

NORTH LINCOLNSHIRE COUNCIL

**POLICY AND RESOURCES
CABINET MEMBER**

VIREMENTS 2012-13

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve changes to revenue and capital budgets for 2012-13.
- 1.2 Revenue budgets are cash limited. Financial regulations do allow transfers (virement) of budget within the cash limit to meet emerging needs. The Director of Policy and Resources has the delegated power to approve these transfers up to a defined level. Above this level requires cabinet member approval. Both categories are included in this report.

2. BACKGROUND INFORMATION

- 2.1 On 21 February 2012 Council approved the revenue and capital budgets for the 2012/13 financial year. This report gives details of virements approved by the Director of Policy and Resources under delegated powers, and those requiring Cabinet Member approval.
- 2.2 Since April 2009 the levels covered by these delegated powers to the Director of Policy and Resources have been amended, and can now be summarised as follows :

Revenue movements under £50,000.
Capital movements under £50,000.

- 2.3 Further to the revised approval levels, it follows that Cabinet Member approval is now required in the following instances :

Revenue movements over £50,000.
Capital movements over £50,000.

3. OPTIONS FOR CONSIDERATION

Delegated Approvals

- 3.1 The following virements have been approved by the Director of Policy and Resources under delegated powers.

One year Revenue Virements

Places

- Draw down from the Scunthorpe Special Expense Reserve to fund the replacement of three boilers in community centres at Ashby, Frodingham and Brumby (£45,000).

Permanent Revenue Virements

People

- Transfer of budget for the on-line pupil tracking I.T. system ('O-Track') from School Improvement to Commissioning & Localities where the costs are actually incurred (£10,620).

Policy & Resources

- Transfer of budget from Human Resources to Business Support to make permanent the reduction in business process re-engineering savings (£13,660).

People and Policy & Resources (P&R)

- Transfer of budget from Specialist Services (People) to Business Support (P&R) in respect of photocopier costs for the Cygnets (£1,340).
- Transfer of budget from I.T. to Adult Services in respect of multi-function device held at 344 Ashby Road (£1,030).

People and Policy & Resources and Places

- Transfer of budgets from (People) School Improvement (£170), Commissioning & Localities (£1,520), Specialist Services (£3,890) and (Places) Customer Services (£540), Community Services (£2,990), Technical & Environmental Services (£240) and Planning & Regeneration (£7,260) to (P&R) Business Support (£16,610) following the centralisation of generic software as part of the Worksmart programme.

Members Approval

- 3.2 The following virements require Cabinet Member approval:

Permanent Revenue Virements

People

- To reduce the housing related support budget (£267,830), in line with the new contract cost
- To transfer the balance to increase the Learning Disability core budget (£267,830).

- Realignment of income and expenditure budgets within Specialist Services due to the movement of schools to academy status and re-commissioning of contracts (£147,930).
- Devolve Localities activity budgets to individual localities (£26,218,380) within Adult Services. This will enable better monitoring and control and identification of client expenditure at individual locality level.

Policy & Resources

- An increase to the Rent Allowance budget and corresponding subsidy income budget to reflect the projections used for the initial 2012/13 subsidy claim (£492,820), due to an increase in caseloads, and an underlying increase in rent levels within the area.
- Establish the budget for Civic Centre administration cost, postage (£60,000), photocopying (£3,500), Finance stationery (£900) and stamps (£3,000), funded from internal recharges.

Places

- Transfer of the staffing budget from Library Frontline to Customer Support (£144,000) following the division of Libraries and the Local Links.
- Reallocation of Waste disposal budgets within Community Services in line with the 2012/13 anticipated spending plans (£104,720).
- To establish a budget for the Regional Growth Funded projects within Planning & Regeneration (£95,000).

People and Policy & Resources and Places

- Transfer of budgets from (People) Specialist Services (£23,940), (P&R) Legal Services (£18,460), Business Support (£51,800) to (Places) Planning & Regeneration (£94,200) to establish a budget for a BDUK project and realignment of staffing budgets to cover secondments moving into BDUK (£180,840).

Capital Virements

Places

- Establish a budget for a new project funded from the Regional Growth Fund (£2,205,000) to encourage business development in the area.
- Allocation of funding for further works to the rear of Scunthorpe Market, as approved by the Asset Management, Culture and Housing Cabinet Member on 13 June 2012 (£73,000).

4. ANALYSIS OF OPTIONS

- 4.1 Approval of the virements detailed at 3.2 will allow budget responsibilities to be aligned with activity and management responsibilities for those services. Should the virements fail to gain approval this may create difficulties in the future control and management of these budgets.

5. RESOURCE IMPLICATIONS

5.1 Financial

- The original approved revenue budget for 2012-13 approved at Council on 21 February, 2012 was £129.914m. After the transfers at 3.1 and 3.2 the budget will remain unchanged.
- The original capital programme for 2012-12 approved at Council on 21 February, 2012 was £47.166m. After the transfers at 3.1 and 3.2 the budget will now be £49.444m.

5.2 Staffing: There are no direct staffing implications

6. OTHER IMPLICATIONS

6.1 There are no other implications.

7. OUTCOMES OF CONSULTATION

7.1 None required

8. RECOMMENDATIONS

8.1 That the virements at 3.2, approved by the Director of Policy and Resources under delegated powers be noted.

8.2 That the virements outlined at 3.1 be approved

DIRECTOR OF POLICY AND RESOURCES

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Background Papers used in the preparation of this report

None