

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY
2 SEPTEMBER 2010

ECONOMY SCRUTINY STEWARDSHIP TO JUNE 2010

1. PURPOSE OF REPORT

- 1.1 This report advises Members of any forecast variations to the budget, based on the first three months of the financial year 2010/11.

2. INFORMATION

- 2.1 This report highlights any differences by management unit to the outturn forecast for the first three months of the financial year up to 30 June 2010 compared with the approved annual budget. During this period the total of the variances indicate that the overall net expenditure for this committee will increase by £2,850 which represents a variation of 1.75% from the revised budget of £163,000. This includes supplementary budgets of £21,610. Notional charges in respect of FRS17 Pension Costs and Capital charges have been deducted from this to provide the total budget for management accounting purposes.

- 2.2 The budgets for 2010/11 included a provision of 0.7% for the pay award. The current position is that Local Government Employers have not offered a pay award for the current year.

- 2.3 The main variations by management unit are detailed below:

	£
2010-2011 REVISED ESTIMATE Less NOTIONAL CHARGES	28,340
83A1 PROPERTY & ESTATES SERVICES	73,000
Property income is lower than expected at various properties due to a general increase in void periods and downward pressures on rent levels across the portfolio	
83A2 TRANSPORT/CONCESSIONSARY FARES	(2,300)
A saving is expected on the contract for maintenance of bus shelters; this saving will be partially offset by additional expenditure required in respect of the concessionary fares scheme for 16 to 18 year olds.	
83A3 CAR PARKING	(60,870)
A saving on employee costs will be made due to a number of vacant posts within the Management Unit.	

Income from off street car park fees is slightly above the budgeted income figure as at 30 June 2010. Additional income is expected in respect of rental of car park spaces; this additional income will be partially offset by income from Car Park Investment properties being less than budgeted.

The budget in respect of National Non Domestic rates will be exceeded.

83A5	FESTIVALS & EVENTS An overspend is expected on the Summer Festival primarily due to unanticipated costs for one of the free events.	7,670
83B2	ADMINISTRATION SERVICE Employment costs are expected to be less than the budget with savings anticipated on salaries and superannuation.	(15,970)
83B4	ENGINEERING & CONSTRUCTION A saving will be made on employee budgets due to a number of vacant posts in the management unit. Income budgets within the management unit are expected to fall short of the annual budget; mainly due to the loss of work in respect of the Pell Frischmann contract.	(30,880)
83B5	PLANNING It is anticipated that planning fee income will be below budgeted levels by the end of the year; this will be partially offset by additional income from legal costs. A significant part of the planning expenditure is funded by Planning Delivery Grant. No grant will be received in 2010/11. However the expenditure in this financial year will be funded from the earmarked reserve at the year end.	49,240
83B7	ARCHAEOLOGICAL FIELD UNIT Work in Progress brought forward from the previous financial year will be written off in the year as the amounts are no longer able to be recovered.	24,570
83B9	MARKETS & HALLS Income at the Matford Centre is expected to exceed the budget due to an increase in livestock sales, car storage, and income from leases. Sunday Markets income is expected to exceed the budgeted figure; this additional income is partially offset by City Centre Market and Car Auction income falling short of the budgeted figures. Cleansing charges in respect of the Matford Centre will exceed the budget. Exeter Corn Exchange income is anticipated to be higher than budgeted due to increased events and lettings and other income associated with these events. Casual staffing costs are expected to exceed the budget. A saving is expected in respect of superannuation.	(41,610)

2010-2011 EXPECTED FINAL OUTTURN	31,190
ADDITIONAL UNBUDGETED RESERVE TRANSFERS	54,000
EXPECTED TOTAL NET EXPENDITURE	85,190

3. RECOMMENDED that Members note the contents of 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:

1. None