

Area West Committee – 16th June 2010

## 7. Area West 2009/10 Outturn Report (Executive Decision)

Chief Executive: Mark Williams, Chief Executive  
 Assistant Director: Donna Parham, Finance and Corporate Services  
 Service Manager: Amanda Card, Finance Manager  
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### Purpose of the Report

To inform members of the actual spend against budgets for 2009/10 of the services over which this Committee exercised financial control.

### Public Interest

This report gives an update of the Area West Committee's financial outturn for the twelve months ended 31<sup>st</sup> March 2010.

### Recommendations:

Members are recommended to:-

- (1) review and comment on the outturn position and explanation of variances from budgets for the financial year 2009/10;
- (2) note the position of the Area West Reserve;
- (3) carry forward the slippage of £37,256 on the Area West capital programme;
- (4) return £15,500 currently allocated to the Merriott sports pavilion and tennis court scheme, which is no longer taking place, to the unallocated capital reserve;
- (5) return £232 being the balance of funding for the completed Snowdon Park recreation project to the unallocated capital reserve;
- (6) fund £482 for the Stop Line Cycle Way from the unallocated capital reserve.

## REVENUE BUDGETS

### Background

Full Council in February 2009 set the General Revenue Account Budgets for 2009/10 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 31st March 2010. This includes transfers to or from reserves. It also includes the carry forwards agreed by District Executive in June 2009:

	£
<b>Approved base budget as at Feb 2009 (Original Budget)</b>	<b>505,140</b>
Budget Carry forwards approved DX June 2009	33,340
Equalities and Diversity budget transferred to Community Assistant Director & Cohesion	(52,630)
Reduction in salary budgets following pay award decision	(4,180)
Training Funding	1,990
<b>Revised Budget as at 31st March 2010</b>	<b>483,660</b>

A summary of the revenue position as at 31<sup>st</sup> March 2010 is as follows:

Element	Outturn Budget £	Actual Spend/ (Income) £	Variance £	%
<b>Development</b>				
Expenditure	418,400	408,447	(9,953)	
Income	(37,560)	(26,639)	10,921	
<b>Projects</b>				
Expenditure	106,470	134,431	27,961	
Income	(99,270)	(127,604)	(28,334)	
<b>Grants</b>				
Expenditure	95,620	93,122	(2,498)	
Income	0	0	0	
<b>Group Total</b>				
Expenditure	620,490	636,000	15,510	2.5
Income	(136,830)	(154,243)	(17,413)	(12.7)
Net Expenditure	483,660	481,757	(1,903)	(0.4)

Area West Committee has approved expenditure and grants of £10,180 that were not paid during 2009/10. A further £8,500 was allocated to projects in which spending was not possible in 2009/10. Carry forwards have been requested to cover this expenditure that would result in an overspend of £16,777 or 3.5% of the total budget. The decision as to whether carry forward requests will be agreed has been deferred until the July 2010 District Executive meeting when the outcome of the Government's June budget will be known.

### Area Development Manager's Comments

The requested carry forwards at the end of 31st March 2010 are made up as follows:-

Project	£	
Floodlights at Happy Valley, Crewkerne	8,000	
Community Car Scheme	5,000	
Community Forum Grant, Streetspace, Chard	5,000	Paid
Green space, Reed Close, Chard	500	
Publicity Grant, Farmers Market, Crewkerne	180	Paid
<b>Total</b>	<b>18,680</b>	

Since the start of the new financial year 2010/11, £5,180 included in the above carry forwards has been paid. If the carry forward request is not approved, the expenditure will be funded from 2010/11 budgets.

The overspend in 2009/10 is mostly the result of the poor performance of the local markets against budget, where the net overspend was £12,803. Action has been taken to review budgets and an inescapable bid of £10,000 has been included in the Area West Budget for 2010/11. Further action is being taken to address the underlying issues identified in earlier Committee reports.

The remaining £3,974 of overspend is the result of a number of minor overspends across all budgets.

### Budget Virements

Under the Financial Procedure Rules and providing that the Assistant Director-Finance & Corporate Services has been notified in advance, the Area Development Manager can authorise virements for each individual cost centre within their responsibility (as defined by Appendix B of the Annual Budget Report) and Assistant Directors/Portfolio Holders can authorise virements up to a maximum of £25,000 between services within their responsibility. 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 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
(9,650)	Area West Capital Budgets	Area West Reserve	Reversal of previous virement to fund 08/09 Community Forums. Funding now from Area Development Better Aligning Services budget.
1,990	Strategic Management	Area West Development	Transfer of corporate training budgets

### AREA RESERVE

The position on the Area West Reserve is as follows:

		£
<b>Position as at 1<sup>st</sup> April 2009</b>		57,840
Less amounts transferred for use in 2009/10:		
<b>Current balance in Reserve at 31<sup>st</sup> March 2010</b>		57,840
Less amounts allocated:		
Merriott Flood Relief Scheme	(790)	
Alcohol Consumption in Public Place Order-Crewkerne	(1,500)	
Underwrite Community Grants	(55,550)	
		(57,840)
<b>Uncommitted balance remaining</b>		0

Since the last report in February 2010 members have agreed to use the balance of the Area Reserve to underwrite the community grants strategy.

## CAPITAL PROGRAMME

The revised 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 West.

In summary the actual spending to 31st March 2010 was £68,288 on an approved 2009/10 programme of £83,544. £22,000 of the unallocated programme for 2009/10 was unused. It is recommended that the slippage of £37,256 for both approved and reserved schemes be carried forward into 2010/11.

The details of the reserve schemes are as follows:

<b>Schemes</b>	<b>£</b>	
Iminster Community Office	20,000	
Unallocated Capital Reserve	79,358	An additional £25K has been awarded for 2010/11
<b>TOTALS</b>	<b>99,358</b>	

Merriott Parish Council advised the Council on the 11<sup>th</sup> February 2010 that they no longer required the funding of £15,500 for the proposed sports pavilion, and therefore this funding can be returned to the unallocated capital balance.

The Snowdon Park Recreation project is completed, leaving an unspent budget of £232, which is recommended to be returned to unallocated capital reserve.

The budget for the Stop Line Cycle Way of £10,097 was overspent by £482, and it is recommended that this overspend is funded from the unallocated capital reserve.

If members at this meeting approve the three recommendations above, the total amount in the reserve schemes will increase from £99,358 to £114,608.

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.

### 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 West budget was set any savings made included an assessment of the impact on equalities as part of that exercise.

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