

AGENDA ITEM:

SUMMARY



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|-------------------------|---------------------|
| Report for: | Cabinet |
| Date of meeting: | 26 June 2018 |
| PART: | 1 |
| If Part II, reason: | |

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| Title of report: | AUTHORISATION OF VIREMENTS |
| Contact: | Councillor G Elliot, Portfolio Holder for Finance and Resources Nigel Howcutt, Assistant Director (Finance & Resources) |
| Purpose of report: | To seek Cabinet approval for the proposed virements: 1) Virement to realign the revenue budgets for The Forum to the required subjective codes 2) Virement for the purpose of setting up budgets in Environmental Services for an in-house Dog Waste service following the transfer of the service from Environmental and Community Protection 3) Virement for the purpose of creating a salaries budget for the member of staff seconded to manage The Elms homeless hostel and setting up an individual budget for income on The Elms |
| 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 | Monitoring Officer: |

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| Officer Comments | No comments to add to the report. S.151 Officer This is a S151 Officer report. |
| 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 purpose of re-aligning the revenue budgets for The Forum to the required subjective codes**

| Expenditure type | Service Area(s) | Submitted by | Date |
|------------------|--|--------------|------------|
| Revenue | Property Management and Office Accommodation | Lucy Tash | 15/05/2018 |

| Account Code | Cost Centre | Account code description | Cost Centre description | TO (DEBIT AMOUNT) £ | FROM (CREDIT AMOUNT) £ | REASON |
|--------------|-------------|--|-------------------------|---------------------|------------------------|--|
| 2050 | DZ500 | General Building Improvements and Maintenance | The Forum | 20,000 | | Create appropriate budget for building maintenance |
| 2250 | DZ500 | Building Repairs & Maintenance - Service Contracts | The Forum | 10,000 | | Create appropriate budget for service contracts |
| 2400 | DZ500 | Electricity | The Forum | | 126,640 | Reduce the budget for electricity to the required level |
| 2410 | DZ500 | Gas | The Forum | 21,180 | | Increase budget for gas |
| 2450 | DZ500 | Water and Sewerage Charges | The Forum | | 2,290 | Reduce the budget for water to the required level |
| 2510 | DZ500 | Business Rates | The Forum | | 76,060 | Reduce the budget for Business Rates to the required level |
| 3000 | DZ500 | Equipment - General | The Forum | 5,000 | | Increase budget for expenses |
| 3250 | DZ500 | Catering and Hospitality | The Forum | 500 | | Increase budget for expenses |
| 3370 | DZ500 | General Office Expenses | The Forum | 1,500 | | Increase budget for expenses |
| 4070 | DZ500 | Services (Refuse) | The Forum | | 7,000 | Reduce budget for refuse collection |
| 3460 | DZ500 | Telephones, Broadband & Internet | The Forum | 4,560 | | Increase budget for expenses |
| 4191 | DZ500 | Contracted Services | The Forum | 72,800 | | Increase budget for expenses |
| 5070 | DZ500 | Sales/Other income | The Forum | | 3,000 | Increase budget for income |
| 5701 | DZ500 | Rental Income | The Forum | | 10,600 | Increase budget for income |
| 5721 | DZ500 | Service Charges & Ground Rents Income | The Forum | | 13,100 | Increase budget for income |
| 5721 | DZ500 | Service Charges & Ground Rents Income | The Forum | 103,150 | | Reduce budget for income recovered from Herts CC following lower cost base |

Total

238,690

238,690

Virement(s) requiring Cabinet authorisation

Virement for the purpose of setting up budgets in Environmental Services for an in-house Dog Waste service following the transfer of the service from Environmental and Community Protection

| Expenditure type | Service Area(s) | Submitted by | Date |
|------------------|--------------------------|--------------|------------|
| Revenue | Animal and Public Health | Lucy Tash | 16/05/2018 |

| Account Code | Cost Centre | Account code description | Cost Centre description | TO (DEBIT AMOUNT) £ | FROM (CREDIT AMOUNT) £ | REASON |
|--------------|-------------|----------------------------------|-------------------------|---------------------|------------------------|---|
| 1010 | ED720 | Salaries (Permanent Employees) | Dog Waste | 28,000 | | Create appropriate budget for employee costs |
| 3000 | ED720 | Equipment - General | Dog Waste | 20,800 | | Create appropriate budget for equipment |
| 3460 | ED720 | Telephones, Broadband & Internet | Dog Waste | 200 | | Create appropriate budget for telephone |
| 4460 | ED720 | Fuel | Dog Waste | 3,000 | | Create appropriate budget for fuel |
| 4110 | ED400 | Services (Environmental) | Dog Warden | | 52,000 | Re-allocate budget for the dog waste contract |

Total

52,000

52,000

Virement(s) requiring Cabinet authorisation

Virement for the purpose of creating a salaries budget for the member of staff seconded to manage The Elms homeless hostel and setting up an individual budget for income on The Elms

| Expenditure type | Service Area(s) | Submitted by | Date |
|------------------|-------------------|--------------|------------|
| Revenue | Strategic Housing | Kesh Naidoo | 05/06/2018 |

| Account Code | Cost Centre | Account code description | Cost Centre description | TO (DEBIT AMOUNT) £ | FROM (CREDIT AMOUNT) £ | REASON |
|--------------|-------------|--|---------------------------------------|---------------------|------------------------|--|
| 1010 | GE103 | Salaries (Permanent Employees) | The Elms | 50,510 | | Create appropriate budget for The Elms manager |
| 1060 | GE103 | Car Leasing | The Elms | 2,550 | | Create appropriate budget for The Elms manager |
| 6050 | GE103 | Services Income (exempt VAT) | The Elms | | 53,060 | Salary costs recovered from Dens for the Elms Manager |
| 6062 | GE103 | Services Income (exempt VAT) | The Elms | | 72,030 | Set up a separate budget for The Elms to record income from Service Level Agreement between DBC and Dens |
| 6050 | GE101 | Other Miscellaneous contributions Received | GRF Hostels & Temporary Accommodation | 72,030 | | Set up a separate budget for The Elms to record income from Service Level Agreement between DBC and Dens |
| 2400 | GE101 | Electricity | GRF Hostels & Temporary Accommodation | | 15,000 | Transfer of Budget for Electricity for The Elms |
| 2410 | GE101 | Gas | GRF Hostels & Temporary Accommodation | | 20,000 | Transfer of Budget for Gas for The Elms |
| 2400 | GE103 | Electricity | The Elms | 20,000 | | Transfer of Budget for Electricity for The Elms |
| 2410 | GE103 | Gas | The Elms | 15,000 | | Transfer of Budget for Gas for The Elms |
| Total | | | | 160,090 | 160,090 | |