

POLICY, FINANCE AND ADMINISTRATION COMMITTEE

17 APRIL 2012

REPORT OF HEAD OF CENTRAL SERVICES

CARRY FORWARD OF REVENUE BUDGETS

1.0 PURPOSE

- 1.1 The purpose of this report is to submit for approval requests from budget holders to carry forward under spent budgets from 2011/12 to 2012/13.

2.0 RECOMMENDATIONS

- 2.1 That the requests set out in Appendix A for budgets to be carried forward from 2011/12 to 2012/13 are approved and;
- 2.2 That once the final year end position is known the actual under spend be compared to the amount requested and the Head of Central Services be given delegated authority to amend the actual amount carried forward.

3.0 KEY ISSUES

- 3.1 The current financial procedure rules allow for under spent budgets below £50,000 to be carried forward to the next financial year subject to the approval by the Policy, Finance and Administration Committee by 30th April in any year. Carry forward requests in excess of £50,000 require further approval by Full Council.
- 3.2 In a meeting held on the 20 April 2011 this Committee approved, in principle, the carry forward of under-spent budgets from 2010/11 to 2011/12 in the sum of £294,160 for General Expenses (minute ref. P98 refers). This was subject to the final year end position being in accordance with the amount requested. The actual carry-forward amounts agreed thereafter following confirmation of the year end position on the various service budget heads was £248,430.
- 3.3 By agreeing to such carry-forward requests this should remove the need for supplementary estimate requests being made in 2012/13.
- 3.4 For 2011/12 the requests from budget holders have been co-ordinated by Finance. The requests submitted are set out in Appendix A and total £153,400 for General Expenses. The list has been sub-divided to show those items relating to general under spends totalling £108,000 and those items which are of a longer term project nature and total £45,400. These requests have been scrutinised and approved by Management Team after taking into account carry-forward approvals agreed in previous years.
- 3.5 A review will be undertaken at the end of 2012/13 to establish the impact on the budget performance for those areas that have carried forward under spends. This information can be used to inform the decision making process for requests in subsequent years.

4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 Policy and corporate implications were addressed in setting the current year's budget. There are no further policy and corporate implications arising from this report.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 A co-ordinated approach to the carry forward of under spent revenue budgets provides greater flexibility and freedom to budget holders to manage their budgets. This approach also allows members to see the overall financial implications of approving requests from budget holders.

5.2 Once the accounts have been finalised a check will be made to ensure that the actual net position on individual services supports each request to carry forward under spent budgets. Where the net overall position shows an under spent amount that is below that requested the amount carried forward will be adjusted downwards accordingly. Similarly where the request is to carry forward the balance on an account and the actual under spend is greater than the request then the amount will be adjusted upwards. These adjustments will be submitted for approval by MT.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 Legal implications/powers were addressed in setting the current year's budget. There are no further legal implications arising from this report.

7.0 COMMUNITY SAFETY

7.1 Community issues were addressed in setting the current year's budget. There are no further community safety issues arising from this report.

8.0 EQUALITIES

8.1 Equality issues were addressed in setting the current year's budget. There are no further equalities issues arising from this report.

9.0 RISKS

9.1 There are no risks identified as a result of this report.

10.0 CLIMATE CHANGE

10.1 Climate change issues were addressed in setting the current year's budget. There are no further climate change issues arising from this report.

11.0 CONSULTATION

11.1 All budget holders and MT have been consulted.

12.0 WARDS AFFECTED

12.1 To varying degrees, most if not all wards are affected.

Contact Officer:	D Cowl
Date:	28 March 2012
Appendices:	Appendix A – Request for Carry Forward of Revenue Budgets
Background Papers:	Carry Forward Request Forms
Reference:	X: C'tees, Council & Sub-C'tees/PFA/2011-12/17-04-12/DG-Carry Forward of Revenue Budgets