

Area North Committee – 27th February 2008

12. Area North 2007/08 Budget Monitoring Report for the Period ending 31st December 2007

Portfolio Holder: Councillor Paull Robathan, Finance, Revenues & Support Services
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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 December 2007.

Recommendations

1. Members are recommended to review and comment on the current financial position on Area North Budgets.
2. Members are recommended to note the estimated slippage in the capital programme from the current year into next year 2008-09.

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 30th December 2007.

	£
Approved base budget as at February 2007	358,140
Funding of Community worker from Reserve	2,140
Funding Regeneration Officer from Reserve	10,650
Funding community Offices from Customer First	-3,770
Salary Turnover Savings & Saving on April 07 pay award	-1,590
Revised Budget as at 31st December 2007	365,570

A summary of the revenue position as at 31st December 2007 is as follows:

Element	Budget to 31 st December	Actual to 31 st December	Variation 31 st December	Annual Budget	Expected by year end
Development					
Expenditure	242,812	240,488	(2,324)	341,750	341,750
Income	(26,805)	(28,470)	(1,665)	(27,790)	(27,790)
Projects					
Expenditure	77,502	91,346	13,844	92,280	92,280
Income	(92,280)	(155,298)	(63,018)	(92,280)	(92,280)
Grants					
Expenditure	38,708	34,366	(4,342)	51,610	51,610
Income	0	0	0	0	0
Total North					
Expenditure	359,022	366,200	7,178	485,640	485,640
Income	(119,085)	(183,768)	(64,683)	(120,070)	(120,070)
Net Expenditure	239,937	182,432	(57,505)	365,570	365,570

It is expected that the expenditure during the year will be within the adjusted budget for 31st December 07. The variations at 31st December are explained below.

North Development. There is currently an under-spend on employee costs which will be required in 08/09 to cover dual working for the Community Development Officer on return from secondment. This will be £6,200.

Payment of over £5,000 on small business grants will also be funded from the Area Reserve or Capital programme at the end of the year.

Projects. The net position of £50,000 extra income represents funds for Beacon funding which will be required in next year (2008-09).

Grants. There is £10,551 remaining for general grants for the remainder 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
-1,590	Area North Admin	Financial Services	Saving as the April 07 pay award was lower than provision.

AREA RESERVE

The position on the Area North Reserve is as follows:

		£
Position as at 1 st 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 31 st December 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		30,820

CAPITAL PROGRAMME

The revised Capital Programme for this financial year is attached at Appendix A together with a progress report on each scheme either Area or District Wide that are currently within Area North. The allocation for 2007/8 is £278,724 of which £53,370 has been spent. The new column 'Slippage to carry forward' shows an estimate of which schemes will not be completed in the current year and will be carried forward to 2008-09.

The allocation for future years is attached at Appendix B is £286,008. These have been allocated in principal for schemes to be reported back to Committee when detailed plans have been produced or grant claims received. It is expected that an additional £31,250 will also be spent this year on these schemes.

The detail of Youth and Play programme is attached at Appendix C. This gives details of the current work proposed at Parish level.

The unallocated balance within the programme is £34,008.

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.*