

Area North Committee – 27<sup>th</sup> June 2007

## 12. Area North 2006/07 Outturn report (Executive Decision)

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### Purpose of the Report

To inform Members of the actual spend against budgets for 2006/07 of the services over which this Committee exercised financial control.

### Recommendations

It is recommended that:

- (1) Members review and comment on the outturn position and explanation of variances from budgets for the financial year 2006/7;
- (2) Members note the position of the Area North Reserve.
- (3) Members carry forward the slippage of £173,034 on the capital programme.
- (4) Members reallocate £6,000 in the capital programme to unallocated, as this amount is no longer required for the recreation route Langport to Yeovil
- (5) The Area North Play & Youth facilities Steering Group is re-convened for 2007-08 to provide support and monitoring of the substantial programme for new and re-furbished play areas and youth facilities across the area.

### Background

Full Council in February 2006 set the General Revenue Account Budgets for 2006/7 and delegated the monitoring of the budgets to the four Area Committees and District Executive. Area North now has delegated responsibility for the Area North development revenue budgets, which include revenue grants, regeneration and projects, the Area North Capital Programme and the Area North Reserve.

### Financial Position

#### AREA NORTH REVENUE BUDGET

The table below shows the position of Area North Development revenue budgets as at 31<sup>st</sup> March 2007.

	£
<b>Approved base budget as at February 2006</b>	359,910
Transfer of Admin staff to Development Control	(62,360)
Salary Turnover Savings	(2,030)

Budget Carry forwards approved DX June 2006	8,520
Funding of Community worker from Reserve	9,860
Funding of Business grants from Reserve	2,270
Allocation of training budgets	1,400
Reduce Postage as Planners moved out of Kelways	(5,000)
Transfer of funding re telephone savings	(60)
<b>Revised Budget as at 31<sup>st</sup> March 2007</b>	<b>312,510</b>

A summary of the revenue position as at 31<sup>st</sup> March 2007 is as follows:

Element	Revised Budget	Actual Spend	Net Variation	Favourable Variation	Adverse Variation
<b>Development</b>					
Expenditure	279,060	267,345	(11,715)	(11,715)	0
Income	(9,560)	(4,007)	5,553		5,553
<b>Projects</b>					
Expenditure	87,210	57,695	(29,515)	(29,515)	
Income	(87,210)	(57,695)	29,515		29,515
<b>Grants</b>					
Expenditure	43,010	44,412	1,402	0	1,402
Income	0	0	0	0	0
<b>Total North</b>					
Expenditure	409,280	369,452	(39,828)	(41,230)	0
Income	(96,770)	(61,702)	35,068	0	36,470
Net Expenditure	<b>312,510</b>	<b>307,750</b>	<b>(4,760)</b>	<b>(41,230)</b>	<b>36,470</b>

The reasons for the significant variances are:

Element	Variance £	Details
Development	Exp (11,715)  Inc 5,553	The saving on expenditure was mainly due to reduction in office running costs (£5,600). (These have been reduced for 07-08). And £5,200 spend on regeneration funded by RDA grants (see income) RDA funding moved to 07-08, as it was not spent in 06-07.
Projects	29,515 (29,515)	The reduced expenditure and Income is mainly for Beacon funding. This project will continue into next year, so the balance will be paid in 2007-08.

## Budget Virements

Under the Financial Procedure Rules, the Heads of Service can authorise virements within each individual service of their responsibility (as defined by Appendix B of the Annual Budget

Report) and up to a maximum of £25,000 between services within their responsibility providing that the Head of Finance has been notified in advance. All virements exceeding these limits need the approval of District Executive. All virements between different services, irrespective of value, need approving by District Executive. Area Committees can approve virements between their reserves and budgets up to a maximum of £25,000 per virement and £50,000 in any one financial year, provided that all such approvals are reported to the District Executive for noting. (In accordance with the constitution)

The following virements have taken place since the last report:

Amount £	From	To	Details
2,270	Area North Reserve	Area North Regeneration	Funding Business Grants paid in 06-07.

