

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - RESOURCES 19 SEPTEMBER 2007

RESOURCES SCRUTINY STEWARDSHIP TO 30 JUNE 2007

1. PURPOSE OF THE REPORT

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

2. STEWARDSHIP TO 30 JUNE 2007

- 2.1 Following changes in the revenue accounting requirements for fixed assets, the Chartered Institute of Public Finance and Accountancy (CIPFA) have specified that 'deferred contributions' must be released to service revenue accounts. Deferred contributions are government grants and external contributions received in respect of fixed assets. In order that this adjustment does not impact on the level of Council Tax, it is required that the value of deferred contributions released to revenue accounts are reversed out when accounting for total service cost.
- 2.2 The current outturn forecast suggests that net expenditure for this committee will decrease from the budget by a total of £94,100, which represents a variation of 0.55% from the revised budget.
- 2.3 The main variations by management unit are detailed below:

	£
2007-2008 REVISED BUDGET	17,072,360
6A1 REVENUE COLLECTION/BENEFITS	72,700
It is estimated at the end of the first quarter that there will be a net reduction in Housing Benefit subsidy of £72,700 (0.23% of the total subsidy for 2007-08).	
6A2 ELECTIONS AND ELECTORAL REGISTRATION	(17,640)
Savings are likely to be made on the maintenance of the new Electoral Registration system and a government grant has been received towards the cost of making checks on postal votes.	

6A3	CORPORATE A revised scale of fees for external audit work to be carried out during the year is likely to result in an increase in costs.	3,600
6A4	CIVIC CEREMONIALS Some expenditure on Guildhall roof repairs through the AIM programme is now expected to be made in the next financial year.	(23,000)
6A5	DEMOCRATIC REPRESENTATION A deferred contribution of £11,200 has been received in respect of Members Expenses (see 2.1 above).	(11,200)
6A6	GRANTS/CENTRAL SUPPORT/CONSULTATION The budget for charitable and hardship rate relief was estimated before the criteria and base figures were determined by the Government. It is expected that there will be an increase in the cost against the budget by the year-end. A contribution has been made towards a domestic violence partnership within Community Safety (BVIP target 225).	11,470
6A7	UNAPPORTIONABLE OVERHEADS A contribution in to the pension fund is due to be made to meet the approved cost of an early retirement.	12,320
6A8	CHIEF EXECUTIVE SERVICES Expenditure that was planned to be part of the capital programme has now been charged to revenue.	10,640
6B1	TREASURY SERVICES Deferred contributions of £80,210 in respect of prior year grants for the implementation of e-government systems have been received in respect of Treasury Services (see 2.1 above). There have been other minor variations within the management unit that are expected to result in a small increase in net cost.	(79,420)

6B5 CORPORATE CUSTOMER SERVICES (36,460)

Expenditure on electronic document management that was planned to be part of the capital programme has now been charged to revenue.

The cost of operating the Civic Centre is expected to be under budget by the end of the year due to a reduction in rateable value although this has been partially offset by an increase in tariffs for electricity and an increase in lift maintenance.

A deferred contribution of £38,240 has been received in respect of the IT associated with the Customer Services Centre (see 2.1 above).

6B6 IT SERVICES (37,110)

An overlap between a departed and replacement member of staff working on the website has led to a small increase in employee costs.

Expenditure that was planned to be part of the capital programme has now been charged to revenue.

There is expected to be an overall increase in Capital Charges for this management unit of £17,960.

Deferred contributions of £72,040 have been received in respect of the enhancements that were undertaken to the corporate IT infrastructure to incorporate e-government (see 2.1 above).

2006-2007 EXPECTED FINAL OUTURN £16,978,260

3. RECOMMENDATION

3.1 That the Scrutiny Committee – Resources not 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