

56/08 (2) - **Economic Development Unit:** The Leader was invited to present the budget. The Leader reported that the budget comprised six cost centres which were core EDU, Regeneration Support Team, Conyngham Hall, Innovation Centre, Ripon City Partnership and the Council's industrial workspace portfolio and there were no growth items. Key features of the budget were a high level of external income and a relatively low net operating cost of the business unit.

The original estimates for 2009/10 showed a budget increase in net expenditure of £59,240 which resulted from the predicted net decrease in workshop rental income and net decreases in telephone rental income and the impact of Job Evaluation results. In relation to efficiency savings £12,000 had been identified from a re-negotiated contract with Ackrills for the production of the On Location page(s) £6,000 and other savings in relation to equipment and stationery, printing and advertising and subscriptions. In relation to fees and charges, the Leader advised that Conyngham Hall Room and Service charges were due to rise by 4.5%. It was also noted that the Corporate Management Team (CMT) had also recommended the withdrawal of £63,000 for "EDU Small Schemes", a capital contribution towards workspace projects. He highlighted the main risk to the budget which was the reliance on earned income and the extent to which it was dependent upon external factors. He concluded by advising that future budgets would have to consider the implications of the end of external funding for the Principal Projects Officer - SRIP Post and also the possible benefits from the Council's growing involvement in the Leeds City Region.

Questions were then invited and there were discussions regarding the rental income at Conyngham Hall and the Innovation Centre, particularly the potential effect of the current financial climate ("credit crunch"). The variance in LAGBI grant income was also considered and the Director of Development Services advised that the earmarked reserve was £200,000 all of which was committed to match funding for the Yorkshire Forward grant on the Renaissance Market Town Improving the Offer project in Knaresborough and Boroughbridge and which would be spent by 31 March 2010.

RESOLVED:

That Members noted the budget.

(Six Members voted for the motion and there were three abstentions)

(5.45 pm - 6.00 pm)