### AREA NORTH RESERVE

The position on the Area North Reserve is as follows:

		£
Position as at 1 <sup>st</sup> April 2006		81,830
Less amounts transferred in 06-07		
Part time Community Development Worker	(9,860)	
Small Business Development Grants 06-07	(2,270)	
		(12,130)
Current balance in Reserve at 31st Dec. 06		69,700
Less amounts allocated:		
Delegated budget for Community projects	(2,010)	
Somerset Waterways network study	(3,000)	
Part time Community Development Worker, balance for 2007-08	(2,140)	
Extra hours for Regeneration Officer	(15,000)	
Small Business Development Grants	(7,730)	
Parrett Trail feasibility study	(4,000)	
Total allocated		(33,880)
Uncommitted balance remaining		<b>35,820</b>

### AREA NORTH CAPITAL PROGRAMME

The revised capital programme for this financial year and beyond is attached at pages 24 and 25 together with a progress report on each scheme either Area or District Wide that are current within Area North.

The actual spend in 2006/07 was £26,198 on an approved budget of £205,232, an under spend of £179,034. The balance remaining in the North Capital Programme is £579,731 of which £283,597 is committed to approved schemes and £296,134 is approved in principal or remains unallocated. (There is a separate report on this agenda to review and reallocate the uncommitted £296,134.)

The main reasons for the under spend of £179,034 are set out below.

£41,410	23%	SCC led schemes for Cockle Moor Bridge and Norton MUGA where final payment is not being released until certain issues are resolved.
£33,000	18%	The two town centre schemes (Somerton and Langport) are completed, awaiting sign off by County Highways after a Stage 4 safety audit. This should be resolved by September 07.
£43,317	25%	Completed projects for community/partnerships, where the final grant claims have not been received.
£52,107	29%	Mainly Council owned play sites. A detailed report will be made in July. To be reviewed by Area North Steering Group
£3,200	2%	Traffic calming, where payment for a traffic survey has not been required.
£6,000	3%	Work completed under separate funding. Not now required from Area North. This amount can be moved to the unallocated programme.

In effect 66% of the under spend is on projects which have been completed, but require third parties to complete their obligations or claims before payments can be made. All outstanding payments are regularly monitored by the Head of Area Development – North.

**It is recommended that :**

- The £173,034 unspent balance on the 06-07 schemes is carried forward to 2007-08.
- The £6,000 on the recreation route Langport to Yeovil is returned to the unallocated balance.
- The Area North Play & Youth facilities steering group is re-convened for 2007-08 provide support to and monitoring of the substantial programme for new and re-furnished play areas and youth facilities across the area.

If Members would like further details on any of the Area North budgets or services they should contact the relevant budget holder or responsible officer.

**Implications to Corporate Priorities**

The Area North Development budget, Area Capital Programme and Area Reserve support the delivery of **all** corporate aims and in particular the following corporate objectives:

- 5 Achieve year on year improvement for local targets
- 8 Work in partnership with the public and private sector in developing and delivery of the Market Towns Vision
- 9 Identify and address the particular issues affecting rural areas
- 11 Work in partnership with others to improve the health prospects for all
- 14 Maintain above 90% the people who generally feel safe in their communities
- 15 Increase to 65% by 2010 the people who feel engaged in and can influence decisions that affect their communities
- 16 Maintain above 80% the people satisfied with their neighbourhoods as a place to live
- 17 80% of residents and businesses satisfied with the quality of the local natural and built environment by 2012

## Other implications

The financial resources available to the Area North Committee are also targeted at priorities identified in the Area Development Plan and Area North Community Safety Action Plan, and will often support priorities from within the following strategies and plans:

- Parish and community plans
- Tourism and Economic Development strategies (district / county / regional)
- The Somerset Local Area Agreement
- Youth, Play, Sports and Cultural Strategies

