

**NORTH LINCOLNSHIRE COUNCIL**

**CORPORATE SERVICES  
CABINET MEMBER**

**VIREMENTS 2010-11**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To approve changes to revenue and capital budgets for 2010-11.
- 1.2 Revenue budgets are cash limited. Financial regulations do allow transfers (virement) of budget within the cash limit to meet emerging needs. The Service Director Finance 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 at 3.1 and 3.2.

**2. BACKGROUND INFORMATION**

2.1 On 24<sup>th</sup> February 2010 Council approved the revenue and capital budgets for the 2010/2011 financial year. This report gives details of virements approved by the Service Director Finance under delegated powers, and those requiring Cabinet Member approval.

2.2 Since April 2009 the levels covered by these delegated powers to the Service Director Finance 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 made by the Service Director Finance under delegated powers.

#### Permanent Revenue Virements

##### Adult Services

- Realignment of budget to 'Pay' in Customer Support Team from 'Payments to Private Organisations' in Self Directed Support Fund to create the budget for a post previously omitted from the new Fit For the Future (F4F) structure (£18,130).

##### Children & Young People's Services

- Realignment of budget from Operational Support to Transport Admin Costs to establish two posts within the Children In Care/Children In Need (CiC/CiN) Transport Team as approved at Childrens Services Cabinet Member briefing on 6th April 2010 (£17,530).

#### One year Revenue Virements

##### Adult Services

- Realignment of budgets to fund First Connect North Lincolnshire (£15,000) from Older People Day Care (£5,000), Commissioning Services Ext. (£5,000) and Community Activities (£5,000).

##### Children & Young People's Services

- To bring together all funding elements under one budget code for South Axholme kitchen ventilation scheme (£39,120).
- Additional ABG Allocation (January Guarantee) to Advisory and Inspection for I.T. Software purchase (£24,740).

##### Corporate Budgets

- Transfer of staff budget from Economic Development to Other Supplies & Services in Organisational Strategy (£10,780).

#### One year Capital Virements

##### Children & Young People's Services

- Contribution of school DFC to Bowmandale Kitchen/Access scheme reduced as final costs lower than estimated costs (£8,180).
- To incorporate additional grant funding into the capital programme for Sir John Nelthorpe Specialist School (£25,000).

##### Finance

- Create capital budget for expenditure on software upgrade funded by DCLG grant (£11,780).

## **Member's Approval**

3.2 The following virements require Cabinet Member approval:

### **Permanent Revenue Virements**

#### Adult Services

- Realignment of Homecare budget to correct detail code (£474,880).
- To allocate additional N.L Strategy Money for Learning Disability Long Term Residential Care (£50,490).
- Adjustment between income codes within Rehabilitation and Reablement (£133,620).
- To delete the Mental Health Manager post with budget moving to 'Other Supplies and Services' and 'Joint Finance' (£91,030).

#### Asset Management & Culture

- Future Management Arrangements for the Sites & Monuments Record Service which was approved at Cabinet on 26/8/10 (£64,750).
- Correction of previous virement realigning Design Services Group and Maintenance Services Group budgets in line with anticipated expenditure (£217,780).
- Realignment of Property Trading Account budgets within approved budget (£517,000).

#### Asset Management & Culture and Neighbourhood Services

- To balance budgets within both services to match the Scunthorpe Special Expenses levy for 2010/11 (£147,030) by creating budgets for repairs and maintenance recharges (£70,000), Central Establishment Charges (CEC's) (£30,000), grounds recharges at Community Centres (£7,000) and £40,030 for Playground Maintenance recharge within Scunthorpe Special Expense.

#### Children & Young People's Services

- To realign Children In Care / Need Transport budgets (£140,000).
- To remove 2010/11 budget on 'Support Work in Schools' (£63,700) & 'HLTA (Higher Level Teaching Assistants) - Training & development' (£55,350) due to cut of TDA (Training and Development Agency) Grant.
- To reduce Standards Fund Grant in line with Government Reductions (£69,250).
- Transfer DSG (Dedicated Schools Grant) budget for Senior Advisor 'Primary In Learning' from Primary National Strategy to Early Years Support (£96,150).

### Children & Young People's Services and Adult Services

- Transfer of CMISS (Contract Management Information Solution Systems) Adult Support Service from Children & Young People's Services to Adult Services (£336,960).

### Neighbourhood & Environmental Services

- Amendments in line with current spending patterns within Pollution Control (£65,000).

## **One year Revenue Virements**

### Adult Services

- To create HIV AIDS grant carry forwards for 2009/10 & 2010/11. and Stroke Service grant carry forward 2009/10 budgets (£224,820).
- To fund commissioning projects by realigning budget from Self Directed Support (£62,000).
- Carry forward of grants (£1,347,640) for Commissioning services (External) (£1,297,640) and Supporting People Handyperson (£50,000).
- To transfer social reform grant for Telecare Expenditure in accordance with Adult Services Cabinet report (£85,000).
- SRG (Social Reform Grant) carried forward from 2009/10 (£561,830).

### Children & Young People's Services

- To realign the income budget within Disabled Childrens Access to Childcare to SureStart Grant from Standards Fund (£59,570).
- Allocate budget to '16 - 19 Further Education' for YPLA (Young Peoples Learning Agency) income and related expenditure for distribution to Further Education colleges (£7,536,810).
- To build in carry forward of DCSF (Department for Children, Schools & Families) Grant from 09/10 and 10/11 allocation (£90,580).
- To realign 'Nursery Education Grant' budget in line with anticipated spend (£1,817,200).
- To build in budget for the carry forward of TDA (Training Development Agency) grant income on graduate Teacher Training Grant, & realign according to the projected spend (£53,960).
- Allocation of budget for 'Primary Strategy Funding' including the 2009/10 carry forward (£59,780).
- Realign (DSG) Dedicated Schools Grant and YPLA (Young People's Learning Agency) budgets in line with approvals (£1,671,880).

### Community Planning & Resources

- Setting up LPSA grant reward programme budgets funded from earmarked reserves (£605,770).

## **One year Capital Virements**

### Community Planning & Resources

- Setting up LPSA grant reward programme (£140,770)

### Highways & Planning

- To build in Environment Agency grant for the Belton Flood Relief scheme (£342,000).
- To build in the funding for Phase 6 of the Connect 2 scheme (£695,000), which is funded from Sustrans grant (£347,500) and bringing forward already committed internal borrowing (£347,500) from 2012/13. As the original split of funding for this scheme (in 2012/13) was £403k (NLC) : £269k (Sustrans), this will result in a saving for NLC of £67k.

## **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 2010-11 approved at Council on 24<sup>th</sup> February, 2010 was £141.3m. Further to the revisions agreed at Cabinet on 21<sup>st</sup> July 2010 and 29<sup>th</sup> September 2010 the revenue budget was amended to £139.6m. After the transfers at 3.1 and 3.2 the budget will remain unchanged.
- The capital programme for 2010-2011 approved at Council on 24<sup>th</sup> February, 2010 was £88.957m. Further to the revisions agreed at Cabinet on 21<sup>st</sup> July 2010 and 29<sup>th</sup> September 2010, the capital budget was reduced to £78.5m. After the capital virements detailed in 3.1 and 3.2 this budget will now be £79.6m.

- 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 3.1, approved by the Service Director Finance under delegated powers be noted.

8.2 That the virements outlined at 3.2 be approved

### SERVICE DIRECTOR FINANCE

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### **Background Papers used in the preparation of this report**

None