Budget	Latest Agreed Budget	Revenue Outturn	Variations Increase/ (Reduction)
Supervision and Management -General	0	0	0	0
Landlords Services	(3,223)	(2,775)	(2,454)	321
Car Parking	(238)	(457)	(414)	43
Stores	(75)	38	53	15
Trade Centre	597	648	771	123
Other Non-Housing	(6)	(1)	9	10
Total	(2,945)	(2,547)	(2,035)	512

Recharges include recharges from the Service Charge Account to Landlord and Car Park Accounts for cleaning and electricity as well as and Central and Departmental Recharges.

Barbican Residential Committee – Comparison of 2019/20 Original Budget With Final Agreed Budget

	£'000
Original Budget	(2,945)
Increase in Employees Costs	(112)
Increase in Premises Related Expenses	(188)
Increase in Customer, Client Receipts Related to Car Parking and the New Baggage Stores	143
Reduction in Recharges due to Capital Charges and Technical Recharge	555
Latest Approved Budget	(2,547)