

NORTH LINCOLNSHIRE COUNCIL

**CORPORATE SERVICES
CABINET MEMBER**

VIREMENTS 2009-10

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve changes to revenue budgets for 2009-10.
- 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 25 February 2009 Council approved the revenue and capital budgets for the 2009/2010 financial year, and these were subsequently amended by Cabinet on 14 October 2009. 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.

One year Revenue Virements

Adults Services

- Realignment of budgets from Other Support Services to Older People to fund Social Workers superannuation (£4,770).
- Realignment of budgets for pay award and pay adjustment to commissioning team (£14,660).
- Increase in pay award funded by Social Reform Grant (£700).
- Realignment of budgets from Supporting People to Older People to fund Fresh Start (£30,000).
- Realignment of budgets from Physical Disability to Other Support Services for the funding of a Carers Companion (£10,000).
- Realignment of budgets from Supporting People to Older People to fund Fresh Start – Independent Living – Shopping and Befriending Services (£30,000).

Asset Management and Culture

- Realignment of stationery budget from Sports Facilities to Cultural and development Services (£1,500).
- Adjustment in budgets due to recession for Normanby Catering/café (£6,000) and Normanby Hall Golf Club (£6,000), funded from Contingency (£12,000).

Community Planning and Resources

- Realignments to budgets to address budget deficit in Business Transformation (£25,000) from Public Libraries (£17,000) and Prevent (£8,000).
- Establishing a new cost centre for Humber Access to Opportunities (£6,000) from existing budgets from Partnership Funding LSP (£2,000) and Stronger Communities (£4,000).

Highways and Planning and Corporate Budgets

- Transfer of Church Square House building budget from Highways Aim 4 Moving Forward to Strategic Management (£2,500).

Neighbourhood and Environmental Services

- Realignment of budgets from Refuse Service to Waste Management (£49,150).

Capital Programme

3.2 The following virements have been approved in the capital programme by the Service Director Finance under delegated powers.

One year Capital Virements

Children and Young Peoples' Services

Learning, Schools and Communities

- Leys Farm Schools Devolved Formula Capital (DFC) contribution to Access scheme (£1,800).

Members Approval

3.3 The following virements require cabinet member's approval:

One year Revenue Virements

Adults Services

- Realign budgets in line with anticipated outturn within Other Services (£101,790).

Children and Young Peoples' Services

Learning, Schools and Communities

- Realignment of budget within Statementing- St Lawrence (£160,000) as budget was initially set up for an internal recharge but the Academy requires external charging.
- Realignment of Foundation Stage Training budgets and adjustment for projected underspend on SureStart salaries to fund the early start of the 'Every Child A Talker' programme (£202,800).
- Realignment of China Delegation budget as trip now due to take place in 2010/11 (£53,600).
- Realignment of budgets for St Hughs / St Lukes to remove recharge budget for escorts as this actually relates to transport costs recharges (£132,700).
- Consolidation of Adult Education cost centres into Adult Education - Lincoln Gardens from new Academic year 2009/10 (Sept 09) in order to simplify the accounting transactions required transferring costs between the various educational sites (£1,165,790).
- Realignment of Primary Strategy Funding budgets, primarily due to the use of a more specific account code to record Standards Fund monies, together with minor changes due to refinements to previous estimates of required budgets (£98,210).

Corporate Budgets

- Set up budgets for approved projects through LEADER funding (£234,350).
- Establish budget for Future Jobs Fund (£84,920).

Finance

- Realign budgets with revised spending plans within Local Taxation and Benefits (£56,710).

One year Capital Virements

Children and Young Peoples' Services

Learning, Schools and Communities

- Winterton Junior Schools Devolved Formula Capital (DFC) contribution to Access scheme (£102,290).

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 2009-10 approved at Council on 20 February, 2008 was £132.800m. Following the review of the budget in October 2009, approved by Cabinet on 14 October 2009, the approved revenue budget was then £134.315m. After the transfers at 3.1 and 3.3 the budget will now remain unchanged.
- The capital programme for 2009-2010 approved at Council on 25 February, 2009 was £65.171m. After subsequent virements and the slippage of spending approved at Cabinet on the 10 June 2009, and further budget amendments approved at Cabinet on 14 October 2009, the capital budget is now £59.419m.

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