

Area West Committee – 17th November 2010

## 6. Budget Monitoring Report for the Period Ending 30<sup>th</sup> September 2010 (Executive Decision)

Chief Executive: Mark Williams  
 Assistant Director: Donna Parham (Finance and Corporate Services)  
 Service Manager: Amanda Card, Finance Manager  
 Lead Officer: Catherine Hood, Corporate Accountant  
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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 September 2010.

### Public Interest

This report gives an update on the financial position of Area West Committee half way through the financial year 2010/11.

### Recommendations

Members are recommended to:

- (1) review and comment on the current financial position of the Area West Budgets;
- (2) reduce the allocation to underwrite community grants from £52,550 to £40,500;
- (3) return the allocations of £790 (Merriott Flood Relief Scheme) and £1,500 (Crewkerne Public Places Order) to uncommitted balances.

## 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 September 2010. This includes transfers to or from reserves.

	£
<b>Approved base budget as at Feb 2010 (Original Budget)</b>	<b>446,580</b>
Budget Carry forwards	20,680
Staff turnover savings	(7,580)
<b>Revised Budget as at 30th September 2010</b>	<b>459,680</b>

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

Element	Original Budget	Revised Budget	Y/E Forecast	Favourable Variance	Adverse Variance	%
	£	£	£	£	£	
<b>Development</b>						
Expenditure	414,160	437,080	437,080			-
Income	(45,050)	(50,050)	(50,050)			-
<b>Projects</b>						
Expenditure	95,000	129,780	129,780			-
Income	(87,800)	(122,580)	(122,580)			-
<b>Grants</b>						
Expenditure	70,270	65,450	65,450			-
Income	0	0	0			-
<b>Group Total</b>						
Expenditure	579,430	632,310	632,310			-
Income	(132,850)	(172,630)	(172,630)			-
<b>Net Expenditure</b>	<b>446,580</b>	<b>459,680</b>	<b>459,680</b>			-

### 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 since the last report.

Amount £	From	To	Details
5,000	Area West Grants Budgets	Area West Development Budgets	To meet 2010/11 savings target previously not identified
5,310	Area West Development Budgets	Finance	Staff turnover savings

## AREA RESERVE

The position on the Area West Reserve is as follows:

		£
<b>Position as at 1<sup>st</sup> April 2010</b>		<b>57,840</b>
Less amounts transferred for use in 2010/11:		0
<b>Current balance in Reserve at 30<sup>th</sup> September 2010</b>		<b>57,840</b>
Less amounts allocated:		
Merriott Flood Relief Scheme	(790)	
Alcohol Consumption in Public Place Order-Crewkerne	(1,500)	
Underwrite Community Grants	(52,550)	
Christmas town centre parking	(3,000)	
		(57,840)
<b>Uncommitted balance remaining</b>		<b>0</b>

### Area Development Manager's Comments

This report reflects the use of balances (reserves) to underwrite and support approved capital projects and other programmes of activity like the "tapering" strategy for community grants.

To deliver as many projects and programmes as we can, it is important to keep the Area West budget position under review.

As a result of budget and spending decisions taken earlier in the year, the amount allocated to underwrite the community grants programme over the next 3 years can be reduced to £40,500.

### 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 on the West Capital programme in 2010/11 is £18,693 and a further £12,500 for future years. In addition there is £20,000 that has been approved in principle for future years. There is also a balance of £94,608 that is unallocated as detailed below.

Schemes	Estimated Spend 2010/11 £	Future Spend £
Iminster Community Office		20,000
Unallocated Capital Reserve	47,000	47,608
<b>TOTALS</b>	<b>47,000</b>	<b>67,608</b>

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*