

Area West Committee – 19th November 2008

10. Area West 2008/9 Budget Monitoring Report for the Period Ending 30th September 2008 (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 2008.

Recommendations

Members are recommended:

- (1) to review and comment on the current financial position of the Area West Budgets;
- (2) that the amount of £14,160 is returned to the uncommitted balance of the Area West Reserve increasing the uncommitted balance from £17,660 to £31,820.

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 September 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
Revision of salary budget due to Job Evaluation (JE) results	11,460
Community Forums 07/08 contribution from Area Reserve	5,300
Community Forums 07/08 contribution from Area Reserve	21,240
Revised Budget as at 30th September 2008	540,040

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

Element	Original Budget £	Revised Budget £	Y/E Forecast £	Favourable Variance £	Adverse Variance £	%
Development						
Expenditure	441,510	474,210	493,480	-	19,270	4
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	101,940	101,940	-	-	-
Income	0	0	0	-	-	-
Group Total						
Expenditure	586,230	632,460	651,730	-	-	-
Income	(105,490)	(92,420)	(92,420)	-	-	-
Net Expenditure	480,740	540,040	559,310	-	19,270	4

The expenditure overspend within Development is due to redundancy costs, steps are being taken to offset this cost.

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
11,460	Job evaluation budget	Area West budgets	Revision of salary budget due to JE results
5,300	Area West Reserve	Area West revenue budgets	Funding of 07/08 Community Forums
21,240	Area West Reserve	Area West capital budgets	Funding of 07/08 Community Forums

AREA RESERVE

The position on the Area West Reserve is as follows:

		£
Position as at 1st 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 Forum Projects 2007/08 (see note 1)	(40,700)	
Community Forum Projects 2008/09 (see note 2)	(25,000)	
Christmas Free Car Parking	(3,000)	
Advertising for Crewkerne Conservation Area Appraisal	(200)	
Uncommitted balance remaining (see note 3)		17,660

Note 1

At the June 2007 Area West Committee £75,000 was allocated from the Area Reserve together with £15,000 from the Area Capital Programme to fund the 2007/08 Community Forum Projects. Subsequently at the committee meeting in December 2007 the 'Better Aligning Services' budget of £20,000 was also allocated to fund the Community Forum Projects. As a result it has not been necessary to use all the funding from the Area Reserve and a balance of £14,160 can be returned to the Area Reserve.

Note 2

At the June 2008 Area West Committee £25,000 was allocated to fund the 2008/09 Community Forum Projects from the Area Reserve. The balance of funding coming from Capital and the Better Aligning Service budgets making a total allocation of £90,000.

Note 3

South Somerset Community Speed Watch Co-ordinator's Group has declined the grant of £2,010 for the purchase of a speed indicator display awarded at the May 2008 Area West Committee. The Group has made alternative arrangements and the grant is no longer required. This allocation has been returned to the Area Reserve uncommitted balance.

CAPITAL PROGRAMME

The revised capital programme for this financial year and beyond is attached following this report (pages 30-31) 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 £191,367 and a further £27,625 for future years.

There is £29,826 in approved in principle schemes for 2008/09 and a further £15,000 for future years. The details are as follows:

Schemes	Estimate for 2008/9 £	Future Years £
Iminster Community Office	20,000	
Merriott Sports Pavilion and Tennis Court		12,500
Unallocated Capital Reserve	9,826	2,500
TOTALS	29,826	15,000

AW

Following the completion of the Heritage Economic Regeneration Scheme (HERS) Shop Front Grant Scheme in Chard, we have been able to reclaim £8,899 from English Heritage. This has been added to the Area West Capital Reserve. The unallocated Capital Reserve balance for 2008/09 has increased to £9,826.

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.*