



REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
31 JULY 2018**

SUPPLEMENTARY ESTIMATES, VIREMENTS AND USE OF RESERVES: 24 MAY - 27 JUNE 2018

1. PURPOSE OF THE REPORT

- 1.1 To report virements and supplementary estimates agreed under delegated powers to this Committee.
- 1.2 To inform Members of procurement exemptions that has been granted in the period.
- 1.3 To inform members of requested drawdowns on reserves.

2. RECOMMENDATIONS

- (i) That the procurement exemption granted during the period, as detailed in paragraph 3.4.1 below is reviewed and commented on;
- (ii) That the use of reserves as detailed in paragraph 3.5.1 below is reviewed and commented on;
- (iii) That the use of the transformation reserve of £56,464 as set out in paragraph 3.5.2 below is agreed.

3. SUMMARY OF KEY ISSUES

3.1 Rules and Regulations

- 3.1.1 The approval and reporting arrangements in relation to virements and supplementary estimates are set out in the Financial Regulations and Financial Procedures. These are as follows:

Virements (movements) within the same budget head:

- Agreed by the relevant Director and the Director of Resources.

Virements between different budget heads:

- Up to £20,000 – Director and Director of Resources and reported in monthly Members Bulletin;

- Over £20,000 up to £50,000 – Director, Director of Resources, in Consultation with relevant Standing Committee Chairman and reported to the next Finance and Corporate Services Committee;
- Over £50,000 - the Finance and Corporate Services Committee.

Supplementary estimates:

- Up to £20,000 – Director, Director of Resources and Chief Executive in consultation with the Chairman of the Finance and Corporate Services Committee and the Leader of the Council and reported to the next meeting of the Finance and Corporate Services Committee;
- Over £20,000 – the Finance and Corporate Services Committee.

3.1.2 The Contract Procedure Rules provide information in relation to procurement exemptions. The exemption enables the council to waive any requirements within the contract procedure rules for specific projects.

3.1.3 Procurement exemptions should be signed by the Officer and countersigned by the Director of Resources and where appropriate the Chairman of the Finance and Corporate Services Committee.

3.2 **Virements**

3.2.1 There were no virement requests to report.

3.3 **Supplementary Estimates**

3.3.1 There were no supplementary estimates to report.

3.4 **Procurement Exemptions**

3.4.1 The Elections department were granted a procurement exemption for the automated household registration form response system. The system allows households to return their forms via the internet, phone or Short Message Service (SMS). Extensive enquiries were made, and there is no other contractor who provides the automated service.

3.5 **Reserves Requests**

3.5.1 Two requests for the use of the transformation reserve have been approved by the Director of Resources in the first quarter. £12,000 was approved for the Ignite opportunity assessment and associated expenses. £10,000 was approved for financial modelling and advice on the commercial pipe line projects. At the end of the current quarter £10,779 and £2,500 of expenditure has been incurred respectively.

3.5.2 A request for the use of the transformation reserve of £56,464 is made to cover the extension of the Information Governance Officer post until 30 November 2018. The extension is required in order to fulfil the statutory requirements of the General Data Protection Regulations (GDPR). Permanent recruitment will take place once roles and responsibilities have been confirmed as part of the implementation of the Future Model.

4. CONCLUSION

- 4.1 The procurement exemption process has been utilised over the period to waive the procurement requirements as set out in the Contract Procedure Rules.
- 4.2 The use of earmarked reserves ensures that one-off specific expenditure demands can be met from specific funding without utilising General Fund balances.

5. IMPACT ON CORPORATE GOALS

- 5.1 The adherence to the Financial Regulations and Financial Procedures contributes towards the corporate goal of ‘Delivering good quality, cost effective and valuable services’.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None identified.
- (iv) **Impact on Resources (financial)** – These are discussed above.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – None identified.

Background Papers: None.

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