

NORTH LINCOLNSHIRE COUNCIL

**POLICY AND RESOURCES
CABINET MEMBER**

VIREMENTS 2014-15

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve changes to revenue and capital budgets for 2014-15 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. 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.
- 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 25th February 2014 Council approved the revenue and capital budgets for the 2014/15 financial year respectively. 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 are :
 - Revenue movements under £50,000.
 - Capital movements under £50,000.
- 2.3 Cabinet Member approval is currently required for:
 - 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 since the last report

Permanent Revenue Virements

Places and Central Budgets

- Readjustment of the allocation of Public Health Transformation resulting in an increase in budget for [Places] Technical & Environmental Services (£1,000) and [Corporate Budgets] Corporate & Miscellaneous (£3,000) and reduction within [Places] Community Services (£4,000).

Member's Approval

- 3.2 The following virements require Cabinet Member approval:

Permanent Revenue Virements

People

- To streamline and merge the Audit & Review and the Child Protection Team within the Independent Review Service of Childrens Services (205,000).
- Transfer of the Operational Residential Care Budget from Commissioned Services to Localities, all within Adult Services (£8,486,000).
- Transfer of the budgets for Independent Living North Lincs (£42,000) and Outreach (£10,000) from Adult Services to Prevention & Commissioning.
- The permanent realignment of Legacy Residential Care budgets following the rationalisation of Residential Care cost centres (£1,079,000).
- Creation of a budget for the Specialist Hospital team from Better Care funding within Adult Services (£634,000).
- Realignment of Community Team Learning Disability agency budgets to reflect the transfer of payment of the Creative Support contract to the Individual support Fund, and to reflect movement away from individual invoicing to payment through Care First (£1,391,000).
- To create new Well-being hubs as part of the Adult Services review (£1,917,000).
- Realignment of the staffing & non-staffing budgets within Education following the approval of the Music Support Service review (£84,000).

Places

- Transfer of Sports facilities budgets, all within Customer Services, to reflect the new service structure which was approved by Cabinet on 7 April 2014 (£8,077,000).

Policy & Resources

- Reduction of Capital income target within Business Support due to a reduction in staff time spent on I.T. Projects, with a corresponding reduction in the expenditure budget (£50,000).

- Transfer of I.T. Software maintenance budget to I.T. Software budget within Business Support, to cover expenditure for IBM Lotus Notes (£109,000).

People and Places

- Transfer of the budget for 'Street Sport' from Universal Prevention Services [People] to Customer Services [Places] (£80,000).

People, Policy & Resources, Places and Central Budgets

- Creation of a central budget for Glanford House Corporate Records Store resulting in an increase in the [Corporate budgets] Corporate & Miscellaneous budget of £56,000, and a corresponding reduction in the budgets for [People] Childrens Services (£18,000) and Adult Services (£10,000), [Policy & Resources] Human Resources (£5,000), Legal Services (£4,000) and Financial Services (£10,000), [Places] Community Services (£4,000) and Planning & Regeneration (£3,000), and [Corporate budgets] Corporate & Miscellaneous (2,000).

Temporary Revenue Virements

People

- Reallocation of budgets due to the Schools Revenue Carry Forward to 2014/15 (£3,886,425) within Schools division.
- To create a temporary budget for Brokerage for Day Services Hubs as part of the Adults Services restructure (£150,000).
- Realignment of budgets to ensure carers budgets within Adults Services properly reflect the correct income allocation from the Better Care fund report to ICP FWG (£226,000).
- Creation of budget for an Information Officer post (0.4 FTE) funded by Safeguarding partnership contributions (£30,000), and the realignment of budget for a Senior Information Analyst post (0.2 FTE) and an Information Support Worker post (0.4 FTE) funded by Regional Adoption Consortium (£108,000), all within Childrens Services.
- Establish in Childrens' Services a budget for Step Up to Social Work (£85,000) and for the Ministry of Justice Secure Remands (£69,000) which will fund the set up of remand foster carers scheme. This spending is funded from Earmarked Reserves.

People, Places and Central Budgets

- Reallocation of budgets for the carry forward of schemes from 2013/14 funded from the Public Health Outcomes Fund (£184,000).

Capital Virements

People

- Reallocation of budgets to individual Schools of the Devolved Formula Capital funding plus carry forward for 2014/15 (£1,074,000).

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 (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Financial

The original approved revenue budget for 2014-15 approved at Council on 25th February, 2014 was £142.112m. Due to the approval of carry forwards from 2013/14 approved by Cabinet on 2nd July, 2014, this has now increased to £142.848m. After the transfers at 3.1 and 3.2 this budget will remain unchanged.

The capital budget for 2014-15 approved by Cabinet on 2nd July, 2014 was £69.268m. After the transfer at 3.2 the budget will now be £69.329m.

- 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

- 8.1 That the virements at 3.1, approved by the Director of Policy and Resources under delegated powers be noted.
- 8.2 That the virements outlined at 3.2 be approved.

DIRECTOR OF POLICY AND RESOURCES

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Background Papers used in the preparation of this report: None