

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - RESOURCES 19 SEPTEMBER 2012

BUDGET MONITORING REPORT TO 30 JUNE 2012

1. PURPOSE OF REPORT

- 1.1 This report advises Members of any material differences by management unit to the revised budget.

2. BUDGET MONITORING TO 30 JUNE 2012

- 2.1 The current forecast suggests that net expenditure for this committee will decrease from the revised budget by a total of £167,740 after transfers to and from reserves, which represents a variation of 1.02% from the revised budget. This includes supplementary budgets of £12,000. Capital charges have been deducted from this to provide the total budget for management accounting purposes.
- 2.2 Provision for a pay increase of 2.5% has been included in the 2012/13 budgets. The Council proposed a payment of £250 to staff earning a full time equivalent salary of under £21,000 per annum; the proposal was approved at the Executive on 19 June 2012. This has resulted in a saving on salary budgets; these savings have been included in the variance for each individual management unit.
- 2.3 The main variations by management unit are detailed below:

	£
2012-13 REVISED BUDGET	16,372,560
86A1 REVENUE COLLECTION / BENEFITS	63,580
As a result of the reduction in subsidy in respect of Non HRA Rent Allowances, it is estimated that there will be a small reduction in subsidy for 2012/13 resulting in an additional cost of £63,580.	
86A4 CIVIC CEREMONIALS	72,370
The retail unit attached to Guildhall has been vacant for the first six months of this year with a subsequent loss of rental income and the payment of void rates; the unit has now been successfully let.	
86A5 DEMOCRATIC REPRESENTATION	(15,260)
There will be an underspend on Members' Expenses by the end of the financial year due to no inflationary increase in allowances and one member not claiming any allowances at all.	
86A7 UNAPPORTIONABLE OVERHEADS	(7,540)
The actual inflation increase in payments to the pension fund administered by Devon County Council to meet the approved cost of early retirements and redundancies, was less than provided for when setting the budget.	

86A8	CHIEF EXECUTIVE SERVICES	(133,190)
	<p>The reduced pay award has resulted in a saving on pay budgets, see 2.2 above.</p> <p>The posts of Assistant Chief Executive and Communications Manager have been removed and officer's time reallocated to the cost centres where work is being undertaken from April 2012.</p>	
86A9	STRATEGIC/COMMUNITY PARTNERSHIPS	5,060
	<p>There has been a reallocation of staff time since April 2012 to reflect work being undertaken supporting Community Partnerships.</p>	
86B1	TREASURY SERVICES	(16,010)
	<p>The reduced pay award has resulted in a saving on pay budgets, see 2.2 above, with additional savings expected for maternity leave.</p>	
86B2	INTERNAL AUDIT	(63,440)
	<p>The post of Head of Internal Audit was deleted from the establishment from April 2012, resulting in pay savings.</p>	
86B4	LEGAL SERVICES	7,010
	<p>There is expected to be an overspend in pay to cover for long-term staff sick leave.</p>	
86B5	CORPORATE CUSTOMER SERVICES	129,890
	<p>The majority of staff from the administration teams of Economy and Community and Environment directorates were transferred to the new Corporate Support Unit with effect from 1 April 2012, to combine with what was the General Office administration team. At the end of the financial year, the users of this new multi-task service will be recharged with the actual cost of the service.</p> <p>The reduced pay award has resulted in savings in the Customer Service Centre (see 2.2 above) with further savings to be made on salary costs due to vacancies and reduced cover for maternity leave.</p>	
86B6	IT SERVICES	(98,650)
	<p>The reduced pay award has resulted a saving in this unit (see 2.2 above). Further savings will be made on salary costs due to the deletion of the Head of IT Services post and a member of staff reducing hours from April 2012.</p>	

86B7 DIRECTOR CORPORATE SERVICES OFFICE

(111,560)

The post of Director Corporate Services was deleted from the establishment from April 2012, resulting in pay savings.

2012/13 EXPECTED FINAL OUTTURN

16,204,820

3. RECOMMENDED

3.1 That Scrutiny Committee – Resources note this report.

STRATEGIC DIRECTOR
ASSISTANT DIRECTOR FINANCE

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling this report

None