

POLICY, FINANCE & ADMINISTRATION COMMITTEE

4 DECEMBER 2012

REPORT OF HEAD OF CENTRAL SERVICES

ITEMS FOR APPROVAL UNDER FINANCIAL PROCEDURE RULES

1.0 THE PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to submit requests for approval of this Committee under Financial Procedure Rules and to provide information on amounts approved under delegated powers and to report the impact of these on the Council's reserves and balances.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- a) the virements approved under delegated powers (para. 3.1.1 refers) be noted.
- b) the budget reductions approved under delegated powers (para. 4.1 refers) be noted.
- c) the supplementary estimate approved under delegated powers (para. 5.1.1 refers) be noted.
- d) the business cases discussed in para 6.1.1 be approved for inclusion in the capital programme and the committee note the supplementary estimate from capital receipts of £90k approved by the Chief Executive in consultation with Lead Members under urgency powers in respect of Snow Hill roof repairs.
- e) the virements set out in para 7.1 within the Housing Revenue Account capital programme in 2012-13 be approved as requested by the Community and Social Affairs Committee.
- f) Members approve a supplementary estimate from the Corporate Priorities Reserve for the works on the Squires Monument in the sum of £2,000, as outlined in paragraph 7.2 and as requested by the Rural Economic and Environmental Affairs Committee.

3.0 VIREMENTS

3.1 Delegated Authority

- 3.1.1 Since the last meeting the Head of Central Services has approved twenty seven requests for virement within the same service totalling £809,670 and eleven requests between services totalling £38,560. More details of those requests in excess of £10,000 can be found in Appendix A.

4.0 BUDGET REDUCTIONS

- 4.1 The following items have been identified as surplus money in 2012-13 and have been approved as budget reductions under delegated authority:

| Budget Head | Reason | Amount £ |
|--|--|----------------|
| Policy, Finance & Admin C'tee | | |
| Central Expenses - Ill Health Insurance | Reduced premium linked to salary estimates following renewal advice | 3,550 |
| Central Services - Cultural Change | Budget no longer required | 3,250 |
| Phoenix House - NNDR | Remaining element of NNDR refund after virement to offset income shortfall | 6,190 |
| Total | | £12,990 |

5.0 SUPPLEMENTARY ESTIMATES

5.1 Delegated Authority

- 5.1.1 The following item has been approved under delegated authority in 2012-13 and funded from budget reduction money:

| Budget Head | Reason | Amount |
|---|----------------------------------|---------------|
| Policy, Finance & Administration C'tee | | |
| IT- Security | New intruder protection software | 2,080 |
| Total | | £2,080 |

6.0 CAPITAL PROGRAMME

6.1 General Fund

- 6.1.1 The under mentioned schemes (Business Cases attached as Appendix B) are submitted for approval:

| Committee | Scheme | Funding | | |
|---|--------------------------------------|----------|---------|--|
| | | Amount | Year | Source |
| Community and Social Affairs | Choose How You Move (Wheels to Work) | £195,000 | 2012-14 | External Funding from the County Council |
| Rural, Economic and Environmental Affairs | Snow Hill Roof Repairs | £90,000 | 2012-13 | Capital Receipts |

- 6.1.2 The detail of these requests is as follows:

- a) At a meeting of the Community and Social Affairs Committee held on 14 November 2012 it was approved that a request be made to this committee for the inclusion in the capital programme of the Choose How You Move scheme. The scheme is fully funded by external funding from the County Council. The expenditure is being phased over a two year period; £78k in 2012-13 and £117k in 2013-14.

- b) At a meeting of the Rural, Economic and Environmental Affairs Committee held on 31 October it was approved that a request be made to this committee for the inclusion in the capital programme and a supplementary estimate for funding of urgent roof repairs at the Snow Hill Industrial Units. However, due to the urgent nature of the work, it was necessary for the Chief Executive to exercise urgency powers outside of the meeting to authorise the roof works to proceed before Christmas. The reason this action was taken was the patch repairs carried out in July and August proved insufficient to address all of the leakages. Extreme weather conditions in August and September exacerbated the problems of leaking roofs and the Council received several complaints from the tenants. The roof repairs that were being undertaken were insufficient to address all of the issues and further professional advice concluded that an overlay roof was necessary.

