

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

People, Policy & Resources and Places

- Realignment of budget from [People] Prevention & Commissioning (£1,000) and [Places] Planning & Regeneration (£2,000) to [Policy & Resources] Business Support (£3,000) as a contribution from CMISS (schools I.T. support team) and Church Square House admin team towards the maintenance of the Topdesk system.

People, Policy & Resources, Places and Central Budgets

- Centralisation of the budget for the council's public admin licence (copyright agency) transferring from [People] Education (£1,000), Prevention & Commissioning (£1,000), Childrens Services (£1,000) and Adults Services (£1,000) and [Places] Community Services (£1,000), Technical & Environmental Services (£1,000) and Planning & Regeneration (£1,000) to [Policy & Resources] Financial Services (£7,000).
- Centralisation of I.T. budgets to fund new equipment purchased in 2013-14 resulting in a movement of budget from [People] Education (£4,000), Prevention & Commissioning (£3,000), Childrens Services (£13,000) and Adult Services (£1,000), [Policy & Resources] Human Resources (£1,000) and Financial Services (£2,000) and [Places] Customer Services (£1,000), Community Services (£2,000), Technical & Environmental Services (£1,000) and Planning & Regeneration (£2,000) to [Policy & Resources] Business support (£30,000).

Temporary Revenue Virements

Places

- Contribution from 'Raising Profile of N.Lincs' to Leisure Facilities, Museum, Normanby Park & 20/21 Arts Centre (£20,000).

People and Central Budgets

- Allocation of funding for redundancy costs from Corporate reserves to Education (£25,000).

Capital Virements

People

- Transfer of budget from Additional Schools Capital Schemes to Wrawby Sure Start as approved by the People Cabinet Member 25/07/14 (£20,000).

Member's Approval

3.2 The following virements require Cabinet Member approval:

Permanent Revenue Virements

People

- Amendment to the Childrens Services budget due to changes in the Case Management establishment, resulting in the deletion of 2 grade 9 social workers, the creation of a service manager post, and the realignment of budget for 0.27 FTE Appropriate Adult post created under TUPE for service previously commissioned through Private Organisations (£65,000).
- Realignment of the Alarm Call Service budgets from Adult Services to Prevention & Commissioning due to a restructure within Adults (£129,000).
- Transfer of DSG funding from 'Payments to Independent Schools' to 'Alternative Provision' to fund an Advisory Officer - Emotional Health & Wellbeing post (£114,000).
- To realign the budget in line with the 'Service Review for the Education Division' as per the approved People Cabinet Member report dated 15th May 2014 (£1,132,000).
- Realignment of budgets due to the deletion and creation of posts in line with the Adult Services Review Cabinet Report dated 1 April 2014 (£2,865,000).
- Transfer of budget to School Nursing from the Public Health Team within Prevention & Commissioning (£512,000).
- Transfer of Ops Support Team within Adult Services following changes in management responsibilities (£599,000).
- Realignment of Childrens Services staffing budgets due to the deletion of 2 FTE posts and the creation of 2 FTE posts (£53,000).
- Establish a budget for an Experts by Experience co-ordinator funded from section 256 funding (£50,000).

Places

- Amendment to the BDUK budget to reflect the latest grant approvals . Grant offer amended to reflect the latest spend profiles (£144,000).
- Amalgamation of existing budgets to fall in line with the Planning & Regeneration review (£857,000).
- Transfer of Community Services IT budgets to Resources Team to streamline processes and realise potential efficiency savings as part of the 4 year plan. (£126,000).
- Effect of the reduction in the Highways hourly rate on 14-15 revenue budgets (£356,000).
- Establish budget for Bus Service Operators Grant: Devolved funding transferred to Local Authorities from DfT (£212,000).
- Realignment of Building Cleaning budgets to reflect the loss of sites (South Axholme and The Hollies) in addition to a move to term time only cleans at other sites (£73,000).
- Realignment of expenditure with the anticipated spend following a review of Neighbourhood Services budgets (£165,000).

