



**REPORT of  
DIRECTOR OF RESOURCES**

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to  
**STRATEGY AND RESOURCES COMMITTEE  
6 JANUARY 2022**

**SUPPLEMENTARY ESTIMATES, VIREMENTS, PROCUREMENT EXEMPTIONS AND  
USE OF RESERVES**

**1. PURPOSE OF THE REPORT**

- 1.1 To report Virements and Supplementary Estimates agreed under delegated powers where they are below the levels requiring approval by this Strategy and Resources Committee and seek approval where they are above the levels requiring approval by this Committee.
- 1.2 To inform the Committee of procurement exemptions that have been granted in the period.
- 1.3 To report on the use of Reserves during the period.

**2. RECOMMENDATIONS**

- (i) That the Virement as detailed in paragraph 3.2.1 of this report, be noted;
- (ii) That the Supplementary estimate as detailed in paragraph 3.3.1 of this report be noted;
- (iii) That the three Procurement exemptions as detailed in paragraph 3.4.1 be noted;
- (iv) That the Drawdown from reserves as detailed in paragraph 3.5.1 be noted.

**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 directorate:

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

Virements between different directorate:

- Up to £20,000 – Director and Director of Resources and reported quarterly to members via email.

- Over £20,000 up to £50,000 - Director, Director of Resources in consultation with relevant Programme Committee Chairman; and reported to the next Strategy and Resources Committee;
- Over £50,000 - the Strategy and Resources Committee

In addition, for the purposes of virements, salaries budgets are to be considered as a separate Directorate.

#### Supplementary Estimates

- Up to £20,000 – Director and Director of Resources in consultation with the Chairman of the Strategy and Resources Committee and the Leader and reported to the next Strategy and Resources Committee.
- Over £20,000 –Strategy and Resources Committee.

### 3.2 Procurement Exemptions and Use of Reserves

- 3.2.1 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.
- 3.2.2 Procurement exemptions should be signed by the Officer and countersigned by the Director of Resources and where appropriate the Chairman of the Strategy and Resources Committee.
- 3.2.3 Delegation around the use of the reserve was prescribed by the Council in June 2019. It stated that the Director of Strategy, Performance and Governance be authorised, in consultation with the Commercial Projects Board (superseded by the Corporate Projects Working Group) to approve any spend up to £10,000, subject to the details being reported to the Strategy and Resources Committee.

### 3.3 Virements

- 3.3.1 The following virement is required to be reported to the Committee during this period. This is for information only.

Cost Centre To	Directorate/ Service	Cost Centre From	Directorate / Service	Budget Amount	Description
124	Service Delivery / Princes Road Depot	121	Resources / Council Offices	£16,000	Urgent Health and Safety lighting works

### 3.4 Supplementary Estimates

- 3.4.1 The following supplementary estimate was agreed by the Director of Resources in consultation with the Leader of the Council and the Chairman of the Strategy and Resources Committee. In accordance with financial regulations, it is presented here for the Committee to note.

Cost Centre	Directorate/ Service	Budget Amount	Description	Capital or Revenue
170	Service Delivery / Consultancy	£20,000	Extension of Health and Safety consultant contract to the end of the financial year	Revenue

### 3.5 Procurement Exemptions

3.5.1 The following procurement exemptions have been agreed.

Item	Amount	Description	Reason
1	£8,003	Statutory Legionella works	Urgent preventative works to be completed by another specialist contractor, after the previous contract in place for these works experienced issues.
2	£8,550	Annual Billing and reminders for council tax, business rates and benefits bills and notices	As a result of the Covid 19 pandemic and multiple grant schemes to administer, the work to specify mailing house arrangements for the 2022 / 23 billing was delayed. There is insufficient time to go through the normal procurement process and a known contractor with the relevant technical ability was identified to fulfil the contract.
3	£16,250	Insurance Broker	Extension of the existing contract to 31 March 2026 to support the Council with its current Long-Term Agreement (LTA) for insurance services. The current broker has supported the Council extremely well due to their knowledge of the Council's insurance contract; the Council structure does not have a specialist insurance post. The next LTA tender is due on 1 October 2026 (assuming the option to extend is taken up) which means the Council can align the process for appointing a new broker with that tender process.

### 3.6 Use of Reserves

3.6.1 There was one drawdown from Reserves during this period.

Reserve	Drawdown amount	Reason for Drawdown
Feasibility Reserve	£3,500	To commission a study to look in more detail to refine costs and options regarding the Promenade Park Jubilee Shelter / Legacy Pathway and Playpark Kiosk proposals. This followed consultation with the Corporate Projects Working Group.

## 4. CONCLUSION

4.1 The Committee is invited to:

- note the virement in paragraph 3.2.1;
- note the supplementary estimate in paragraph 3.3.1;
- note the three procurement exemptions in paragraph 3.4.1; and
- note the drawdown from the feasibility reserve in paragraph 3.5.1 of this report.

## 5. IMPACT ON STRATEGIC THEMES

- 5.1 The adherence to the Financial Regulations and Financial Procedures contributes towards the corporate core values of being open and transparent, and accountable for our actions.

## 6. IMPLICATIONS

- (i) **Impact on Customers** – None identified.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk** – None identified.
- (iv) **Impact on Resources (financial)** – None identified.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – None identified.
- (vii) **Impact on Strengthening Communities** – None identified.

Background Papers: None.

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