

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, 3.2 and 3.3.

2. BACKGROUND INFORMATION

- 2.1 On 25 February 2009 Council approved the revenue and capital budgets for the 2009/2010 financial year. 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.

Permanent Revenue Virements

Corporate Budgets and Community Planning and Resources

- Realignment of the staffing budget from Strategy and Performance Development to the Local Strategic Partnership (£2,240).

Neighbourhood and Environmental Services

- Correction to previous I.T. growth virement from Neighbourhood Housing to Policy and Performance (£710).

One year Revenue Virements

Asset Management and Culture

- Transfer of budget to reflect I.T. Facilities Annual Support to Business Transformation (£4,000) and Digital Printing Services (£1,500).

Community Planning and Resources

- Realignment from Management Team subscriptions budget (£15,100) as part of October review to support overspending budgets for Retirement Additional Costs (£5,100) and a reduction in Internal Fees and Charges within Business Transformation (£10,000).
- Realignment of budget from Digital Print Services To Community Planning due to increase in hours and change of post description for reception post at Pittwood House (£2,340).

Corporate Budgets and Community Planning and Resources

- Part year adjustment to the permanent realignment of the staffing budget in the Local Strategic Partnership (£560).

Finance

- Realignment of budgets from Finance Management (£9,000) to fund the backdating of the Finance Managers regrading for Adults and Councilwide Finance (£4,000), Environmental and Technical Finance (£4,000) and Childrens Services Finance (£1,000).

Members Approval

3.2 The following virements require cabinet member's approval:

One year Revenue Virements

Asset Management and Culture

- Realignment of energy budgets from Gas to Electricity within service (£121,450).
- Realignment of Rental Income budgets within Commercial Property (£95,000).
- Realignment of the Plowright budgets (£73,910).
- Setting up the budget for the Pittwood House storm damage settlement (£744,410).

Children and Young Peoples' Services

- Children, Strategy and Partnerships

- Realignment of budget within Meals – Special Schools (£62,310).
- Realign budget to reflect the current type of placements (£121,000).

- Restating of budget for the Head of Resources salary (£71,330).

Children and Young Peoples' Services

- Learning, Schools and Communities

- Realignment of Young Peoples Education Centre (YPEC) budget in accordance with projected spend, and to reduce an unachievable income target (87,525).

Finance

- Realign budgets within Internal Audit to reflect revised spending plans (£67,930).
- Setting up budgets within Local Taxation and Benefits funded by additional admin subsidy (£77,620).

Highways and Planning

- Realignment of budgets to fund pressures in Aim3 (Better Routes) £142,000 from budget savings in Head of Service (£9,420), Aim 2 (Travel Choice) £39,170, Aim 4 (Moving Forward) 49,520, Aim 1 (Safer Roads £43,890.
- Realignment of Local Area Agreement monies within Aim 5 (Environment Team) £150,000.

One year Capital Virements

Children and Young Peoples' Services

- Learning, Schools and Communities

- Transfer of Foxhills Devolved Formula Capital (DFC) to Building Schools for the Future (£173,500).
- Reduction to Schools Kitchens, equipment and facilities budget which includes Devolved Formula Capital to be transferred from schools once individual schemes are approved, plus reduction in DCSF contribution. (£1,038,280).

Highways and Planning

- Realignment of budgets within the Local Transport Plan to finance the anticipated overspend within Civil Parking Enforcement (£175,000).

Neighbourhood and Environment

- Realignment of budgets from Minor Works Assistance to Disabled Facilities Grant – Mandatory (£250,000), and from Advance Crosby (£209,250), Temporary Accommodation for Homeless People (£38,000) and Supported Housing Project (£500) to Sub-Regional Scheme Management (£114,750), Acorns Housing (£51,000) and Young Peoples Housing (£82,000) to reflect the expected outturn position.

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. In the case of capital virements where new funding is being allocated, non-approval would result in the scheme being unable to proceed.

5. **RESOURCE IMPLICATIONS**

5.1 Financial

- The original approved revenue budget for 2009-10 approved at Council on 20 February, 2008 was £132.800m. After the transfers at 3.1 and 3.2 the budget will 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 transfers at 3.2 will now result in a budget of £57.051m.

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