

Area North Committee – 23 November 2011

11. Area North 2011/12 Budget Monitoring Report for the Period Ending 30 September 2011 (Executive Decision)

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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 2011.

Public Interest

This report gives an update on the financial position of Area North Committee after six months of the financial year 2011/12.

Recommendations:

Members are recommended to:

- (1) Review and comment on the current financial position on Area North budgets.
- (2) Note the position of the Area North Reserve as at 30th September 2011, and review and endorse alterations to the Area Reserve allocation.
- (3) Note the position of the Area North Capital Programme for 2011/12 to 2015/16 (Appendix A) as at 30th September 2011, and review and endorse revisions to the Capital Programme
- (4) Note the position of the Play & Youth capital investment programme in Area North (Appendix B)
- (5) Note the position of the Area North Community Grants budget, including details of grants authorised under the Scheme of Delegation by the Area Development Manager (North) in consultation with the ward member(s)

REVENUE BUDGETS

Background

Full Council in February 2011 set the General Revenue Account Budgets for 2011/12 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 and regeneration), the Area North Capital Programme and the Area North Reserve.

Financial Position

The table below shows the position of revenue budgets as at 30th September 2011. This includes transfers to or from reserves.

	£
Approved base budget as at Feb 2011	263,480
Carry forwards approved June 2011	50,050
Transfer of salary savings	(2,320)
Revised Budget as at 30th September 2011	311,210

A summary of the revenue position as at 30th September 2011 is as follows:

Element	Original Budget £	Revised Budget £	Y/E Forecast £	Variance £	Fav / Adv	%
Development	248,120	284,160	284,160	-	-	-
Grants	15,360	27,050	27,050	-	-	-
Group Total	263,480	311,210	311,210	-	-	-

Area Development Manager (North) Comments

The overall net expenditure for Area North is still expected to be within budget for the year and includes planned savings of at least 4% on the 2010/11 budget.

The carry forwards of £50,050 noted above include:

Housing and access to services	£10,000
Community Safety Projects	£ 3,000
Rural Transport development	£ 5,000
Community Justice Panel	£2,500
Unallocated service enhancement / transition budget	£17,500
Community Grants	£12,050

Following the election of the new Area Committee in June, it was agreed to review and revise the Area North Capital Programme. This process has included consultation with services and ward councillors and a review of current parish and town plans. The proposals for a revised programme are included in this report.

The Area Reserve has also been reviewed and a revised set of allocations is proposed.

Budget Virements

Under the financial procedure rules the Strategic/Assistant Directors and Managers 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 Assistant Director Finance & Corporate Services 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
950	Area North Development & Administration	Finance & Corporate Services	Salary savings from reduced hours and unpaid annual leave
360	Area North Grants	Area North Development & Administration	Printing budget enhancement

AREA RESERVE

The position on the Area North Reserve as at 30th September 2011 is as follows:

	£	£	Comments
Position as at 1st April 2011		43,920	
<u>Less remaining allocations:</u>			
Completion of feasibility study for the Langport – Cartgate Cycleway	(1,000)		£500 spent to date from the original allocation of £1,500. Other costs contained within operational budgets.
Promoting local access to services – Area North Community Offices	(2,000)		Expenditure so far has been contained within operational budgets.
Support towards progressing affordable rural housing schemes within the Area North	(15,000)		To transfer as required for additional staffing, printing, and professional fees. Work to date covered from operational budgets.
Total Committed		(18,000)	
Uncommitted balance remaining		25,920	

Proposed revisions to the Area Reserve:

Remove allocation to the Langport-Cartgate Feasibility Study (£1000). This funding is no longer required, any further feasibility can be supported through the existing Area North budget, or be subject to a new application for funding.

Remove allocation for local access to services (£2000). Through changing working practice, there are currently sufficient funds within the main budget to support this priority.

Retain allocation to support the progress of affordable housing schemes in Area North (£15,000), as part of the Area North Affordable Housing Programme. This provides a reserve fund for additional fees or survey work which would not otherwise be possible from existing resources, and where the ward member and Area Chairman support the use of this fund to progress a local priority.

If agreed, the remaining unallocated reserve fund for exceptional work, meeting local or corporate priorities would be **£28,920**.

CAPITAL PROGRAMME

The capital programme for this financial year and beyond is attached following this report together with a progress report on each scheme either Area or District Wide that are current within Area North (Appendices A & B).

