

<b>Committee(s):</b> Residents Consultation Barbican Residential	<b>Dated:</b> 20 <sup>th</sup> September 2022 30 <sup>th</sup> September 2022
<b>Subject:</b> 2021/22 Revenue Outturn (Excluding the Residential Service Charge Account)	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	4,12
<b>Does this proposal require extra revenue and/or capital spending?</b>	N
<b>If so, how much?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	Y
<b>Report of:</b> The Chamberlain Director of Community & Children's Services	<b>For information</b>
<b>Report author:</b> Goshe Munir, Senior Accountant, Chamberlain's Department	

### Summary

This report compares the revenue outturn for the services overseen by your committee in 2021/22, 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 Parks**

The running expenses, capital charges, rent income and service charges relating to 1,272 car spaces of which some 579 are currently occupied.

- **Baggage Stores**

The running expenses, capital charges, rent income and service charges relating to 1,619 baggage stores. 1,394 baggage stores are currently occupied.

- **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 Nuffield Health, GSMD Practice room, Laundrette, Parking Services and Creche.

1. Total net expenditure during the year was £2,159,000, whereas the total agreed budget for net expenditure was £2,373,000, representing an underspend of £214,000. This is summarised in the table below:

Summary Comparison of 2021/22 Revenue Outturn with Final Agreed Budget – Barbican Residential Committee			
	Latest Agreed Budget	Revenue Outturn	Variations Increase/ (Reduction)
	£000	£000	£000
Expenditure	(3,620)	(3,634)	(14)
Income	4,845	5,202	357
<b>Net Local Risk</b>	<b>1,225</b>	<b>1,568</b>	<b>343</b>
Central Risk	186	298	112
Recharges	(3,784)	(4,025)	(241)
<b>Overall Totals</b>	<b>(2,373)</b>	<b>(2,159)</b>	<b>214</b>

2. The Director of Community and Children’s Service’s local risk underspend on the Barbican Residential Committee was £343,000 in 2021/22. Of the Directors overall underspend £55,000 has been agreed to be carried forward to help fund works to renew the Cromwell Tower car park and St Giles Terrace smoke vents which are beyond repairs. This work could not be carried out in 20/21 due to delays in manufacturing times.

### Recommendation(s)

3. It is recommended that this revenue outturn report for 2021/22 and the budgets carried forward to 2022/23 are noted.

### Main Report

#### Revenue Outturn for 2021/22

4. This report compares the revenue outturn for the services overseen by your committee in 2021/22, 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 2021/22 totalled £2,159,000. A summary comparison of this expenditure with the final agreed budget for the year of £2,373,000 as set out in the budget report to this Committee in February 2021, is tabulated below. In the various tables, figures in brackets indicate expenditure or adverse variances, decreases in income, or increases in expenditure.

Comparison of 2021/22 Revenue Outturn with Latest Agreed Budget					
	<i>Original Budget</i>	<i>Latest Agreed Budget</i>	<i>Revenue Outturn</i>	<i>Variations Increase/ (Reduction)</i>	
	£000	£000	£000	£000	
<u>Local risk</u>					
Employees	(1,798)	(2,023)	(2,065)	(42)	6
Repairs and Maintenance	(1,203)	(1,102)	(1,003)	99	7
Other Property Related	(292)	(306)	(264)	42	
Supplies and Services	(155)	(189)	(302)	(113)	8
Total Expenditure	(3,448)	(3,620)	(3,634)	(14)	
Total Income	4,823	4,845	5,202	357	9
Net Local Risk	1,375	1,225	1,568	343	
Central Risk	209	186	298	112	10
Total Recharges	(3,956)	(3,784)	(4,025)	(241)	11
<b>Total</b>	<b>(2,372)</b>	<b>(2,373)</b>	<b>(2,159)</b>	<b>214</b>	

6. The overspend of £42k in Employees costs is due to increased costs on overtime and temporary staff cost within the Car Park Service due to the pandemic.
7. The underspend in Repairs and Maintenance of £99k is mainly due to delays to works within the car parks.
8. Supplies and Services adverse variance of £113k is due to the provision for bad debt adjustment for existing customer withdrawing from their lease agreement and increased expenditure for equipment furniture & materials.
9. The favourable income variance of £357k is mainly due to higher than anticipated rent income in Landlord, stores and trade centre accounts and service charges in Car park account.
10. The increase in Central Risk income of £112k is due to the actual insurance income being higher than budgeted for in Landlord Services.
11. The adverse variance for total Recharges of £241k is due to a higher than expected recharge for support services and the technical recharge & Supervision & Management.
12. Annex A1 sets out an analysis by service area of the £214,000 overall outturn variance.
13. Annex A2 shows the reconciliation of the original budget to the latest agreed budget.

## **Appendices**

- Annex A1 - Barbican Residential Committee – Comparison of 2021/22 Revenue Outturn with Latest Agreed Budget by Service Areas.
- Annex A2 - Barbican Residential Committee – Comparison of 2021/22 Original Budget with Latest Agreed Budget.

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Chamberlains

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Director of Community & Children Services

## **CONTACTS**

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**Barbican Residential Committee – Comparison of 2021/22  
Revenue Outturn with Final Agreed Budget**

Comparison of 2021/22 Revenue Outturn with Latest Agreed Budget by Service Area				
	<i>Original Budget</i>	Latest Agreed Budget	Revenue Outturn	Variations Increase/ (Reduction)
	£000	£000	£000	£000
Supervision and Management -General	0	0	(0)	(0)
Landlords Services	(2,728)	(2,653)	(2,698)	(45)
Car Parking	(155)	(338)	(275)	63
Stores	0	107	192	85
Trade Centre	512	512	615	103
Other Non-Housing	(1)	(1)	8	9
<b>Total</b>	<b>(2,372)</b>	<b>(2,373)</b>	<b>(2,159)</b>	<b>214</b>

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 2020/21 Original Budget  
With Final Agreed Budget**

	<b>£'000</b>
<b>Original Budget</b>	<b>(2,372)</b>
Increase in Employees costs in Car Parking Services	(225)
Repairs and Maintenance costs delayed repairs within the Car Parking Services	101
Other Property Related cost to Supplies and Services	(48)
Income increased in Baggage Stores and Landlords rental income	22
Increased Recharges including Capital Charges and Technical Recharges	149
<b>Latest Approved Budget</b>	<b>(2,373)</b>