



**REPORT of  
INTERIM CHIEF FINANCE OFFICER**

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**to  
STRATEGY AND RESOURCES COMMITTEE  
22 JUNE 2023**

**SUPPLEMENTARY ESTIMATES, VIREMENTS, PROCUREMENT EXEMPTIONS AND  
USE OF RESERVES: 1 JANUARY - 31 MARCH 2023**

**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 virements as detailed in paragraph 3.3.1 be noted;
- (ii) 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 (budget movements) within the same directorate:

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

Virements between different directorates:

- Up to £20,000 – Director and Director of Resources and reported on a quarterly basis,
- Over £20,000 up to £50,000 - Director, Director of Resources in consultation with relevant Programme Committee Chairperson; 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 Chairperson 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 Chairperson 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.

<b>Cost Centre To</b>	<b>Directorate / Service</b>	<b>Cost Centre From</b>	<b>Directorate/ Service</b>	<b>Budget Amount</b>	<b>Description</b>
124	Princes Road Depot Maintenance	170	Service Delivery / Salaries	£3,000	Disposal of Control of Substances Hazardous to Health (COSHH) items

## **3.4 Supplementary Estimates**

- 3.4.1 There were no supplementary estimates agreed during this period.

## **3.5 Procurement Exemptions**

- 3.5.1 The following Procurement Exemptions have been agreed.

<b>Item</b>	<b>Amount</b>	<b>Description</b>	<b>Reason</b>	<b>Lead Officer</b>
1	£17,000	Purchase of electric John Deere Gator buggy from Tuckwells	Due to previous issues procuring a vehicle within the available budget and with long lead-in times for purchase, when the opportunity to purchase an ex demonstration vehicle (with only 50 hours use) arose which met the needs of the service, the decision was taken that this would provide the best value for money option for Maldon	Parks and Countryside Officer

Item	Amount	Description	Reason	Lead Officer
			District Council (MDC), as it was within budget and negated the long lead time to acquire a new vehicle.	
2	£5,721	Radio Licence and emergency planning equipment from Essex Radio Hire	Procurement of a system of six mobiles, six handheld radios and a base station for the office. This supplier was used for expediency and to ensure compatibility with existing systems since the supplier already supports MDC on emergency planning work. This will ensure the Council is in a robust position should an emergency arise and will support meeting targets for Emergency Planning exercises.	Resources Casework Manager

### 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 virement in paragraph 3.3.1;
- note the procurement exemptions in paragraph 3.5.1.

## 5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2023 - 2027

### 5.1 Supporting our communities

5.1.1 The agreement of a procurement exemption to purchase radio licence and emergency planning equipment will ensure the Council is in a robust position to support the community should an emergency arise.

### 5.2 Enhancing and connecting our place

5.2.1 None identified.

### 5.3 Helping the economy to thrive

5.3.1 None identified.

### 5.4 Smarter finances

5.4.1 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.

## 5.5 **A greener future**

- 5.5.1 The agreement of a procurement exemption to purchase an electric vehicle will be advantageous in terms of emissions compared with any fuel-powered vehicle.

## 5.6 **Provide good quality services.**

- 5.6.1 The appropriate use of supplementary estimates, virement, procurement exemptions and reserves are agreed to support the delivery of good quality services within the council's available budgets.

## 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.

Background Papers: None.

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