

Area Committee West – 18th August 2010

9. Budget Monitoring Report for the Period Ending 30th June 2010 (Executive Decision)

Chief Executive: Mark Williams, Chief Executive
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Purpose of the Report

The purpose of this report is to update members on the current budgetary position of the Area West Committee as at the end of June 2010.

Public Interest

This report gives an update on the financial position of Area West Committee after three months of the financial year 2010/11.

Recommendations

Members are recommended to:

- (1) review and comment on the current financial position of Area West Budgets;
- (2) re-allocate £3,000 of the amount set aside to underwrite community grants within the Area Reserve to subsidised town centre Christmas parking.

REVENUE BUDGETS

Background

Full Council in February 2010 set the General Revenue Account Budgets for 2010/11 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 2010. This includes transfers to or from reserves.

| | £ |
|--|----------------|
| Approved base budget as at Feb 2010 (Original Budget) | 446,580 |
| Budget Carry forwards (£20,680 approved July 2010) | 0 |
| Staff turnover savings | (2,270) |
| Revised Budget as at 30th June 2010 | 444,310 |

A summary of the revenue position as at 30th June 2010 is as follows:

| Element | Original Budget | Revised Budget | Y/E Forecast | Favourable Variance | Adverse Variance | % |
|------------------------|-----------------|----------------|----------------|---------------------|------------------|---|
| | £ | £ | £ | £ | £ | |
| Development | | | | | | |
| Expenditure | 414,160 | 411,890 | 411,890 | | | - |
| Income | (45,050) | (45,050) | (45,050) | | | - |
| Projects | | | | | | |
| Expenditure | 95,000 | 129,780 | 129,780 | | | - |
| Income | (87,800) | (122,580) | (122,580) | | | - |
| Grants | | | | | | |
| Expenditure | 70,270 | 70,270 | 70,270 | | | - |
| Income | 0 | 0 | 0 | | | - |
| Group Total | | | | | | |
| Expenditure | 579,430 | 611,940 | 541,670 | | | - |
| Income | (132,850) | (167,630) | (167,630) | | | - |
| Net Expenditure | 446,580 | 444,310 | 444,310 | | | - |

Budget Virements

Under the Financial Procedure Rules, the Strategic/Assistant Directors and Managers 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 Assistant Director Finance & Corporate Services 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 in the first quarter.

| Amount £ | From | To | Details |
|-------------|----------------------------------|---------|------------------------|
| 2,270 | Area West Development Budgets | Finance | Staff turnover savings |

AREA RESERVE

The position on the Area West Reserve is as follows:

| | £ |
|--|---------------|
| Position as at 1st April 2010 | 57,840 |
| Less amounts transferred for use in 2010/11: | 0 |
| Current balance in Reserve at 30th June 2010 | 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) |
| Uncommitted balance remaining | 0 |

As a result of the changes to the way discretionary rate relief is claimed and funded the amount needed to underwrite future community grants can be reduced. To make a contribution of £3,000 towards subsidised town centre parking in Area West in the run up to Christmas 2010 it is recommended that the amount set aside to underwrite the community grants programme is reduced by £3,000 to £52,550.

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. The estimated spend for the Area West programme in 2010/11 is £52,693 and a further £80,108 for future years.

There are the following reserve schemes within the programme:

| Schemes | Estimated 2010/11 Spend £ | Future Spend £ |
|-----------------------------|------------------------------|-------------------|
| Iminster Community Office | | 20,000 |
| Unallocated Capital Reserve | 47,000 | 47,608 |

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.*