

Joint Area Committee - West – 19th August 2009

7. Area West 2009/10 Budget Monitoring Report for the Period Ending 30th June 2009

Head of Service: Donna Parham, Financial Services
 Lead Officer: Catherine Hood, Management Accountant, Financial Services
 Contact Details: catherine.hood@southsomerset.gov.uk (01935) 462157

Purpose of the Report

The purpose of this report is to update members on the current financial position of the Joint Area Committee - West as at the end of June 2009.

Recommendations

Members are recommended to review and comment on the current financial position of Area West Budgets.

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 30th June 2009. This includes transfers to or from reserves.

| | |
|---|----------------|
| | £ |
| Approved base budget as at February 2009 | 505,140 |
| Carry forwards approved at District Executive June 2009 | 33,340 |
| Community Forum 08/09 contribution from Area Reserve | 4,780 |
| | |
| Revised Budget as at 30th June 2009 | 543,260 |

A summary of the revenue position as at 30th June 2009 is as follows:

| Element | Original Budget £ | Revised Budget £ | Y/E Forecast £ | Favourable Variance £ | Adverse Variance £ | % |
|--------------------|----------------------|---------------------|-------------------|--------------------------|-----------------------|---|
| Development | | | | | | |
| Expenditure | 471,230 | 502,340 | 502,340 | - | - | |
| Income | (37,560) | (37,560) | (37,560) | - | - | |
| Projects | | | | | | |
| Expenditure | 63,510 | 63,510 | 63,510 | - | - | |
| Income | (56,310) | (56,310) | (56,310) | - | - | |

JAW

| Element | Original Budget £ | Revised Budget £ | Y/E Forecast £ | Favourable Variance £ | Adverse Variance £ | % |
|--------------------|----------------------|---------------------|-------------------|--------------------------|-----------------------|---|
| Grants | | | | | | |
| Expenditure | 64,270 | 71,280 | 71,280 | - | - | |
| Income | 0 | 0 | 0 | - | - | |
| Group Total | | | | | | |
| Expenditure | 599,010 | 637,130 | 637,130 | - | - | |
| Income | (93,870) | (93,870) | (93,870) | - | - | |
| Net Expenditure | 505,140 | 543,260 | 543,260 | - | - | |

Head of Service Area Development (West) Comments

The “elements” in the summary table perhaps require some explanation.

Development - includes the costs of core staffing, office management and local markets.

Budgeted income currently includes an SCC contribution towards County Information Points run through the Area and Community Offices. This funding was withdrawn in April 2009 and the forecast will be revised accordingly.

Projects - includes SSDC supported projects that are externally funded, like the South Somerset Community Justice Panel scheme.

The gap between budgeted expenditure and income will be closed during the year.

Grants - includes provision made for awards made under the community grants schemes.

Budget Virements

Under the Financial Procedure Rules, the Heads of Service 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 Head of Finance 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 |
|-------------|-------------------|---------------------------|-----------------------------------|
| 4,780 | Area West Reserve | Area West Capital Budgets | Funding of 08/09 Community Forums |

AREA RESERVE

The position on the Area West Reserve is as follows:

| | | |
|--|----------|---------------|
| | | £ |
| Position as at 1st April 2009 | | 57,840 |
| Less amounts transferred for use in 2009/10: | | |
| Community Forum Projects | (4,780) | |
| | | (4,780) |
| Current balance in Reserve at 30th June 2009 | | 53,060 |
| Less amounts allocated: | | |
| Community Forum Projects 2008/09 | (20,220) | |
| Merriott Flood Relief Scheme | (790) | |
| Alcohol Consumption in Public Place Order-Crewkerne | (1,500) | |
| | | (22,510) |
| Uncommitted balance remaining | | 30,550 |

Since the previous Committee report dated 15th July 2009 the balance has not changed.

CAPITAL PROGRAMME

The revised capital programme for this financial year and beyond is attached at page 22. 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 2009/10 is £55,944 and a further £12,187 for future years. In addition there is £12,500 that has been approved in principle for 2009/10 with a further £20,00 for future years. There is also a balance of £63,358 that is unallocated.

The details of the reserve schemes are as follows:

| Schemes | Estimated Spend 2009/10 £ | Future Spend £ |
|---|--------------------------------------|---------------------------|
| Ilminster Community Office | | 20,000 |
| Merriott Sports Pavilion and Tennis Court | 12,500 | |
| Unallocated Capital Reserve | 25,000 | 38,358 |
| | | |
| TOTALS | 37,500 | 58,358 |

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.

Background Papers – Financial Services Area West budget file.