



**REPORT of
DIRECTOR OF RESOURCES**

to
**STRATEGY AND RESOURCES COMMITTEE
15 SEPTEMBER 2022**

**SUPPLEMENTARY ESTIMATES, VIREMENTS, PROCUREMENT EXEMPTIONS AND
USE OF RESERVES: 1 JUNE - 31 JULY 2022**

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 the 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 virements as detailed in paragraph 3.3.1 be noted;
- (ii) that the supplementary estimate as detailed in paragraph 3.4.1 be noted;
- (iii) that the procurement exemptions 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;
- 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 reserves 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 reportable virements were agreed during this period.

Cost Centre To	Directorate / Service	Cost Centre From	Directorate/ Service	Budget Amount	Description
555 1040	Service Delivery Cemeteries – general parks maintenance	170 0010	Service Delivery Salaries	£3,000	Weeding at Maldon cemetery
501 4310	Service Delivery Blackwater Leisure Centre (LC) Consultancy	171 4310	Resources Consultancy	£8,400	Essential consultancy work on Blackwater LC contract
155 1010	Service Delivery Prom Depot Maintenance	256 4835	Resources Corporate Management Repairs and Renewals Contingency	£9,500	Health and Safety Work at Promenade Park Depot
501 1010	Service Delivery Blackwater Leisure Centre Property Maintenance	256 4835	Resources Corporate Management Repairs and Renewals Contingency	£8,400	Blackwater Leisure Centre Roof Access and Safety System

3.4 Supplementary Estimates

3.4.1 The following supplementary estimate was agreed during this period.

Cost Centre	Directorate/ Service	Budget Amount	Description	Capital or Revenue
121	Resources Council Offices	£20,000	Additional budget required for essential Legionella water assessments and testing	Revenue

3.5 Procurement Exemptions

3.5.1 The following Procurement Exemptions have been agreed.

Item	Amount	Description	Reason	Lead Officer
1	£48,300	Data Protection Software	A three year contract was awarded to Egress to strengthen the Council's on line security and protect it against cyber attacks. A search on the digital marketplace revealed that only Egress could provide the data protection software required.	Senior Specialist: Legal
2	£15,000	U Fest and Queen's Batton Relay	This is for the creation of a free community festival and the Maldon leg of the Queen's Batton relay on 8 th July to be delivered by Amphora Trading Ltd, owned by Colchester City Council. MDC has a long relationship with Amphora which has successfully delivered other events in Prom Park. Timescales involved would not allow safe delivery of the event by another inexperienced operator.	Strategy Theme Lead: Prosperity and Strategy Theme Lead: Community

3.6 Use of Reserves

3.6.1 There were no drawdowns from Reserves during this period.

4. CONCLUSION

4.1 The Committee is invited to:

- note the virements in paragraph 3.3.1;
- note the supplementary estimate in paragraph 3.4.1 and;
- note the procurement exemptions 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)** – As detailed in the report.
- (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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