

15. Area South 2009/10 Budget Monitoring Report for the Period Ending 31st December 2009

Executive Portfolio Holder: Robin Munday, Finance and Support Services)

Chief Executive: Phil Dolan, Chief Executive
Assistant Director: Donna Parham, Assistant Director – Finance and Corporate Services
Service Manager: Amanda Card, Finance Manager
Lead Officer: Jayne Beevor, Principal Accountant Revenue
Contact Details: Jayne.beevor@southsomerset.gov.uk or (01395) 462320

Purpose of the Report

The purpose of this report is to update Members on the current financial position of the Area South Committee as at the end of December 2009.

Public Interest

This report gives an update on the financial position of Area South Committee after nine months of the financial year 2009/10.

Recommendation

Members are recommended to review and comment on the current financial position on Area South 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 South now has delegated responsibility for the Area South development revenue budgets, which include revenue grants and regeneration, the Area South Capital Programme and the Area South Reserve.

Financial Position

The table below shows the position of revenue budgets as at 31st December 2009. This includes transfers to or from reserves:

	£
Approved base budget as at February 2009	454,970
Carry forwards	5,000

Transfer of salary budget to Community Health & Leisure	(16,020)
Community Safety budget transferred to Third Sector Partnership	(43,860)
Amendment to salary budgets following restructure	(15,450)
Reduction in salary budgets following pay award decision	(3,300)
Revised Budget as at 31st December 2009	381,340

A summary of the revenue position as at 31st December 2009 is as follows:

Element	Revised Budget £	Y/E Forecast £	Favourable Variance £	Adverse Variance £	%
Development	341,090	361,090	-	10,000	2.9
Grants	32,750	32,750	-	-	
Projects	7,500	7,500	-	-	
Total	381,340	391,340	-	10,000	2.6

Manager's Comments

There remains a potential overspend because of the artificially high budgeted income on markets. This has been in part offset by savings elsewhere, but the amount of overspend remains as indicated. A growth bid has been submitted, which, if successful, will re-align budgeted income.

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
18.750	Area South salary budgets	Communities & Finance	Salary amendments following staff restructure & reduction of pay budget by 1% to match 2009/10 pay award

CAPITAL PROGRAMME

The revised capital programme for this financial year and beyond is attached together with a progress report on each scheme either Area or District Wide that are current within Area South. The estimated spend for 2009/10 is £37,375 and £104,374 for future years.

There are the following reserve schemes within the programme:

Schemes	Estimated Spend 2009/10 £	Future Spend £
Capital Reserves	13,375	89,285
Play Area Refurbishment	0	15,089

DORCAS HOUSE

Area South approved the 2008/9 Dorcas House Accounts in June 2009. Quarterly monitoring information is provided below.

The following table shows the financial position of Dorcas House as at 31st December 2009:

	Budget to Date £	Spend to Date £	Variance £	Annual Budget £
Premises	3,143	7,297	4,154	4,190
Supplies & Services & Third Party Payments	8,160	270	(7,890)	10,880
Income	(15,300)	(15,150)	150	(20,400)
Net Total	(3,997)	(7,583)	(3,586)	(5,330)

The Housing Manager & Property Management Team Leader are preparing a report to inform the Committee of the options for the future use of Dorcas House.

If Members would like further details on any of the Area South 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 South budget was set any savings made included an assessment of the impact on equalities as part of that exercise.

Background Papers – Financial Services Area South budget file.