

Area North Committee – 28<sup>th</sup> November 2007

## 12. Area North 2007/8 Budget Monitoring Report for the Period Ending 30<sup>th</sup> September 2007 (Executive Decision)

*Portfolio Holder:* Cllr Patrick Palmer, Chairman of Area North Committee  
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### Purpose of the Report

The purpose of this report is to update Members on the current financial position of the Area North Committee as at the end of September 2007.

### Recommendations

1. Members are recommended to review and comment on the current financial position on Area North Budgets.
2. Members are recommended to return £1,989 from unused grant balances in Martock and Langport to the unallocated balance in the North Capital programme.

### REVENUE BUDGETS

#### Background

Full Council in February 2007 set the General Revenue Account Budgets for 2007/8 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

The table below shows the position of revenue budgets as at 30<sup>th</sup> September 2007.

	£
<b>Approved base budget as at February 2007</b>	358,140
Funding of Community worker from Reserve	2,140
Funding Business grants from Reserve	10,650
Funding community Offices from Customer First	-3,770
<b>Revised Budget as at 30<sup>th</sup> September 2007</b>	<b>367,160</b>

## AN

A summary of the revenue position as at 30<sup>th</sup> September 2007 is as follows:

Element	Budget to 30 <sup>th</sup> September	Actual to 30 <sup>th</sup> September	Variation 30 <sup>th</sup> September	Annual Budget	Expected by year end
<b>Development</b>					
Expenditure	198,670	154,449	(14,221)	337,340	337,340
Income	(19,820)	(28,470)	(8,650)	(21,790)	(21,790)
<b>Projects</b>					
Expenditure	57,725	74,095	(16,370)	92,280	92,280
Income	(92,280)	(150,298)	(58,018)	(92,280)	(92,280)
<b>Grants</b>					
Expenditure	25,805	25,509	(296)	51,610	51,610
Income	0	0	0	0	0
<b>Total North</b>					
Expenditure	252,200	254,053	1,853	481,230	481,230
Income	(112,100)	(178,768)	(66,668)	(114,070)	(114,070)
Net Expenditure	<b>140,100</b>	<b>75,286</b>	<b>(64,814)</b>	<b>367,160</b>	<b>367,160</b>

It is expected that the expenditure during the year will be within the adjusted budget for 30<sup>th</sup> September 07. The variations at 30<sup>th</sup> September are explained below.

North Development. The current under spend is caused by the introduction of £20,000 budgets to align services which has not yet been used, and income from the Regional Development Agency.

Projects. The extra income represents funds for Beacon of £50,000 which will be required in next year (2008-09). Somerset Water Link has received £37,300 funding which was expected to fund £7,000 expenditure in 08-09. However, the expenditure has now been made in the current year, which shows as a variation in the expenditure. The budgets will be adjusted by the next report.

Grants. This includes Frontline Councillors Community Scheme, which is only just becoming operational. There is £12,937 remaining for general grants for the second half of the year.

### 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
-3,770	Customer First	Area North Admin	Rent of services at Langport & Somerton Offices.

## AREA RESERVE

The position on the Area North Reserve is as follows:

		£
Position as at 1 <sup>st</sup> April 2007		69,700
Less amounts transferred in 07-08		
Part time Community Development Worker, balance for 07-08	(2,140)	
Extra hours for Regeneration Officer 07/08	(10,650)	
		(12,790)
Current balance in Reserve at 30 <sup>th</sup> September 07		56,910
Less amounts allocated:		
Delegated budget for Community projects	(2,010)	
Somerset Waterways network study	(3,000)	
Extra hours for Regeneration Officer 08/09	(4,350)	
Small Business Development Grants	(12,730)	
Parrett Trail Study	(4,000)	
Total allocated		(26,090)
Uncommitted balance remaining		<b>30,820</b>

## CAPITAL PROGRAMME

The revised capital programme for this financial year and beyond is attached at Appendix A on page 19 together with a progress report on each scheme either Area or District Wide that are current within Area North.

The allocation for 2007/8 is £311,848, an increase of £16,250 since the last report, to include Frontline Councillors Community Scheme. The allocation for future years remains at £284,134. This has been allocated in principal for schemes to be reported back to Committee when detailed plans have been produced or grant claims received.

The unallocated balance within the programme is £32,134.

There are two grant balances on which no further payment will be made, see below, and it is **recommended** that the £1,989 balance be returned to the unallocated balance within the North Capital Programme.

Balance re: Martock pavilion, disabled access £525.

Balance re: Langport Town Trust stair lift & ramp £1,464.

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.

**Background Papers:** *Financial Services Area North budget file*