

7. Area West 2007/8 Budget Monitoring Report for the Period Ending 31st December 2007

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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 December 2007.

Recommendation

It is recommended that members review and comment on the current financial position of the Area West Budgets.

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 31st December 2007.

	£
Approved base budget as at February 2007	483,590
Budget Carry forwards approved DX December 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 & Saving on April 07 pay award	-7,520
Funding Community Offices from Customer First	(11,390)
Funding Grants from Area West reserves	32,160
Revised Budget as at 31st December 2007	530,690

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

Element	Budget to 31 st Dec.	Actual to 31 st Dec.	Variation 31 st Dec.	Annual Budget	Expected by year end
Development					
Expenditure	306,622	302,807	(3,815)	423,560	423,560
Income	(26,632)	(19,422)	7,211	(35,510)	(35,510)
Projects					
Expenditure	82,672	84,252	1,579	116,210	116,210
Income	(84,467)	(123,723)	(39,255)	(104,210)	(104,210)

Grants					
Expenditure	107,699	105,681	(2,019)	130,640	130,640
Income	0	0	0	0	0
Total West					
Expenditure	496,994	492,740	(4,255)	670,410	670,410
Income	(111,100)	(143,144)	32,044	(139,720)	(139,720)
Net Expenditure	385,894	349,596	(36,299)	530,690	530,690

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

West Development. The Expenditure budget is under spending because of vacancies during the year. 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. The Income budget is down because of reduced income from markets.

Projects. The income for projects is up by £39,000 as funding for 2008/09 has been received for the Chard & Ilminster Community Justice Panel. (At the end of the year the income will be moved into next year)

Grants. Most of the grants have been paid following the April West Committee. There is a balance for Frontline Councillors Community Scheme, which was 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
-2,070	Area Admin West	Financial Services	Saving as April 07 pay award lower than provision.
-5,450	Area Admin West	Financial Services	Staff turnover savings
25,000	Area Reserve West	Area West Grants	Funding grants approved by the Ilminster Community Forum

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)	
Community Forum Projects Ilminster (£18,500 to Capital grants £6,500 Revenue grants)	(25,000)	
		(66,010)
Current balance in Reserve at 31 st December 07		95,860
Less amounts allocated:		
Community Speed Watch balance	(9,480)	
Free Christmas car parking	(3,000)	
Community Forum Projects (Chard & Crewkerne)	(50,000)	
		(62,480)
Uncommitted balance remaining		33,380

Since the last report in November the allocation of £8,000 for fence repairs ‘Tapstone to Milfield cycle path’ has been removed. £3,000 has been added to fund free car parking over the Christmas period. £25,000 has been allocated to fund the grants agreed by the Ilminster Community Forum.

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 £189,212 of which £74,961 has been spent. Approved spend in future years is £133,233.

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

Since the last report £18,500 has been added to the programme for grants approved at the Ilminster Forum, funded from the Area Reserve.

£1,550 has been moved to Future Years to pay retention on the work on the Essex Close footpath, Chard.

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.*