

Area West Committee – 20th August 2008

7. Area West 2008/9 Budget Monitoring Report for the Period Ending 30th June 2008

Head of Service: Donna Parham, Head of Finance
 Lead Officer: Catherine Hood, Management Accountant, Financial Services
 Contact Details: catherine.hood@southsomerset.gov.uk (01935) 462157

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 June 2008.

Recommendations

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 2008 set the General Revenue Account Budgets for 2008/9 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 and regeneration, the Area West Capital Programme and the Area West Reserve.

Financial Position

The table below shows the position of revenue budgets as at 30th June 2008. This includes transfers to or from reserves:

	£
Approved base budget as at February 2008	480,740
Carry forwards approved at DX June 2008	21,300
Revised Budget as at 30th June 2008	502,040

A summary of the revenue position as at 30th June 2008 is as follows:

Element	Original Budget £	Revised Budget £	Y/E Forecast £	Favourable Variance £	Adverse Variance £	%
Development						
Expenditure	441,510	441,510	441,510	-	-	-
Income	(36,110)	(36,110)	(36,110)	-	-	-
Projects						
Expenditure	69,380	56,310	56,310	-	-	-
Income	(69,380)	(56,310)	(56,310)	-	-	-
Grants						
Expenditure	75,340	96,640	96,640	-	-	-
Income	0	0	0	-	-	-

Element	Original Budget £	Revised Budget £	Y/E Forecast £	Favourable Variance £	Adverse Variance £	%
Group Total						
Expenditure	586,230	594,460	594,460	-	-	-
Income	(105,490)	(92,420)	(92,420)	-	-	-
Net Expenditure	480,740	502,040	502,040	-	-	-

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).

No virements have taken place since the last report.

AREA RESERVE

The position on the Area West Reserve is as follows:

		£
Position as at 1 st April 2008		86,560
Less amounts transferred in 2008-09	0	
Current balance in Reserve at 30 th June 2008		86,560
Less amounts allocated:		
Community Speed Watch	(2,010)	
Community Forum Projects	(40,700)	
Uncommitted balance remaining		43,850

CAPITAL PROGRAMME

The revised capital programme for this financial year and beyond is attached following this report (pages 6-7) together with a progress report on each scheme either Area or District Wide that are current within Area West. The estimated spend on the West Capital programme in 2008/9 is £150,620 and a further £27,625 for future years. There is £69,334 in reserve schemes for 2008/09 and a further £15,000 for future years.

The details of the reserve schemes are as follows:

Schemes	Estimated Spend 2008/9 £	Future Spend £
Unallocated Capital Reserve	29,334	15,000
Frontline Councillors Community Scheme	20,000	
Ilminster Community Office	20,000	
TOTALS	69,334	15,000

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.

Head of Area Development Service Comments

Two decisions taken by Area West Committee in June 2008 are not reflected in this quarter's report. They have a significant effect on the level of unallocated balances reported.

£50,000 has been allocated to fund the 2008/9 Area West "Opportunity" Projects. £25,000 of this will be met from the Area reserve, reducing unallocated balances to £18,850. The other £25,000 will be met from the Area Capital Reserve. A further £2,081 was allocated to support improvement works at Ilminster Meeting House, bringing the remaining unallocated capital reserves for 2008/9 to £2,253.

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