

**POLICY, FINANCE & ADMINISTRATION COMMITTEE**

**2 DECEMBER 2014**

**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 business case discussed in para 4.2 be approved and additional funding of £2,000,000 towards the Cattle Market Redevelopment project be approved from Capital Receipts and included in the capital programme;
- c) the updated business case for the Foyer Project as discussed in para 4.3 be approved and a one off capital contribution of £400k from Capital Receipts be approved for inclusion in the capital programme;
- d) Members approve a supplementary estimate of up to £200,000 to enable the Cattle Market Redevelopment project to proceed to full planning and detailed preparation prior to any funding announcements as detailed in paragraph 5.1. Delegated authority to be given to the Head of Central Services to determine the source of this funding as of part the year accounts closedown process as requested by the Rural Economic and Environmental Affairs committee and;
- e) Members note the annual grant of £30k towards the Housing Foyer Project has been included in the 2015-16 budget as requested by the Community and Social Affairs Committee as detailed in paragraph 5.2.

**3.0 VIREMENTS**

**3.1 Delegated Authority**

- 3.1.1 Since the last meeting the Head of Central Services has approved thirty four requests for virement within the same service totalling £362,540 and fourteen requests for virement between services totalling £204,900. More details of those requests in excess of £10,000 can be found in Appendix A.

**4.0 CAPITAL PROGRAMME**

- 4.1 The under mentioned schemes (business cases attached as Appendix B) are submitted for approval

Committee	Scheme	← Funding →		
		Amount	Year	Source
Rural, Economic and Environment Affairs	Cattle Market Redevelopment	£3,500,000	2015-16	£3.5m External Funding £2m Capital Receipts
		£2,000,000	2016-17	
Community and Social Affairs Committee	Housing Foyer	£400,000	2014-15	Capital Receipts

4.2 The first request is in addition to the funding approved when the budget was set by Full Council on 20<sup>th</sup> February 2014. Subject to approval at a special meeting of the Rural, Economic and Environment Affairs committee on 27 November 2014 a request is made to this committee for funding for capital investment in the Cattle Market Redevelopment project. This is subject to successful grant funding announcements.

4.3 At a meeting of the Community and Social Affairs Committee on 12 November 2014 an updated business case for the Housing Foyer was approved following a review of the associated revenue implications of this project. At a previous meeting of Policy Finance and Administration Committee on the 16<sup>th</sup> April a sum of £400k was included in the current capital programme for 2014/15 subject to resolution of funding issues with Leicestershire County Council (LCC). Since then the revenue funding issues have not been able to be resolved and therefore an updated business case has been submitted to members to progress with the capital programme as previously outlined.

## 5.0 REQUESTS FROM OTHER COMMITTEES

### 5.1 Cattle Market Redevelopment Project

Subject to approval at a special meeting of the Rural, Economic and Environment Affairs committee on 27 November 2014 a request has been made to this committee for a supplementary estimate of £200,000 to enable this project to proceed to full planning and detailed preparation. Officers have submitted a bid for £3.5m to the Leicester and Leicestershire Enterprise Partnership (LLEP) in respect of the Cattle Market: Phase 1, subject to the outcome of this bid, the project will need this funding to proceed to full planning and detailed preparation. Delegated authority is requested to determine the source of the funding which will enable the Head of Central Services to utilise capital receipts should the costs be able to be capitalised at the year-end otherwise the Corporate Priorities Reserve will be utilised as a revenue reserve should this not be the case.

### 5.2 Housing Foyer

At a meeting of Community and Social Affairs Committee on 12 November 2014 it was approved that an annual grant of £30,000 be made towards the running costs of the project. This has been included in the revenue budget for 2015-16. The initial business case submitted to the Policy, Finance and Administration Committee at its meeting on 16<sup>th</sup> April identified a nil running cost but this was subject to resolution of a £100k funding contribution from LCC. As referred to above the Council will not be receiving any funding from LCC so officers have been working with the service provider to review costs and identify potential savings which have reduced the initial shortfall of £100k down to £30k.

## 6.0 POLICY & CORPORATE IMPLICATIONS

6.1 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.

## 7.0 FINANCIAL & OTHER RESOURCE IMPLICATIONS

7.1 The current level of balances and reserves are shown in Appendix B. There are no other financial and resource implications arising from this report.

## 8.0 LEGAL IMPLICATIONS/POWERS

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

## 9.0 COMMUNITY SAFETY

9.1 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.

## 10.0 EQUALITIES

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

## 11.0 RISKS

11.1 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.

## 12.0 CLIMATE CHANGE

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

## 12.0 CONSULTATION

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

## 13.0 WARDS AFFECTED

13.1 All wards are affected.

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Date: 13 November 2014

Appendices: Appendix A: Virements in Excess of £10k  
Appendix B: Business Case Cattle Market Redevelopment (to follow)  
Business Case Housing Foyer (Exempt)  
Appendix C: Statement of Revenue and Capital Reserves

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

Reference: X: C'tee, Council & Sub-C'tees/PFA/2014-15/02-12-14/DG-Items for Approval