- Creation of Catering budgets to take account of the introduction of the Universal Infant Free School Meals (UIFSM) from September 2014 (£937,000)

People and Places

- Transfer of budgets due to the relocation of two specialist social workers (Substance Misuse) from Adult Services [People] to Technical & Environmental Services [Places] where the scheme is currently managed (£62,000).

People, Policy & Resources, Places and Central Budgets

- Transfer of CEC budgets to ensure support functions can be procured to deliver the Young People's Accommodation Support Service following the creation of a Social Enterprise (PHASE). This results in an increase in the Childrens Services budget of £157,000, funded from [People] Prevention & Commissioning (£74,000), [Policy & Resources] Human Resources (£15,000), Legal Services (£2,000), Financial Services (£22,000) and Business Support (£41,000) and [Places] Customer Services (£1,000) and Planning & Regeneration (£2,000).
- Centralisation of Connectivity Phase 2 (telecommunications budgets covering charges for landlines and call costs) resulting in a reduction of budget from [People] Education (£1,000), Prevention & Commissioning (£27,000), Childrens Services (£2,000) and Adult Services (£20,000), [Policy & Resources] Human Resources (£2,000), Legal Services (£3,000) and Financial Services (£4,000) and [Places] Customer Services (£22,000), Community Services (£14,000), Technical & Environmental Services (£7,000) and Planning & Regeneration (£19,000) and an increase of budget to [Policy & Resources] Business support (£121,000).

Temporary Revenue Virements

People

- Temporary reinstatement of Sexual Health budget until the realignment of Public Health grant for the whole Health Improvement team, including breastfeeding posts and additional for sexual health (£108,000).
- Realign the Public Health Outcomes Fund monies secured by Children's Services to reflect the People Cabinet Member decision of November 2013 to create 2 posts to support parents and families impacted upon by Child Sexual Exploitation (£56,000).
- Allocation of DSG earmarked reserves as agreed by Schools Forum on the 9th July 2014 (£208,320).

Places

- To establish budget for revenue financing of Quibell Park capital scheme and other costs covered by insurance reimbursement (£372,000).
- Realignment of the budget for the Doorstep Sport scheme which ended in August 2014 to use funds from Earmarked Reserves as part of the schemes legacy plan to continue to deliver the service whilst funds allow (£180,000).

- To set up the net nil budget for the 'Springboard Programme' within the Strategic Housing area. Grant supplied to assist in tackling youth unemployment issues. Humber sub region allocated grant funding from central government (£167,000).
- The distribution of additional fees and charges income previously reserved, to support the work of the Neighbourhood Response teams (£56,000) and the movement of remaining funds to the Neighbourhood commuted sums earmarked reserve (£205,000).
- Realignment of budget across Regulatory Services within Technical & Environmental Services to maintain front line services whilst delivering committed savings and ensure in year balanced budget position. (£80,000).

People and Central Budgets

- Transfer of budget from Corporate Reserves [Corporate Budgets] to Alternative Provision [People] to fund redundancy costs (£69,000).

Capital Virements

People

- Slippage from the Universal Infant School Meals scheme into 2015/16 as approved by the People Cabinet Member 25/07/14 (£60,000).
- Slippage from the Schools Temporary Building Replacement scheme into 2015/16 as approved by the People Cabinet Member 25/07/14 (£255,000).

Places

- To establish a capital budget for the Pothole Fund grant monies awarded by the Department for Transport for 2014/15 (£838,000).
- To establish a budget funded by the Property Trading Account to provide a loan to Wilderspin Trust to permit them to acquire the Salvation Army Citadel in Barton (£90,000).

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 previous adjustments the budget was increased to £71.579m. After the transfers at 3.1 and 3.2 the budget will now be £72.192m.

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

Civic Centre
Ashby Road
SCUNTHORPE
North Lincolnshire
DN16 1AB

Author: Steve Cowlbeck
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Background Papers used in the preparation of this report: None