

NORTH LINCOLNSHIRE COUNCIL

**CORPORATE SERVICES
CABINET MEMBER**

VIREMENTS 2009-10

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve changes to revenue budgets for 2009-10.
- 1.2 Revenue budgets are cash limited. Financial regulations do allow transfers (virement) of budget within the cash limit to meet emerging needs. The Service Director 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 at 3.1 and 3.2.

2. BACKGROUND INFORMATION

- 2.1 On 25 February 2009 Council approved the revenue and capital budgets for the 2009/2010 financial year, and these were subsequently amended by Cabinet on 14 October 2009. This report gives details of virements approved by the Service Director Finance under delegated powers, and those requiring Cabinet Member approval.
- 2.2 Since April 2009 the levels covered by these delegated powers to the Service Director 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

Delegated Approvals

3.1 The following virements have been made by the Service Director Finance under delegated powers.

One year Revenue Virements

Adults Services

- Realignment of Social Worker salary budget from Other Support Services to Older People to correct previous Fit for the Future virements (£28,080).

Children and Young Peoples' Services

- Learning, Schools and Communities

- Increase in Cross Phase Management and Healthy Schools budgets to accommodate Area Based Grant (ABG) funding (£25,580).

Finance

- Transfer of staffing budget for the International Financial Reporting Standards (IFRS) revaluation to Asset Management (£18,000).

Members Approval

3.2 The following virements require cabinet member's approval:

One year Revenue Virements

Children and Young Peoples' Services

- Children, Strategy and Partnerships

- To build in funding from the Learning Skills Council (£91,270) for Payments to Independent Schools.
- To build in budget for the Dedicated Schools Grant (DSG) contingency budget (£97,690).

Children and Young Peoples' Services

- Learning, Schools and Communities

- Realignment of Dedicated Schools Grant (DSG) funding for Vulnerable Pupils (£54,150).
- Set up budget for Standards Fund Grant – Horizons Grant (£100,440).
- Realignment of Learning Skills Council funding to grant specific account code (£1,001,860).
- Transfer of Dedicated Schools Grant (DSG) income from Alternative Provision to Young Peoples Education (£66,820).
- Amalgamation of Darley Centre budgets within Learning Services and Schools Improvements (£266,570).
- Realign Diversity budget in line with projected spend, and to reduce unachievable income target due to vacant posts (£70,070).
- Realignment of the Music Service budget in line with anticipated expenditure and to reduce the unachievable income target (£378,440).

Highways and Planning

- Realignment of Parking Services budgets (£157,810).

- One year vacancy savings in Development Control used to partially offset fee income shortfall (£87,260).
- Realignment of various budgets within the AIM 3 (Better Routes) division (£277,590).

Neighbourhood and Environmental Services

- Realignment of Pay and Transport recharges for General Refuse Collection (£100,000).

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

5.1 Financial

- The original approved revenue budget for 2009-10 approved at Council on 20 February, 2008 was £132.800m. Following the review of the budget in October 2009, approved by Cabinet on 14 October 2009, the approved revenue budget was then £134.315m. After the transfers at 3.1 and 3.2 the budget will now remain unchanged.
- The capital programme for 2009-2010 approved at Council on 25 February, 2009 was £65.171m. After subsequent virements and the slippage of spending approved at Cabinet on the 10 June 2009, and further budget amendments approved at Cabinet on 14 October 2009, the capital budget is now £59.419m.

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, approved by the Service Director Finance under delegated powers be noted.

8.2 That the virements outlined at 3.2 be approved

SERVICE DIRECTOR FINANCE

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Background Papers used in the preparation of this report:
None