

POLICY, FINANCE AND ADMINISTRATION COMMITTEE

12 APRIL 2017

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 2016/17 to 2017/18.

2.0 RECOMMENDATIONS

- 2.1 That the requests set out in Appendix A for budgets to be carried forward from 2016/17 to 2017/18 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 £100,000 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 £100,000 require further approval by Full Council.
- 3.2 By agreeing to such carry-forward requests this should remove the need for associated supplementary estimate requests being made in 2017/18.
- 3.3 For 2016/17 the requests from budget holders have been co-ordinated by Finance. The requests submitted are set out in Appendix A and total £302,760 for General Expenses and £15,830 for Special Expenses. The list for General Expenses has been sub-divided to show those items relating to general under spends totalling £255,670 and those items which are of a longer term project nature and total £47,090. These requests have been scrutinised and approved by Management Team after taking into account carry-forward approvals agreed in previous years.
- 3.4 Where a project has been previously approved to be funded from a specific reserve, any underspend at year end will be transferred back into that reserve to be utilised in the following year, instead of requiring the completion of a carry forward. For 2016/17 this will apply to the bypass strategy and Community Infrastructure Levy funded from the Local Development Framework reserve and procurement consultancy support for the new waste management contract funded by the waste consultancy reserve.
- 3.5 A review will be undertaken at the end of 2017/18 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 Management Team.

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:	C Burgess
Date:	22 March 2017
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/2016-17/12-04-17DG-Carry Forward of Revenue Budgets