

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - RESOURCES
24 NOVEMBER 2010

RESOURCES SCRUTINY STEWARDSHIP TO 30 SEPTEMBER 2010

1. PURPOSE OF REPORT

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

2. STEWARDSHIP TO 30 SEPTEMBER 2010

- 2.1 The current forecast suggests that net expenditure for this committee will increase from the revised budget by a total of £308,560. Supplementary budgets of £25,160 are included but the Notional Charges budgets in respect of FRS17 Pension Costs and Capital charges have been deducted to provide the total budget for management accounting purposes.
- 2.2 The budgets for 2010/11 include a provision of 0.7% in cost centres for a pay award. The current position is that the Local Government Employers have not offered a pay award in the current year.
- 2.3 The main variations by management unit are detailed below:

		£
2010-2011 REVISED BUDGET		16,043,730
86A1	REVENUE COLLECTION / BENEFITS It is estimated that there will be a reduction in Housing Benefits Subsidy for 2010-11, mainly in respect of Rent Allowances. This is as a result of an increase in Bed and Breakfast expenditure and an increase in non-self-contained licences; both of these cases attract less subsidy as they are based on one-bedroom Local Housing Allowance (LHA) rates of £114.23 per week as opposed to the previous threshold cap of £174.72 per week. The total net deficit is currently forecast to be £223,580 which represents 0.5% of the estimated total Housing Benefit Subsidy of £42,175,650.	223,580
86A2	ELECTIONS & ELECTORAL REGISTRATION A by-election was held in May 2010 for which there was no budget provision. The City Council elections that were originally planned for May 2010 were held on 9 September 2010.	16,200
86A3	CORPORATE A revised scale of fees for external audit work to be carried out during the year will result in an increase in costs. There has been an increase in volume and cost of the central bank charges.	15,360

86A4	CIVIC CEREMONIALS There are no major twinning events planned in the current financial year.	(3,760)
86A5	DEMOCRATIC REPRESENTATION There will be an underspend on Members' Expenses by the end of the financial year due to the temporary reduction in numbers pending the September 2010 elections. Expenditure has been incurred on the Local Government Review related to the Judicial Review and subsequent work to identify a date for the required elections.	77,990
86A6	GRANTS/CENTRAL SUPPORT/CONSULTATION Additional rate relief has been granted to businesses and charitable organisations.	21,540
86A7	UNAPPORTIONABLE OVERHEADS There is an increase due in payments to the pension fund administered by Devon County Council to meet the approved cost of early retirements and redundancies.	21,540
86A8	CHIEF EXECUTIVE SERVICES A reduction in working hours within the department will result in pay savings.	(28,320)
86B1	TREASURY SERVICES An agreed reduction in working hours for some staff, reduced posts and vacancies within the service are expected to result in pay savings. There has been an increase in the cost of Accountancy Services, largely due to cover for maternity leave.	(42,730)
86B3	HUMAN RESOURCES An additional temporary staffing resource within Human Resources was approved by Committee in February 2010.	34,210
86B5	CORPORATE CUSTOMER SERVICES Vacancies within the Customer Service Centre have resulted in pay savings.	(28,010)
86B6	IT SERVICES There have been some minor pay savings within the service.	(4,640)

2010-11 EXPECTED FINAL OUTTURN

£16,352,290

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