

7. Area West 2007/8 Budget Monitoring Report for the Period Ending 30th September 2007 (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 West Committee as at the end of September 2007.

Recommendations

It is recommended that:

- (1) members review and comment on the current financial position of the Area West Budgets;
- (2) members agree the reallocation of £8,000 and £7,500 in the Area West Reserve from the 'fence repair on Tapstone to Millfield cycle path' and 'Community Speed Watch' to the uncommitted balance.

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 West now has delegated responsibility for the Area West development revenue budgets, which include revenue grants, regeneration and projects, the Area West Capital Programme and the Area West Reserve.

Financial Position

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

	£
Approved base budget as at February 2007	483,590
Budget Carry forwards approved DX September 2007	0
Funding deficit on Healthy Living Centre (March 07 committee)	12,000
Funding of Community Plan support staff from Reserve	21,850
Salary Turnover Savings	0
Funding Community Offices from Customer First	(11,390)
Funding Grants from Area West reserves	7,160
Revised Budget as at 30th September 2007	513,210

A summary of the revenue position as at 30th September 2007 is as follows:

Element	Budget to 30 th Sept.	Actual to 30 th Sept.	Variation 30 th Sept.	Annual Budget	Expected by year end
Development					
Expenditure	214,045	196,707	(17,338)	431,080	431,080
Income	(17,755)	(15,146)	2,609	(35,510)	(35,510)
Projects					
Expenditure	55,115	55,272	157	116,210	116,210
Income	(69,520)	(58,336)	11,184	(104,210)	(104,210)
Grants					
Expenditure	72,755	75,456	2,701	105,640	105,640
Income	0	0	0	0	0
Total West					
Expenditure	341,9155	327,435	(14,480)	652,930	652,930
Income	(87,275)	(73,481)	13,794	(139,720)	(139,720)
Net Expenditure	254,640	253,954	(686)	513,210	513,210

It is expected that the expenditure during the year will be within the adjusted budget at 30th September 2007. The variations at 30th September are explained below.

West Development. The budget is underspending because of vacant posts for Regeneration & Equalities Officers. The Regeneration post will require a request for a budget carry forward at the end of the year to fund the post into the new financial year.

Projects. The income for projects is down by £11,184, but £53,125 has been received in October for the Justice Panel and a claim has been made to the Big Lottery Fund for funding of the Healthy Living Centre.

Grants. Most of the grants have been paid following the April Area West Committee. The allocation for the Frontline Councillors Community Scheme has been allocated 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
-11,390	Customer First	Area West Admin	Rent of services at Crewkerne Offices.
7,160	Area West Reserve	Area West Grants	Funding of Blackdown Partnership and general grants per April Committee.

AREA RESERVE

The position on the Area West Reserve is as follows:

		£
Position as at 1 st April 2007		161,870
Less amounts transferred in 07-08		
Fund deficit re Healthy Living Centre	(12,000)	
Community Planning Admin Assistant	(21,850)	
Leader Plus – Blackdown Hills Partnership. £5,000 per annum until 07-08	(5,000)	
Additional funding for Grants 07-08	(2,160)	
		(41,010)
Current balance in Reserve at 31 st January 07		120,860
Less amounts allocated:		
Community Speed Watch balance	(9,480)	
Fence repairs Tapstone to Millfield cycle path	(8,000)	
Community Forum Projects	(75,000)	
		(92,480)
Uncommitted balance remaining		28,380

£1,980 has been spent against the £9,480 allocation for Community Speed Watch within the Area West grants budget. This will be moved out later in the year.

The £8,000 allocated for ‘fence repairs on Tapstone to Millfield cycle path’ was included in 2004 as part of a Section 106 Agreement in which the Council accepted liability to carry out repairs in case of vandalism by members of the public. It is now felt that this liability does not need to be shown as an allocation from the Area West Reserve but can be financed as and when there is any vandalism. This would be budgeted for as any other liability on SSDC property.

The £7,500 balance allocated for Community Speed Watch (£9,480 - £1,980) is the remaining balance of £20,000 allocated in April 2003. The allocation was made in advance of any district wide provision in order to set up new schemes in Area West. To date £12,497 has been spent on schemes in Area West. As indicated in the separate Community Speed Watch report, other ways of funding Community Speed Watch Schemes and equipment are now available. For this reason no further grant applications to Area West Committee are anticipated.

It is **recommended** that £8,000 and £7,500 is returned to the uncommitted balance within the Area West Reserve. This will increase the uncommitted balance to £43,883.

CAPITAL PROGRAMME

The revised capital programme for this financial year and beyond is attached at pages 7-8, together with a progress report on each scheme either Area or District Wide that are current within Area West. The estimated spend in 2007/8 is £187,762 of which £36,918 has been spent. Spend in future years is £116,183.

The unallocated funds within the programme are £8,555.

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

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