## Financial implications

See recommendations

***Background Papers*** – *Financial Services Area North budget file.*

Appendix A – Area North Capital Programme – 2006-07

<b>APPENDIX A</b>							
<b>AREA NORTH CAPITAL PROGRAMME 2006/07</b>							
	A	B	=A-B		D		
SCHEME	In Year Monitoring				Gross	Responsible	
	2006/07	Actual	Remaining	Slippage	Remaining	Officer/	Update on the current position
	Estimated	Spend to	Budget	to carry	Budget	Manager	
	Spend	31.03.07	06/07	forward	31-Mar-07		
	£	£	£	£	£		
<b>APPROVED IN DETAIL</b>							
Disabled access grants - Village Halls & Key locations.	11,813	11,288	525	525	5,218	C Jones	£10,950 grant to Merryfield VH completed. Balance is £525 re: Martock pavilion & £4,693 re: Hambridge VH.
Extending use of community facilities		0	0	0	12,500	C Jones	Norton Village Hall £11,000 and £1,500 Barrington players. Part payment for Norton was made in April 07.
Community safety projects	5,182	5,182	0	0	0	C Jones	Completed schemes of £2,182 for the Community Police Post in the David Hall and £3,000 for CCTV camera has been paid.
<b>Total Health and Social Inclusion</b>	<b>16,995</b>	<b>16,470</b>	<b>525</b>	<b>525</b>	<b>17,718</b>		
Somerton Town Centre Car Parking Net Costs	12,500	0	12,500	12,500	12,500	I Case	The scheme is completed. All that remains is a road safety audit and any final work.
Listed Buildings	0	0	0	0	45,000	A Duckworth	At the December 2006 Committee it was agreed to use the sum for site clearance at Home Farm, Somerton.
Market Town schemes. Memorial Garden, Somerton	10,000	0	10,000	10,000	10,000	C Jones	See report to January 07 committee on Play Areas. The play equipment should be installed in Feb 07, most of the other work is now completed.
Market Town schemes. Martock Recreation Ground Improvements.	0	0	0	0	10,000	C Jones	Approved January 2007 Committee to be used with Play area improvements.
Langport Regeneration. Town Centre Scheme	20,500	0	20,500	20,500	20,500	I Case	All that remains to be done is a road safety audit and final completion works, including possible remedial work to the island steps.
Cockle Moor Bridge	29,759	307	29,452	29,452	29,452	C Jones	Bridge now in place.
<b>Total Regeneration</b>	<b>72,759</b>	<b>307</b>	<b>72,452</b>	<b>72,452</b>	<b>127,452</b>		
General Amenity/Capital Grants.	22,281	9,441	12,840	12,840	27,410	C Jones	These are capital grants approved from the general grants. Completed grants have been made to Pitney VH and the 05-06 award for Martock Tennis. The outstanding grants include William Blake Memorial Hall £3,037, Langport Town Trust £1,464, Martock PC re: Tennis £7,067, Somerton bus shelter £1,272, South Petherton tennis £4,320, & Allotments £1,250 & Cricket Club £1,000, and Long Sutton VH £8,000.
Parish Play Areas January 2001 play audit.	12,500	0	12,500	12,500	33,500	A Moore	Progress report was made to the January 07 Committee. The outstanding schemes are Etsome Terrace Somerton for 06-07 and Ash Ph2, & Martock in 07-08.
Improvement to District owned Play Areas January 2001 play audit.	45,287	3,179	42,108	42,107	42,108	A Moore	Progress report was made to the January 07 Committee. The equipment for South Petherton has been received. The main scheme is in Martock.
New play areas & youth facilities. Aller Recreation Trust.	7,452	0	7,452	7,452	7,452	A Moore	Installation is now expected by March 2007. A payment of £6,887 has been made in June 07.
Bracey Road, Martock - Play area improvements (in addition to above)	10,000	0	10,000	10,000	10,000	A Moore	Improve landscaping, paths and play area. Work now expected to be completed in 06-07
Youth Facilities. Norton sub Hamdon	11,958	0	11,958	11,958	11,958	A Moore	Work subject to approval before any grant is released. See Jan 07 report on Play Areas
Recreation Route: Langport to Yeovil.	6,000	0	6,000	6,000	6,000	D Julian	It is now expected that this will be paid in 06-07
<b>Total Leisure</b>	<b>115,478</b>	<b>12,620</b>	<b>102,857</b>	<b>102,857</b>	<b>138,428</b>		
<b>TOTAL APPROVED IN DETAIL</b>	<b>205,232</b>	<b>29,398</b>	<b>175,834</b>	<b>175,834</b>	<b>283,597</b>		
<b>APPROVED IN PRINCIPAL</b>							
Disabled access grants - Village Halls & Key locations.	0	0	0	0	7,818	C Jones	Balance of funds allocated March 2004 available for new applications.
Community safety projects	0	0	0	0	4,818	C Jones	Balance of funds allocated March 2004 available for new applications.
Extending use of community facilities		0	0	0	22,500	C Jones	Balance of funds allocated March 2004 available for new applications.

