

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - RESOURCES
23 NOVEMBER 2011

RESOURCES SCRUTINY STEWARDSHIP TO 30 SEPTEMBER 2011

1. PURPOSE OF REPORT

This report advises members of any major differences by management unit to the revised budget.

2. STEWARDSHIP TO 30 SEPTEMBER 2011

- 2.1 The current forecast suggests that net expenditure for this committee will increase from the revised budget by a total of £127,340. This is an improvement from that forecast in the last report to this Committee for the first quarter ending June 2011 where an overspend of £418,010 was forecast; the main reason being the improvement in Housing Benefit subsidy referred to in 86A1 below. Supplementary budgets of £12,000 are included.
- 2.2 The budgets for 2011/12 include a provision for a pay award of £250 each to staff under spinal point 24. The current position is that the Local Government Employers have not offered a pay award in the current year which will produce an overall pay saving of about £24,000 for this Committee.
- 2.3 The main variations by management unit are detailed below:

		£
2011/2012 REVISED BUDGET		15,646,190
86A1	REVENUE COLLECTION / BENEFITS	171,160
	As a result of the reduction in subsidy received in 2010/11 mainly in respect of Non HRA Rent Allowances, it was estimated at the end of the first quarter that there would be a similar reduction in subsidy for 2011/12 resulting in an additional cost of some £388k. Since then, Housing Services have cut back on the use of bed and breakfast accommodation and increased the use of private sector leasing. This has increased the Housing Benefit subsidy rate for 2011/12, resulting in a reduction in the overspend to £171,160 which is a variance of 0.38% on the original budget of £44.7m.	
86A2	ELECTIONS & ELECTORAL REGISTRATION	15,700
	The cost of administering the City Council elections in May increased because of a new requirement to provide increased staffing levels and training.	
86A4	CIVIC CEREMONIALS	32,810
	The retail unit attached to Guildhall has been vacant for most of this year with a subsequent loss of rental income. Fees from civil ceremonies and weddings are not expected to materialise until next year.	

86A5	DEMOCRATIC REPRESENTATION There will be a small overspend on Members' Expenses by the end of the financial year due to the take-up of allowances and pensions.	990
86A7	UNAPPORTIONABLE OVERHEADS The actual inflation increase in payments to the pension fund administered by Devon County Council to meet the approved cost of early retirements and redundancies was less than provided for when setting the budget.	(2,880)
86A8	CHIEF EXECUTIVE SERVICES Additional pay costs have been incurred to cover for maternity and sickness absences.	19,850
86B1	TREASURY SERVICES An agreed reduction in working hours for some staff and vacancies within the service are expected to result in pay savings.	(16,980)
86B2	INTERNAL AUDIT The sale of CIPFA matrices written by audit staff are not expected to be as high as a consequence of other local authorities reducing their discretionary expenditure.	6,420
86B3	HUMAN RESOURCES An additional temporary staffing resource within Human Resources was approved by Executive.	17,930
86B4	LEGAL SERVICES There is expected to be a small underspend in pay and operational costs.	(13,470)
86B5	CORPORATE CUSTOMER SERVICES Vacancies and savings have been made throughout the management unit that will result in an underspend on pay. Reviews of servicing and cleaning and repair and maintenance contracts are expected to produce further savings.	(117,710)
86B6	IT SERVICES There is expected to be an overspend on pay costs to provide cover for maternity leave.	13,520
2011/12 EXPECTED FINAL OUTTURN		<hr/> £15,773,530

3. RECOMMENDATION

3.1 That the Scrutiny Committee – Resources note this report.

HEAD OF TREASURY SERVICES

CORPORATE SERVICES DIRECTORATE

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling this report: None