

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - ECONOMY
10 NOVEMBER 2011

ECONOMY SCRUTINY STEWARDSHIP TO SEPTEMBER 2011

1. PURPOSE OF REPORT

- 1.1 This report advises Members of any forecast variations to the budget, based on the first six months of the financial year 2011/12.

2. INFORMATION

- 2.1 This report highlights any differences by management unit to the outturn forecast for the first six months of the financial year up to 30 September 2011 compared with the approved annual budget.

- 2.2 During this period the total of the variances indicate that the overall net expenditure for this committee will increase by £445,500. This includes supplementary budgets of £125,170. Notional charges in respect of IAS19 Pension Costs and Capital Charges have been deducted from this to provide the total budget for management accounting purposes.

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

	£
2011-2012 REVISED ESTIMATE Less NOTIONAL CHARGES	(2,567,770)

83A1 PROPERTY & ESTATES SERVICES	27,850
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Property income is anticipated to be lower than expected at various properties due to a general increase in void periods and downward pressures on rent levels across the portfolio.

It is anticipated that the National Non Domestic Rates budget will be overspent due to the liability for this charge falling on the council for void units.

83A3 CAR PARKING	216,970
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Income from off street car park fees and season tickets is 4.9% below the budgeted income figure as at 30 September 2011. This is due to the economic climate and weakness in consumer spending. If this trend continues the income budgets will fall short of the budgeted figure for the year. The National Non Domestic rates and printing budgets will be exceeded and additional expenditure will be incurred in respect of the opening and closing of Council Car Parks.

The expected shortfall of income and the anticipated additional expenditure will be offset by a saving on the insurance and employee budgets due to a number of vacant posts within the Management Unit.

83A4	ECONOMIC DEVELOPMENT	(9,150)
	Employment costs are anticipated to be less than the budget due to a vacant post for part of the year. The savings being made on Salaries, National Insurance and Superannuation budgets.	
83A5	FESTIVALS & EVENTS	2,740
	Costs will be incurred in respect of Pay protection resulting in a small overspend on employment budgets.	
83A8	DISTRICT HIGHWAYS & FOOTPATHS	(3,630)
	Income has been received in respect of an insurance claim	
83B2	ADMINISTRATION SERVICE	(21,140)
	Employment costs are anticipated to be less than the budget due to a number of vacant posts within the management unit. The savings being made on Salaries, National Insurance and Superannuation budgets.	
	The savings made will be recharged back to the various management units within this committee at the end of the financial year.	
83B5	PLANNING	65,880
	Additional expenditure will be incurred due to costs awarded against the council in respect of a planning appeal at Hill Barton Farm.	
83B7	ARCHAEOLOGICAL FIELD UNIT	268,420
	Income and expenditure figures as at 30 September indicate that the cost of closure will now be in the region of £268,420	
	There are a number of uncertainties that could result in this figure changing; these are detailed in a separate report to this committee.	
83B9	MARKETS & HALLS	(95,660)
	Expenditure on employment costs in the management unit is expected to be less than the budget with savings being made on National Insurance and Superannuation budgets, the savings on these budgets will be partially offset by an anticipated overspend on overtime and enhancements due to the increased number of events being staged.	
	A saving will be made on the National Non Domestic Rate Budgets at the Livestock Centre and Exeter Corn Exchange.	
	An overspend is expected on the expenditure budget in respect of event promotion at Exeter Corn Exchange. This overspend will be more than offset by the income generated	

from the events staged.

Additional income is expected from various sources at the Livestock Centre particularly livestock auctions, the Sunday Market and income from the rental of external areas.

83C1 WATERWAYS (6,780)

A saving will be made on the employment budgets in the management unit due to the retirement of the Canal Manager.

The saving on the employment budgets will be partially offset by an anticipated overspend in respect of the cost of marine insurance and consultants fees.

2011-2012 EXPECTED FINAL OUTTURN (2,122,270)

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:

None