

Area Committee West – 20th June 2012

7. Area West 2011/12 Outturn Report (Executive Decision)

Chief Executive: Mark Williams, Chief Executive
 Assistant Director: Donna Parham (Finance and Corporate Services)
 Service Manager: Amanda Card, Finance Manager
 Lead Officer: Catherine Hood, Corporate Accountant
 Contact Details: catherine.hood@southsomerset.gov.uk or 01935 462157

Purpose of the Report

The purpose of this report is to inform members of the actual spend against budgets for 2011/12 of the services over which this Committee exercised financial control.

Public Interest

This report gives an update on the outturn position of Area West Committee after twelve months of the financial year 2011/12.

Recommendations

Members are recommended to:

- (1) review and comment on the 2011/12 financial outturn position of Area West Budgets;
- (2) note the position of the Area West Revenue Reserve;
- (3) carry forward the slippage of £1,000 on approved capital schemes and £19,945 of unallocated capital funds.

REVENUE BUDGETS

Background

Full Council in February 2011 set the General Revenue Account Budgets for 2011/12 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 2012. This includes transfers to or from reserves.

	£
Approved base budget as at Feb 2011 (Original Budget)	381,650
General Fund to Community Justice Panel	10,000
Budget Carry forwards (£20,000 approved June 2011)	20,000
Chard Healthy Living Centre Business Rates	(2,470)
Printer funding transferred to Finance	(2,380)
Allocation from Area Reserve for Market Project	840
Allocation of training budget	360
Revised Budget as at 31st March 2012	408,000

A summary of the revenue position as at 31st March 2012 is as follows:

Element	Original Budget £	Revised Budget £	Actual Spend £	Carry Forwards	Actual+ Carry Forwards £	Variance £	%
Development							
Expenditure	368,920	393,000	381,741	15,280	397,021	4,021	
Income	(48,490)	(34,750)	(38,227)	0	(38,227)	(3,477)	
Projects							
Expenditure	21,130	83,960	85,044	0	85,044	1,084	
Income	(13,930)	(69,230)	(77,997)	0	(77,997)	(8,767)	
Grants							
Expenditure	54,020	35,020	32,727	2,800	35,527	507	
Income	0	0	0	0	0	0	
Group Total							
Expenditure	444,070	498,680	499,512	18,080	517,592	18,912	4
Income	(62,420)	(90,680)	(116,224)	0	(116,224)	(25,544)	(28)
Net Expenditure	381,650	408,000	383,288	18,080	401,368	(6,632)	(1.6)

Carry forward approval will be sought at District Executive on 7th June 2012.

The reasons for the major variances are:

Service	Variance £	Details
Development		
Markets	1,018	Shortfall in market income which has been offset by slight reduction in expenditure
Community Development	3,613	Overspend on salaries due to budgeting at bottom of scale
Area Admin	(3,985)	Increase in income fees and recharges
Projects		
Chard Healthy Living Centre	(7,722)	Increased income from recharge of service charges and reduction in Business Rates payment and other general costs

Area Development Manager's Comments

In challenging financial times we continue to develop imaginative responses to many local community issues and initiatives. In 2011/12 the Area West Committee was able to oversee expenditure on a wide variety of projects and programmes. Most of these involved variables that were beyond the control of Area Development Staff. It is pleasing to note that, despite this, an outturn variance against the revenue budget of only 1.6% was achieved.

Budget Virements

Under the Financial Procedure Rules the Strategic/Assistant Directors & 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
2,380	Area West Admin	Finance	Lease for MFD printer to be treated as finance lease. Costs and funding transferred to Finance
840	Area West Reserve	Area West Development (Markets)	Allocation of funding for market improvements agreed at Area West Committee October 2011
360	Strategic Management	Area West Development	Corporate Training Budget Allocation

AREA RESERVE

The position on the Area West Reserve is as follows:

		£
Position as at 1st April 2011		54,960
Less amounts transferred for use in 2011/12:		
Street Market Improvements	840	
Current balance in Reserve at 31st March 2012		54,120
Less amounts allocated but not yet transferred:		
Underwrite Community Grants	(40,500)	
Provision for Street Market improvements (some contribution agreed in principle – subject to detail)	(13,500)	
		(54,000)
Uncommitted balance remaining		120

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 2012 was £35,555 on an approved 2011/12 programme of £36,555. £19,945 of the unallocated programme for 2011/12 was unused. It is recommended that the slippage of £20,945 for both approved programme and reserved schemes be carried forward into 2012/13.

The slippage and future spend includes £151,554 allocated to the reserve schemes as detailed in the table below:

Schemes	Future Spend £
Markets Improvement Group (Provision)	5,660
Iminster Community Office	20,000
Community Grants	61,500
Unallocated Capital Reserve	64,949
TOTALS	151,554

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*