

**EXETER CITY COUNCIL**  
**SCRUTINY COMMITTEE - ECONOMY**  
**6 SEPTEMBER 2007**

**ECONOMY SCRUTINY STEWARDSHIP TO JUNE 2007**

**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 2007/08.

**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 2007 compared with the approved annual budget. During this period the total of the variances indicate that the overall net expenditure for this committee will decrease by £108,830 which represents a variation of 9.37% from the approved budget.
- 2.2 Following the removal of the Asset Management Revenue Account, government grants and other external contributions received in respect of fixed assets, referred to as 'deferred contributions', must be released to the service revenue accounts in order to help offset the depreciation that is charged on the assets. In order to ensure that depreciation and the release of government grants and other contributions do not impact on the level of council tax, all entries made to the service revenue accounts are reversed out in the Statement of Movement on the General Fund Balance in accordance with the Statement of Recommended Practice.
- 2.3 The main variations by management unit are detailed below:

	<b>£</b>
<b>2007-2008 APPROVED ESTIMATE</b>	<b>1,160,700</b>
<b>3A1 PROPERTY &amp; ESTATES SERVICES</b>	<b>(57,000)</b>

Rental income is higher than expected due to the completion of several rent reviews for South Street properties involving the collection of back rent from previous years.

It was anticipated that no rent would be charged for one property at Haven Road and another at Marsh Barton, however delays in the rent reviews and lease re-structuring processes have resulted in rents still being received.

Exeter City Council is surrendering the lease of Haven Road Industrial Estate towards the end of the financial year, this will result in a net loss of income.

Projected income at St George's Retail Units is lower than budgeted due to the former Card Shop being vacant.

**3A3 CAR PARKING** 6,800

Standard charge income is lower than budgeted. The introduction of pay on foot at both the Guildhall and Mary Arches Street car parks has resulted in standard charge tickets no longer being issued to customers overstaying their purchased time as there is no longer a possibility of this happening. Attendants are currently concentrating their time at these car parks in order to oversee the smooth running of the service and this is diverting resources from other car parks where standard charges could be issued.

Season ticket income is expected to be higher than budgeted; this could also be a factor in the decrease in standard charge income.

Electricity costs are higher than expected.

Rates are lower than budgeted.

**3A5 FESTIVALS & EVENTS** (2,500)

The Summer Festival has made a small surplus.

**3A8 DISTRICT HIGHWAYS & FOOTPATHS** (23,690)

This is the deferred contribution to capital as described above.

**3B5 PLANNING** (7,840)

This is the deferred contribution to capital as described above.

**3B9 MARKETS & HALLS** (24,600)

Income is higher than budgeted due to the increased use of the car parks at the Matford Centre and the introduction of a Wednesday car boot sale, however the Sunday market income is lightly lower than expected due to the wet weather.

Exeter Corn Exchange income is also higher than budgeted due to the increased number of events and food and beverage income.

**2007-2008 EXPECTED FINAL OUTTURN**

**£1,051,870**

**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