

NORTH LINCOLNSHIRE COUNCIL

**FINANCE AND PROCUREMENT
CABINET MEMBER**

VIREMENTS 2011-12 & 2012-13

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve changes to revenue and capital budgets for 2011-12 & 2012-13.
- 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 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.

2. BACKGROUND INFORMATION

2.1 On 23 February 2011 Council approved the revenue and capital budgets for the 2011/2012 financial year and on 21 February 2012 Council approved the revenue and capital budgets for the 2012/2013 financial year. This report gives details of virements approved by the Director of Finance 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 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

3.1 2011/12

Delegated Approvals

3.1.1 The following virements have been approved by the Director of Finance under delegated powers.

One year Revenue Virements

Children & Young Peoples Services

- To increase the West Street I.T budget by using surplus budget from Connexions and use of Surestart grant (£19,510).
- Community budget to be used to increase staff budget for backfill role undertaking Community Budget Plan, and an increase in EIG (Early Intervention Grant) budget to reflect the increase in EIG allocation by £20,000.

Corporate & Community Services

- The realisation of Business Process Re-engineering savings within the Adult services Self -directed support fund against the savings budget held within Communities and Customers services (£56,000).
- Realigning budgets within Young Peoples Services and BPR Savings to match anticipated income (£31,950).

Finance Services

- G4S collection costs for the Hewson House Local Link to be re-charged similarly to other Local Links (£470).

Infrastructure Services

- A reduction in the initial transfer of I.T growth funds between I.T. Services and Resources & Business Services (£130).
- Transfer of budget from Administration within Resources & Business Divisions to the 'Worksmart'ed/generic Administration team at Church Square House within Construction & Technical (£16,430).
- An adjustment between Corporate Services and the Infrastructure office accommodation budget in respect of Worksmart power management savings (£18,000).

3.2 2012/13

Delegated Approvals

3.2.1 The following virements have been approved by the Director of Finance under delegated powers.

Permanent Revenue Virements

Infrastructure Services

- Transfer of budget to I.T. Services (£26,980) from Corporate & Community Services (£10,490), Adult Social Care (£2,580), Corporate Budgets (£1,290), Finance Services (£5,920) and Neighbourhood & Environmental Services (£6,700) due to the centralisation of generic software due to Worksmart (£26,980).

Neighbourhood & Environmental Services

- 2012-13 onwards salary adjustment from Trading Standards to Policy & Performance (£17,510).

Members Approval

3.2.2 The following virements require Cabinet Member approval:

Permanent Revenue Virements

Adult Social Care

- Allocate savings and reallocate remaining budget to area of managerial responsibility within Self Directed Support Fund (£587,130).

One year Revenue Virements

Corporate & Community Services

- Notification of Grant Allocation by the Home Office for Community Safety Grant (£74,810).

4. ANALYSIS OF OPTIONS

4.1 Approval of the virements detailed at 3.2.2 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 Revenue budget for 2011-12 was originally approved at £134.440m at Council on 23 February 2011. This was subsequently reduced by Cabinet on 24 January, 2012 to £134.040m. After the transfers at 3.1 the budget remains unchanged.
- The original approved revenue budget for 2012-13 approved at Council on 21 February, 2012 was £129.914m. After the transfers at 3.2 the budget will remain unchanged.

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 3.1.1 and 3.2.1, approved by the Director of Finance under delegated powers be noted.

8.2 That the virements outlined at 3.2.2 be approved

DIRECTOR OF FINANCE

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Background Papers used in the preparation of this report

None