The estimated spend on the North Capital programme in 2011/12 is £110,667, with a further £45,000 allocated for future years.

There is £66,898 in the reserve schemes for 2011/12 and a further £175,000 for future years.

The details of the Reserve Schemes for current and future years are as follows:

Schemes	Estimated Spend 2011/12 £	Future Spend £
Unallocated Capital Reserve	36,240	75,000
Langport Vision – river and countryside access to promote sustainable tourism in Cockle Moor / Upper Parrett area		20,000
Local priority projects – enhancing facilities and services	30,658	80,000
TOTALS	66,898	175,000

Proposed revisions to the Capital Programme

Following the review of priorities for Area North, the following changes are recommended:

Reserve Schemes

Remove £20,000 for Langport Vision scheme from Future Spend and transfer this sum to a new allocation for future years to support economic vitality in Area North. Changes to the LARC programme and Environment Agency support have meant that a bid is unlikely to secure match funding for a waterways access programme. Future proposals to promote increased access to the waterways and countryside can be considered through a capital appraisal under 'Local Priority Projects'.

Establish £20,000 into a reserve scheme allocation to promote local economic well-being in Area North (potential schemes to include marketing e.g. signage, facilities; and improvements to trading environments). A decision in detail would be made using a

capital appraisal in the next 3-6 months. In keeping with the corporate approach to investment, schemes which are community led and include additional partnership would be prioritised.

Retain the Local Priorities allocation. This provides a ring-fenced allocation to support community-led schemes accessed through the SSDC Community Grants programme. The current allocation is £32,000 with £80,000 for future years.

Existing Main Programme Schemes

Remove £10,000 for West Street Somerton (town centre safety and access feasibility work) and transfer to Unallocated Capital Reserve for 2011/12. The planned work was not commissioned due to changes at SCC and within Somerton town council. The revised Somerton town plan and SSDC corporate plan, once adopted, would be a good starting point to review local priorities with the community and re-submit a capital appraisal in due course.

Remove £5,000 for Upper Parrett waterways access plan and transfer to Unallocated Capital Reserve. As noted above, the changes to match funding and previous support for waterways access development from the Environment Agency means that this project cannot proceed as approved. Securing improved community / public access remains a local priority.

Transfer £45,000 of provision for compensation due to Planning Enforcement action from the Main Programme to Reserve Schemes as a separate allocation for Future Years. Uncertainty still exists around compensation details, therefore altering this to a reserve scheme seems more appropriate.

All other schemes to be retained which are contracted for or are in progress (see Appendix A and B)

If these changes are approved the revised Capital Programme will be as below:

- Main Programme 2011/12 £95,667
- Main Programme Future Years £Nil
- Reserve Schemes 2011/12 £81,898
- Reserve Schemes Future Years £220,000

COMMUNITY GRANTS

During the 6 months to September, grants of £5,901 were awarded under the delegated grants below £750. There remains an uncommitted balance of £7,709 out of a total grants budget of £27,410.

All community grants carried forward from 2010/11 have been completed.

Community Grants Summary

Original budget 2011/12	£15,360
Carry forward from 2010/11	£12,050
Total revised budget	£27,410
Qtr 1 & 2010/11 carry forward - offered, committed or paid	£16,376

Qtr 2 - offered, committed or paid	£3,325
Balance as at 30th September 2011	£7,709

Quarter 2 (July – September 2011) grants offered/commitments under service level agreements.

SLA = Service Level Agreement

Group	Award	Comment	Paid (as at October 2011)
Somerton Allotments	(£750)	Application withdrawn	N/a
Ash Parish Council	£325	Insulation of Pavilion.	Yes
Friends of Somerton Edgar Community Hall	£750	New hearing loop & PA system	Yes
Stoke sub Hamdon Sports & Recreation Trust Charity Shop	£500	Set up contribution towards Charity Shop	Yes
Long Sutton Parish Council	£2,500	Turn Hill Parish Lengthsman (SLA)	Yes
Total Committed	£3,325		

If Members would like further details on any of the Area North budgets or services they should contact the Area Development Manager (North).

Corporate Priority Implications

The budget is closely linked to the Corporate Plan.

Carbon Emissions & Adapting to Climate Change Implications (NI188)

There are no implications currently in approving this report.

Equality and Diversity Implications

When the Area North budget was set any savings made included an assessment of the impact on equalities as part of that exercise.

Background Papers – Financial Services Area North budget file