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| Committee(s) | Dated: |
| Gresham (City Side) Committee | 30 September |
| Subject: Revenue Budget 2022/23 and 2023/24 | Public |
| Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly? | 1, 2, 3, 4, 12 |
| Does this proposal require extra revenue and/or capital spending? | N |
| If so, how much? | N/A |
| What is the source of Funding? | N/A |
| Has this Funding Source been agreed with the Chamberlain's Department? | N/A |
| Report of: The Chamberlain The Director of Community and Children's Services | For Decision |
| Report author: Jenna Brassett, Chamberlain's Department | |

Summary

This report presents the annual submission of the revenue budgets overseen by your Committee. It seeks approval for the 2022/23 latest revenue budget and the proposed revenue budget for 2023/24, as shown at Appendices A3 - A5 and summarised in Table 1 below, for subsequent submission to the Finance Committee.

| Table 1 – Gresham Committee Summary Revenue Budgets 2022/23 & 2023/24 | | | |
|--|-------------------------------------|-----------------------------------|-------------------------------------|
| Divisions of Service (a service overview is provided at Appendix A1 & A2) | Original Budget 2022/23 £'000 | Latest Budget 2022/23 £'000 | Original Budget 2023/24 £'000 |
| Chamberlain | | | |
| - City Moiety: 50% share of Gresham Estate | 327 | 318 | 317 |
| - Discretionary Expenditure: Support to Gresham College | (805) | (805) | (798) |
| Sub Total | (478) | (487) | (481) |
| Director of Community and Children's Services | | | |
| - Mandatory Expenditure: Maintaining the Almshouses | (60) | (57) | (66) |
| Sub Total | (60) | (57) | (66) |
| Total | (538) | (544) | (547) |

Note: figures in brackets represent expenditure, increases in expenditure, or reductions in income.

The latest budget for 2022/23 totals £544,000 a net increase of £6,000 compared to the original budget.

The 2023/24 provisional revenue budget totals £547,000 a net increase of £9,000 compared with the original budget for 2022/23. This increase comprises minor revisions to the net income position for the Royal Exchange and an increase in the stipend payments to residents agreed by this Committee in May 2022, partly offset by a reduction in the City Grant to Gresham College which reflects the 5 Year Funding Agreement approved in November 2019.

Recommendations

The Committee is requested to:-

- i) review the latest 2022/23 revenue budget to ensure that it reflects the Committee's objectives and, if so, approve the budget for submission to the Finance Committee; and
- ii) review the proposed 2023/24 revenue budget to ensure that it reflects the Committee's objectives and, approve the budget for submission to the Finance Committee.

Main Report

Latest Revenue Budget for 2022/23

1. Overall, there is a net increase of £6,000 between the Committee's original and latest budget for 2022/23, largely due to minor revisions to the net income estimate provided for the Royal Exchange. Table 2 summarises the position.

| Table 2 – Latest Revenue Budgets 2022/23 by Chief Officer | | | |
|--|-------------------------------------|-----------------------------------|---|
| Divisions of Service (a service overview is provided at Appendix A1 & A2) | Original Budget 2022/23 £'000 | Latest Budget 2022/23 £'000 | Movement Better/ (Worse) £'000 |
| Chamberlain | | | |
| - City Moiety: 50% share of Gresham Estate | 327 | 318 | (9) |
| - Discretionary Expenditure: Support to Gresham College | (805) | (805) | - |
| Sub Total | (478) | (487) | (9) |
| Director of Community and Children's Services | | | |
| - Mandatory Expenditure: Maintaining the Almshouses | (60) | (57) | 3 |
| Sub Total | (60) | (57) | 3 |
| Total | (538) | (544) | (6) |

Note: figures in brackets represent expenditure, increases in expenditure, or reductions in income.

Proposed Revenue Budget for 2023/24

2. The 2023/24 draft budget overseen by the Committee has been prepared in accordance with the overall budget policy guidelines as agreed by the Policy and Resources and Finance Committees.
3. Overall, there is a net increase of £9,000 between the 2022/23 original budget and the provisional 2023/24 original budget as shown in Table 3.

| Table 3 – Provisional Revenue Budget 2023/24 by Chief Officer | | | |
|--|-------------------------------------|-------------------------------------|---|
| Divisions of Service (a service overview is provided at Appendix A1 & A2) | Original Budget 2022/23 £'000 | Original Budget 2023/24 £'000 | Movement Better/ (Worse) £'000 |
| Chamberlain | | | |
| - City Moiety: 50% share of Gresham Estate | 327 | 317 | (10) |
| - Discretionary Expenditure: Support to Gresham College | (805) | (798) | 7 |
| Sub Total | (478) | (487) | (3) |
| Director of Community and Children's Services | | | |
| - Mandatory Expenditure: Maintaining the Almshouses | (60) | (66) | (6) |
| Sub Total | (60) | (66) | (6) |
| Total | (538) | (547) | (9) |

Note: figures in brackets represent expenditure, increases in expenditure, or reductions in income.

