

**NORTH LINCOLNSHIRE COUNCIL**

**GOVERNANCE & TRANSFORMATION  
CABINET MEMBER**

**VIREMENTS 2016-17**

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

- 1.1 To approve changes to revenue budgets for 2016-17 as part of the council's policy of active budget management.
- 1.2 To note changes to revenue and capital budgets for 2016-17 approved by the Director of Policy & Resources under delegated powers.
- 1.3 Revenue budgets are cash limited. Financial regulations do allow transfers (virement) of budget within the cash limit to meet emerging needs.
- 1.4 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 23rd February 2016 Council approved the revenue and capital budgets for the 2016/17 financial year.
- 2.2 This report gives details of virements requiring Cabinet Member approval (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

- Allocations of earmarked reserves in Education (£19,000), Prevention & Commissioning (£265,000) and Schools (£53,000) in line with the May 16 Schools Forum decision. This relates to learning networks, structural solutions support, primary consortium support, growth fund, the 2 year old offer and support to the schools funding formula.

##### Places

- To draw down from earmarked reserves on Department for Transport grant funding, received in 2015/16 to deliver the Transport Pilot Project by March 2017 (£200,000). Project streams include the Call Connect pilot, integration of health and social care transport, review of bus services in Scunthorpe and area.
- 2016/17 draw down of commuted sums funding from developers to pay for maintenance and upkeep of parks and open spaces, drainage systems and traffic signal maintenance (£99,000).
- Realignment of budget to match known spending for the Under 5's in Museums project, and Hull Museums grant funding (£52,000).
- Realignment of budget to match known spending for Steel Gallery project, and Hull Museums grant funding (£122,000).

#### Capital Virement

##### Places

- 2016/17 Environment Agency grant funding contributions for Barnetby Woodlands, West Butterwick Parklands, and Goxhill - Thornton Road drainage schemes (£180,000).
- Increase capital budget and build in revenue contribution from the Flood Relief grant reserve to fund flood works at New Holland, South Ferriby & Winteringham villages (£126,000).

### 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 the service. 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 2016-17 approved on 23<sup>rd</sup> February, 2016 was £125.825m. After the transfers at 3.1 and in the appendix this budget will remain unchanged. The capital budget for 2016-17 approved at Council on 23<sup>rd</sup> February, 2016 was £63.363m, increased to £63.525m by previous virements, and subsequently increased to £78.467m after slippage from 2015-16 outturn. After the transfers at 3.1 and in the appendix this budget will increase to £78.786m.

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**

**2016/17 virements approved by the Director of Policy & Resources**

<b>Service areas affected</b>	<b>Permanent or temporary</b>	<b>Debit amount (£)</b>	<b>Reason for transfer</b>
<b><i>Revenue</i></b>			
People, Policy & Resources, Places and Central Budgets	Permanent	482,000	Allocation of contingency budget for Living Wage impact on council services
<b><i>Capital</i></b>			
Places	Increase programme	13,000	To increase the funding for Healey Road Playing Field capital scheme, funded from contributions from the Scunthorpe Special Expenses earmarked reserves.