

Operating Statement Notes

The tables below analyse the variances for the Wholesale Markets as reported on the Operating Summary which is attached at Appendix B1. The summary compares the 2014-15 final budget to the actual outturn for 2014-15. The Operating summary and statement has not been prepared in accordance with conventional City of London Corporation format. Brackets on the summary signify an expenditure item and/or deficit position. All increases in the budget, whatever the percentage and decreases of 10% or more have been detailed below.

<u>New Spitalfields Market Note number</u>	<u>Description</u>	<u>2014-15 Final Budget to actual outturn</u>
	Expenditure	
1	Premises related	The 195,000 a 14% decrease in premises related costs are due to: <ul style="list-style-type: none"> • The City Surveyor has carried out less repair projects at Spitalfields than planned £217,000, • small overspends on rates and utilities (£22,000)
2	Waste/cleaning contract	<ul style="list-style-type: none"> • The (£4,000), a <1% increase in the waste and cleaning is due to the annual increase in RPI allowable under the contract.
3	Income	<ul style="list-style-type: none"> • The (£15,000), a <1% decrease in fees for services is due to a net reduction in service charge expenditure.
	Central Costs	
4	Other Central costs	The (£247,000), 3529%, is an increase which is created as a result of: <ul style="list-style-type: none"> • A net transfer to the reserves account from the service charge revenue account of (£217,000) due to a reduction in repairs, • An increase of (£30,000) for IT central recharges.

<u>Billingsgate Market Note number</u>	<u>Description</u>	<u>2014-15 Final Budget to actual outturn</u>
	Expenditure	
5	Premises related	The £36,000, a 2.0% reduction in costs relate to <ul style="list-style-type: none"> • a net reduction in repairs carried out by City Surveyors £71,000, • an increase in general breakdown costs of (£24,000), • an increase in water costs of (£11,000).
6	Transport related	The (£32,000), an 86% increase, is due to the purchase of the Johnston Sweeper for (£31,000) and the higher than anticipated cost of staff travel (£1000).
7	Supplies and Services	A reduction of £38,000, a 24.% decrease is due to <ul style="list-style-type: none"> • a reduction in Professional fees in 2014/15 for the letting of the Satellite unit £17,000, there will be further costs in 2015/16, • reduction in bad debt provision of £11,000, • savings made on waste removal £10,000.
	Income	
8	Rent, Wayleaves and tolls	The (£44,000), a 7% decrease is due to the delay in renting the Satellite Unit.
9	Charges for services	The £92,000, a 3% increase is due to additional income for parking and filming.
	Central Costs	
10	Other central costs	The £31,000, a 9% decrease is created as a result of a reduction in net transfers from the reserve account to the revenue account.

<u>Smithfield Market Note number</u>	<u>Description</u>	<u>2014-15 Final Budget to actual outturn</u>
	Expenditure	
11	Employee costs	The £120,000, a 0.6% decrease is due to: <ul style="list-style-type: none"> • Several vacancies for different time periods over the year for cleaning and maintenance posts, some of which will be given up as part of the Service Based Review £107,000, • a full year vacancy of a part time administrator £13,000.
12	Premises related	The £406,000, a decrease of 12% is due to <ul style="list-style-type: none"> • re-phase some of the Additional Works Programme £166,000, • carry forward estimates £147,000 • energy cost reduction £48,000, • cool and hot water reduction of £39,000. • Water consumption £6,000.
13	Transport related	The £3,000, a decrease of 23% is due to a reduction of the congestion charge to staff during certain shift patterns.
14	Supplies and Services	The £208,000, a decrease of 27% is due to <ul style="list-style-type: none"> • A reduction in the Environmental Services inspections £45,000, • a rebate of £55,000 from FSA for inspections of the market, • the FSA inspections no longer take place, therefore there is a saving of £105,000, • a reduction in the bad debt provision of £3,000.
	Income	
15	Charges for Services	The (£12,000), a decrease in income of <1% is due to a reduction in filming fees.
	Central Costs	
16	Other central costs depreciation	The (£92,000), a decrease of 10% is due to a reduction in transfers from the market reserve account to the revenue account.