AREA NORTH CAPITAL PROGRAMME 2006/07							
	A	B	=A-B		D		
SCHEME	In Year Monitoring				Gross	Responsible	
	2006/07	Actual	Remaining	Slippage	Remaining	Officer/	Update on the current position
	Estimated	Spend to	Budget	to carry	Budget	Manager	
	Spend	31.03.07	06/07	forward	31-Mar-07		
	£	£	£	£	£		
<b>Total Health and Social Inclusion</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,136</b>		
Market Town schemes	0	0	0	0	20,000	C Jones	The remaining budget of £20k is allocated £15k in Martock and £5k in Langport. This is now expected to be spent in 07-08
<b>Total Regeneration</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>		
New youth facilities	0	0	0	0	7,548	A Moore	January 06 Committee agreed to allocate £22,500 as identified in the Sports & recreation Audit. £7,383 has been allocated to Aller recreation trust. £7,500 has been moved to new Play bid 2007 (below), leaving £7,548 for Youth facilities.
New play areas & youth facilities.	0	0	0	0	7,500	A Moore	Unallocated balance
Parish Play Areas January 2001 play audit.	0	0	0	0	16,879	A Moore	This is the uncommitted balance from the Jan 01 play audit (re Chilthorne Domer Phase 3, Montacute & Hambridge Phase 2). This could be reallocated subject to consultation with the parishes.
<b>Total Leisure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,927</b>		
Langport access project	0	0	0	0	44,000	C Jones	Work following on from Cockle Moor bridge scheme.
Traffic Calming schemes	0	-3,200	3,200	3,200	13,000	G Green	£3,200 was allocated for traffic surveys (Nov 04), but it may not now be required. So there is still £13,000 available.
Somerton Traffic scheme in West Street	0	0	0	0	50,000	I Case	Approved March 04. For completion in 2007/08.
Rights of Way improvements	0	0	0	0	15,000	D Julian	Approved March 04.
<b>Total Environmental</b>	<b>0</b>	<b>-3,200</b>	<b>3,200</b>	<b>3,200</b>	<b>122,000</b>		
<b>Unallocated Programme</b>		0	0	0	<b>87,071</b>		
<b>TOTAL UNALLOCATED &amp; APPROVED IN PRINCIPAL</b>	<b>0</b>	<b>-3,200</b>	<b>3,200</b>	<b>3,200</b>	<b>296,134</b>		
<b>TOTAL NORTH CAPITAL PROGRAMME</b>	<b>205,232</b>	<b>26,198</b>	<b>179,034</b>	<b>179,034</b>	<b>579,731</b>		
<b>CORPORATE CAPITAL PROGRAMME schemes in Area North</b>							
Active England ' Sustainable Outdoor Facilities'	-1,547	-1,547	0	0	0	S Joel	Approved January 05. Facilities at Gassons Lane Somerton, Martock, Fivehead and High Ham Completed. Still some grant to be claimed.
Great Bow Yard	134,000	98,000	36,000	36,000	84,000	C Jones	Following a short delay last winter to the letting of the contract for the second phase, this project is now due for completion August 07.
Somerset Waterlinks	0	0	0	0	321,000	C Jones	New schemes from April 07
Community Play Schemes 2006 bid	0	0	0	0	115,000	R Parr	New schemes from April 07
Youth Facilities Development 2006 bid	0	0	0	0	15,000	R Parr	New schemes from April 07