

Area Committee West – 16th February 2011

6. Budget Monitoring Report for the Period Ending 31st December 2010 (Executive Decision)

Chief Executive: Mark Williams, Chief Executive
 Assistant Director: Donna Parham (Finance and Corporate Services)
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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 December 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) approve the transfer of £3,000 from the unallocated capital balance to the capital programme to fund the pedestrian link in Crewkerne.
- (3) approve the transfer of £1,000 from the unallocated capital balance to the capital programme to fund the completion of the play area in Snowdon Park, Chard.

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 31st December 2010. This includes transfers to or from reserves.

	£
Approved base budget as at Feb 2010 (Original Budget)	446,580
Budget Carry forwards	20,680
Staff turnover savings	(7,580)
Revised Budget as at 31st December 2010	459,680

A summary of the revenue position as at 31st December 2010 is as follows:

Element	Original Budget	Revised Budget	Y/E Forecast	Favourable Variance	Adverse Variance	%
	£	£	£	£	£	
Development						
Expenditure	414,160	437,080	437,080			-
Income	(45,050)	(50,050)	(49,000)		1,050	2.1%
Projects						
Expenditure	95,000	129,780	129,780			-
Income	(87,800)	(122,580)	(122,580)			-
Grants						
Expenditure	70,270	65,450	65,450			-
Income	0	0	0			-
Group Total						
Expenditure	579,430	632,310	632,310			-
Income	(132,850)	(172,630)	(171,580)		1,050	0.6%
Net Expenditure	446,580	459,680	460,730		1,050	0.2%

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).

No virements have taken place since the last report.

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 31st December 2010		57,840
Less amounts allocated:		
Underwrite Community Grants	(40,500)	
Christmas town centre parking	(3,000)	
Provision for Street Market improvements (some contribution agreed in principle – subject to detail)	(14,340)	
		(57,840)
Uncommitted balance remaining		0

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 £5,660 approved in principle for the current year with a further £20,000 approved in principle for future years. There is also a balance of £88,948 that is unallocated as detailed below.

Schemes	Provision 2010/11 £	Estimated Spend 2010/11 £	Future Spend £
Markets Improvement Group	5,660		
Iminster Community Office			20,000
Unallocated Capital Reserve		41,340	47,608
TOTALS	5,660	41,340	67,608

A pedestrian link in Crewkerne linking two shopping areas has recently been completed with £10,000 of the cost being met from the Market Town Vision capital budget. It is recommended that members agree to fund the remaining balance of £3,000 from the unallocated capital balance.

To allow completion of the play area in Snowdon Park, Chard a contribution of £1,000 is requested from the unallocated capital balance.

The balance on the unallocated capital balance would reduce from £88,948 to £84,948 if the above were agreed.

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*