

NORTH LINCOLNSHIRE COUNCIL

**POLICY AND RESOURCES
CABINET MEMBER**

VIREMENTS 2015-16

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve changes to revenue and capital budgets for 2015-16 as part of the council's policy of active budget management.
- 1.2 Revenue budgets are cash limited. Financial regulations do allow transfers (virement) of budget within the cash limit to meet emerging needs. These were amended at Council in May 2015 and now all virements above £50k involving a policy change require Cabinet Member approval. All other virements can be approved by the Director of Policy and Resources.
- 1.3 Similar controls apply to the transfer of funding between schemes in the capital programme. Where new funding is made available during the year, usually from external sources, it can be added to the programme with the appropriate approval.

2. BACKGROUND INFORMATION

- 2.1 On 24th February 2015 Council approved the revenue and capital budgets for the 2015/16 financial year.
- 2.2 This report gives details of virements requiring Cabinet Member approval. Cabinet Member approval is currently required for Revenue and Capital movements of £50,000 or over where there is a change in policy. The Director of Policy and Resources can approve all other virements. (Recent approvals are listed in the Appendix to this report).

3. **OPTIONS FOR CONSIDERATION**

3.1 The following virements require Cabinet Member approval:

Temporary Revenue Virements

People

- To establish a budget for 2015/16 grant allocations from Ministry of Justice, Youth Justice Board for Remands to Youth Detention for Young People (£57,000)
- Allocations of grant funding for 2015/16 within Children's Services for : Unpaid Work Order Grant [Youth Justice Board] (£8,000); Staying Put Implementation Grant (Fostering) [Department for Education] (£12,000); Positive Lifestyles Grant [Catch 22] (£18,000), and to establish interim Management Functions and Arrangements (£21,000).

Places

- Establish a 2015/16 commuted sums budget for planned contributions to, and spend from, earmarked reserves (£234,000).
- To establish a budget for the Under 5's in Museums project, funded from contributions (£52,000).

Places and Central Budgets

- Establish a Smoking Cessation budget funded from Public Health earmarked reserves (£64,000).

Capital Virements

People

- Decrease in funding of Schools Condition Allocation as notified by the Education Funding Agency (£316,000).

Places

- Establish a budget for North Lincolnshire Recovery Hub funded by Public Health England and Crime Reduction Initiatives (£80,000).
- Adjustment to Regional Growth Fund budget to reflect the latest funding agreements (£126,000).
- Establish a budget for section 106 funding for Lakeside Development & traffic management works on Crowberry Drive/Wisteria Way (£163,000).

4. **ANALYSIS OF OPTIONS**

4.1 Approval of the virements detailed at 3.1 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 (FINANCIAL, STAFFING, PROPERTY, IT)**

5.1 Financial

The original approved revenue budgets for 2015-16 approved on 24th February, 2015 was £137.052m. After the transfers at 3.1 this budget will remain unchanged. The capital budget for 2015-16 approved at Council on 24th February, 2015 was £57.712m. After previous adjustments the budget was increased to £59.239m. After the transfers at 3.1 the budget will now be £59.292m.

5.2 Staffing: There are no direct staffing implications

6. **OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

6.1 Not required

7. **OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

7.1 None required

8. **RECOMMENDATIONS**

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

Appendix**2015/16 virements approved by the Director of Policy &****Resources**

Service areas affected	Permanent or temporary	Debit amount	Reason for transfer
Policy & Resources	Permanent	2,000	Transfer of payslip printing budget from I.T. to Finance following the introduction of the new I-Trent payroll system.
Policy & Resources,Places.	Permanent	5,000	Centralising stationery/paper/refreshments budget from the Taxation and Benefits to Hewson House central admin team.
Policy & Resources,Central Budgets.	Permanent	7,000	Additional allocation of NJC pay award to P&R(Finance), funded from Central Budgets (Contingency) due to the previous exclusion of staff from the calculated supplementary distribution of funds.
Places	Permanent	10,000	Realignment of funding to cover additional defibrillators running costs.
Places	Permanent	10,000	Realignment of budget created in the 4 year plan moving the Community Champion budget from Community Services to Customer Services.
People,Central Budgets.	Permanent	33,000	Allocation of the 2015/16 Soulbury pay award for Education staff.
People,Places.	Permanent	48,000	Permanent budget adjustment related to 2014/15 Carbon reduction savings.
People,Policy & Resources,Places.	Permanent	86,000	Realignment of budgets due to the I.T. growth in 2014/15.
Policy & Resources	Permanent	123,000	Realignment of I.T. operational budgets to match anticipated expenditure.
Places	Permanent	844,000	Realigning budgets within Customer Services to match anticipated expenditure.
Places	Temporary	15,000	Realignment of budgets from Planning & Regeneration to Customer Services for 20-21 projects aimed at promoting North Lincolnshire.
People,Places.	Temporary	20,000	Realignment of budget due to the use of 'Positive activities for young people' contribution from the Youth Service to Street Sport.
Central Budgets	Temporary	113,000	Establish a budget for the Yorkshire & Humber Directors of Public Health network (£113,000).
Places	Temporary	132,000	Realignment of budgets within Customers Services to match with anticipated spend based on the latest available information.
Policy & Resources	Temporary	172,000	Realignment of budget to fund temporary in year pressures and commitments within Business Support.