

## Operating Statement Notes

The tables below analyse the variances over £50,000 for the Wholesale Markets as reported on the Operating Summary which is attached at Appendix 3. The summary compares the Original 2015-16 to the Original 2016/17t Budget. It has not been prepared in accordance with conventional City of London Corporation format. Brackets on the summary signify an expenditure item or a deficit position.

<u>New Spitalfields Market Note number</u>	<u>Description</u>	<u>2015/16 OR to 2016/17 OR Variance</u>
	<b>Expenditure</b>	
14	Employees	<p>The increase in cost of (£98,000) -8% which is recoverable through the Service Charge is due to:</p> <ul style="list-style-type: none"> <li>• a vacant positions filled in the year, payable via the Service Charge, (£35,000),</li> <li>• It was agreed with the SpMTA to employ an additional constable (£29,000). The cost will be met from the Service Charge. Increases in employers National Insurance contributions due to the reduction of the government rebate of £34,000 which is recoverable through the service charge.</li> </ul>
15	Premises Related	<p>The increase in cost of (£15,000), -1%, is in relation to:</p> <ul style="list-style-type: none"> <li>• an increase for rates and water of (£9,000),</li> <li>• an increase for maintenance and additional equipment for the CCTV system of (£6,000).</li> </ul>
16	Supplies and Services	<p>The increase in cost of (£17,000), -12%, is due to inflationary increases on various expenditure items and purchasing hi-vis jackets for resale (£17,000).</p>

17	Waste Contract	The small £4,000, a less than 1% increase is due to a RPI increase in accordance with the contract.
	<b>Income</b>	
18	Charges for services	The increase in income of £134,000, -3%, is due to increases in service charge costs.
18A	Other Central Costs	The net increase of £53,000, -25% is due to the transfer of funds from the reserves to fund extra repairs.

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<u>Billingsgate Market Note number</u>	<u>Description</u>	<u>2015/16 OR to 2016/17 OR Variance</u>
	<b>Expenditure</b>	
19	Employment costs	The (£23,000), -1%, increase is due to higher National Insurance Contributions of (£26,000), increments and cost of living increases of (£32,000) less Service Based Review Savings of £35,000 for one post.
20	Premises	The (£217,000), -17% increase is due; <ul style="list-style-type: none"> <li>• to additional repairs and projects of (£126,000),</li> <li>• additional contribution payable to the RSWF (£75,000),</li> <li>• inflationary increases of (£16,000) for energy, cleaning and water.</li> </ul>
21	Transport	The increase of (£8,000), -27% is for additional motorised equipment.
22	Supplies and Services	The increase of (£6,000), -5%, is due inflationary increases for the waste contract.
	<b>Income</b>	
23	Rental Income	Increase in rental income of £250,000, 37% is due to increased rent for the Satellite unit.
24	Charges for Services	The £271,000, 7%, increase in income is due to: <ul style="list-style-type: none"> <li>• additional service charge income to cover additional costs of £254,000,</li> <li>• additional Car parking income £17,000.</li> </ul>

<u>Smithfield Market Note number</u>	<u>Description</u>	<u>2015/16 OR to 2016/17 OR Variance</u>
	<b>Expenditure</b>	
25	Employment.	The reduced in costs of £67,000, 4%, is due to; <ul style="list-style-type: none"> <li>• a reduction in constabulary and cleaning posts of £125,000,</li> <li>• increased costs for National Insurance of (£53,000),</li> <li>• increase in training (£5,000).</li> </ul>
26	Premises	The (£605,000) increase of -20% is due to an increase in City Surveyors costs of £581,000 for additional works programme and cyclical works of £24,000.
26A	Transport	The reduction of £10,000 of 77% is due to a reduction in congestion charging costs.
27	Supplies and Services	The increase of (£14,000) of -3% is due to <ul style="list-style-type: none"> <li>• inflationary increase in various costs.</li> </ul>
	<b>INCOME</b>	
28	Rental Income	A reduction in rental income of £21,000 of 1% is due to reduced Tenancy at Will lettings.
29	Capital Charges and depreciation	The (£99,000), -619% increase in depreciation is due to the transfer of budget from Port Health and Environmental Services Committee to Markets Committee for the Animal By Product Facility.
30	Other central costs	The decrease of £23,000, -2% is due the reapportionment of costs based on the reduced full time equivalent staff numbers and reduced costs.