



Report for:	Cabinet
Date of meeting:	30 January 2018
PART:	1
If Part II, reason:	

Title of report:	AUTHORISATION OF VIREMENTS
Contact:	Councillor G Elliot, Portfolio Holder for Finance and Resources James Deane, Corporate Director (Finance & Operations)
Purpose of report:	To seek Cabinet approval for the proposed virements: <ul style="list-style-type: none"> 1) To reduce the Dwelling Rent line by £1.1m and increase the Tenant Service Charge line to accurately budget for service charge income following the de-pooling of service charges from rents; 2) To decrease Dwelling Rents by £250k and increase Supervision and Management to allow for rent payable to the General Fund for GRF properties being used for social rent. This had previously been budgeted as a cost in Supervision and Management but should be shown as a reduction in rental income.
Recommendations	That the virements as detailed on the attached Form A be approved.
Corporate objectives:	To standardise documentation and authorisation requirements for all virements.
Implications: Value For Money Implications	<u>Financial</u> The Scheme of Virements is part of the Council's financial management as included within Financial Regulations.

Risk Implications	There are no risk implications.
Monitoring Officer / Deputy S.151 Officer Comments	<p>Monitoring Officer:</p> <p>No comments to add to the report.</p> <p>S.151 Officer</p> <p>This is a S151 Officer report.</p>
Consultees:	
Background papers:	Form A

BACKGROUND

1. The Council is required to establish standard documentation and authorisation requirements for all virements.
2. Financial regulations determine the scheme of virement and its application. The regulations state that the scheme covers

“all transfers of budget, of any value and for any reason including for reason of organisational restructure”.

This will remain in force until such time as the regulations are reviewed. The regulations make clear that no virement can be carried out without the approval of the Corporate Director of Finance & Operations (or his/her nominated delegate), who will also be the final arbiter in any dispute. Additionally, the Director may override any authorisation and determine that approval is required by a higher level of authority.

Virement(s) requiring Cabinet authorisation**Virement for the purposes of:**

- 1) To reduce the Dwelling Rent line by £1.1m and increase the Tenant Service Charge line to accurately budget for service charge income following the de-pooling of service charges from rents;**
2) To decrease Dwelling Rents by £250k and increase Supervision and Management to allow for rent payable to the General Fund for GRF properties being used for social rent. This had previously been budgeted as a cost in Supervision and Management but should be shown as a reduction in rental income.

Expenditure type	Service Area(s)	Submitted by	Date
Revenue	Tenants and Leaseholders	Kesh Naidoo	16/01/2018

Account Code	Cost Centre	Account code description	Cost Centre description	TO (DEBIT AMOUNT) £	FROM (CREDIT AMOUNT) £	REASON
5703	JA100	Rental income(Housing Rents)	HRA Dwellings Rental Income	1,100,000		
6008	JC100	Reimbursements Received	Charges for Services and Facilities		1,100,000	
7100	HC100	Directorate recharges(Supplies and Services)	Housing Landlord Management		250,000	
7100	JA100	Directorate recharges(Supplies and Services)	HRA Dwellings Rental Income	250,000		
Total				1,350,000	1,350,000	