7.0 REQUESTS FOR APPROVAL FROM OTHER COMMITTEES

7.1 Capital Programme 2012-13 - Housing Revenue Account

At a meeting of the Community and Social Affairs Committee held on 14 November 2012 it was approved that a request be made to this committee for an increase of £110,000 to the void repairs budget. This is due to three long term voids having been brought back into use this financial year plus an additional property in Old Dalby having been recently identified as requiring attention. The increase in funding can be met by a virement from the existing rewiring programme following a review of the budget for this area of work.

At the same meeting it was approved that a request be made to this committee to approve a virement of £50,000 to fund a number of additional properties which have recently been identified as requiring window and door replacement. This will be funded from the Housing, Health and Safety related works programme; the budget for which has also been reviewed and can be reduced accordingly.

7.2 Squires Monument

At a meeting of the Rural, Economic and Environment Affairs committee on 31 October 2012 it was approved that a request be made to this committee for a supplementary estimate of £2,000 funded from the Corporate Priorities Reserve. This would enable works to stabilise the Squires Monument in Burton Lazars and consequently remove it from the Buildings at Risk register.

8.0 POLICY & CORPORATE IMPLICATIONS

- 8.1 Policy and corporate implications are considered for each new budget proposal as part of the Council's priority assessment process. The results of this are reported to members as part of the budget setting process.

9.0 FINANCIAL & OTHER RESOURCE IMPLICATIONS

- 9.1 The effect on the Council's balances and reserves of the above requests and previous decisions taken by either this committee or Full Council are as follows:-

| | Budget Reductions £ | Working Balance | | Corporate Priorities Reserve £ | General Reserve Special £ | HRA £ | MRR £ | Capital Receipts £ |
|--|------------------------|-----------------|--------------|-----------------------------------|------------------------------|----------|------------------------|--------------------------|
| | | General £ | Special £ | | | | | |
| Balance as at 1 April 2012 | 0 | 640,000 | 50,000 | 1,214,825 | 178,193 | 727,072 | * ¹ 227,926 | 10,132,547 |
| Funding of Capital Programme 2012-13 including C/Fwds. | 0 | -17,000 | 0 | 0 | -18,000 | 0 | -1,803,000 | -5,165,000 |
| Budgeted Reduction/ Increase | 0 | 407,330 | 5,230 | -1,680 | 37,810 | 150,970 | 1,685,340 | 54,496 |
| Budget Reductions Approved | 12,990 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Supplementary Estimates Approved | -2,080 | -203,050 | 0 | -68,450 | 0 | -37,000 | 0 | 0 |
| Carry forward of Revenue Budgets | 0 | 0 | 0 | -135,200 | 0 | 0 | 0 | 0 |
| Set-aside to Repay Debt | 0 | 0 | 0 | 0 | 0 | 0 | -75,350 | 0 |
| Provisional Balance 31 March 2013 | 10,910 | 827,280 | 55,230 | 1,009,495 | 198,003 | 841,042 | * ¹ 34,916 | * ² 5,022,043 |

*¹ excludes element that has been set aside to repay a 5 year loan taken out in 2009-10 for improvements to the housing stock

*² includes HRA capital receipts of £113,671

10.0 LEGAL IMPLICATIONS/POWERS

10.1 Any legal implications arising from these movements in funds will have been addressed during the approval process.

11.0 COMMUNITY SAFETY

11.1 Individual budgets could have links to community safety issues. These are covered in any associated reports and financial forms that refer to these budgets as they progress through the decision making process. As community safety is a corporate priority this is considered as part of the priority assessment and budget setting process when considering individual budget proposals.

12.0 EQUALITIES

12.1 The equality issues of each specific budget are considered as they progress through the approval process.

13.0 RISKS

13.1 There will be risks associated with all budgets and these should be considered as part of the consideration of these individual budget proposals through the decision making process.

14.0 CLIMATE CHANGE

14.1 Individual budget heads could have climate change issues but these are considered individually as they progress through the approval process.

15.0 **CONSULTATION**

15.1 Any proposed adjustments to budgets are made in consultation with budget holders and the Management Team where appropriate.

16.0 **WARDS AFFECTED**

16.1 All wards are affected.

Contact Officer: Claire Burgess

Date: 15 November 2012

Appendices: Appendix A – List of Virements
Appendix B – Business Case - Choose How You Move
Appendix B – Business Case - Snow Hill Roofing Repairs

Background Papers: Committee Papers
Budget Reduction/Virements/Supplementary Estimate Forms

Reference: X: C'tee, Council & Sub-C'tees/PFA/2012-13/04-12-12/DG-Items for Approval