4. The net increase of £9,000 between the 2022/23 original and the 2023/24 proposed budget shown in Table 3 comprises minor revisions to the net income estimate provided for the Royal Exchange and an increase reflecting the Committee's decision to increase the stipend payments to Almshouse residents to £1,800 per annum. This is partly offset by a decrease in the City Grant to Gresham College which is based on the 5-year 'Funding Arrangement' agreed in November 2019.

Gresham College

5. The proposed budgets for 2022/23 and 2023/24 provide for the City's grant to the College as set out in the 'Funding Arrangement' agreed between the City, The Mercer's Company and the College for the 5-year period to 31 July 2025.

Appendices

- A1-2: Brief Overview of the Service
- A3: Committee Summary
- A4: Chamberlain - Divisions of Service
- A5: Community & Children's Services - Division of Service
- B1: Support Services

Contacts

Jenna Brassett

Chamberlain's Department, Senior Accountant

T: 07793 860640

E: Jenna.brassett@cityoflondon.gov.uk

Marie Rene

Community & Children's Services, Sheltered Housing Manager

T: 07719 988650

E: Marie.rene@cityoflondon.gov.uk

GRESHAM COMMITTEE
SERVICE OVERVIEW

Sir Thomas Gresham (1519-1579) was a leading financier in Elizabethan England who founded the Royal Exchange. In his Will he left his home in Bishopsgate, Gresham House and the Royal Exchange to the City Corporation and the Worshipful Company of Mercers as well as establishing Gresham College to deliver free public lectures in the seven liberal arts. The College was funded from the income of the Royal Exchange and housed in Sir Thomas's former home. The selection of professors in Divinity, Astronomy, Music and Geometry were the responsibility of the City Corporation whilst the professors of Law, Physic and Rhetoric were the responsibility of the Mercers' Company. (In recent years the Mercers' Company has added a fourth subject to their responsibility – Business). Each of the seven professors was to be paid an annual sum stated in the Will. The City Corporation was also obliged, under the Will, to maintain Sir Thomas' eight almshouses and pay each almsfolk a yearly allowance.

The professors took up residence in Gresham House (renamed Gresham College) in 1597 and lectures "for gratuitous instruction of all who chose to come and attend" began the same year. The College eventually created a valuable library and became "a favourite resort of learned men" housing the work of the Royal Society and the research of figures such as Robert Hooke and Christopher Wren – also Gresham Professors.

In the Great Fire of 1666 the College was undamaged, but the Royal Exchange was destroyed. As a result, the Lord Mayor, the Mercers' Company, the City Courts and officers and the merchants from the Exchange all moved into Gresham College, and its scholarly activities were disrupted. The buildings became ruinous and in 1768 an Act of Parliament was passed which required the City Corporation and the Mercers' Company to sell the ground to the Crown for an annuity in perpetuity leaving the College homeless. The Act also provided for the lecturers' fees to be increased. The almshouses were subsequently relocated and are now at a site in Brixton.

Gresham lectures were subsequently delivered at the rebuilt Second Royal Exchange until that burnt down in 1838; as that was rebuilt, a purpose built home for the College was also created and opened at 89/91 Gresham Street in 1842. That property was substantially refurbished in 1984 and let for commercial purposes with the College eventually moving to Frobisher Crescent in the Barbican. In 1991 the Mercers' made available the former premises of the Mercers' School at Barnard's Inn to the College and this remains its home with lectures delivered mainly there or at the Museum of London.

Appendix A2

The Budgets are divided into three divisions of service. The first two shown are the responsibility of the Chamberlain and the third is the responsibility of the Director of Community and Children's Services:

1. City Moiety - This division shows the City Corporation's 50% share of the income from the Royal Exchange, 89/91 Gresham Street and the Gresham House annuity. The division also shows the City Corporation's share of the expenses of running the Estate.
2. Discretionary Expenditure - This division includes all other expenditure that does not form part of the City Moiety (item 1 above) or Mandatory expenses (item 3 below). It consists principally of the Grant to Gresham College, the non-mandatory element of the lecturers' fees and administrative costs.
3. Mandatory Expenses - This division shows the mandatory element of the City Corporation's four lecturers' fees (£400) and the cost of maintaining the almshouses and paying the almsfolk allowances.