



**REPORT of
CHIEF FINANCE OFFICER**

**to
STRATEGY AND RESOURCES COMMITTEE
26 SEPTEMBER 2024**

**SUPPLEMENTARY ESTIMATES, VIREMENTS, PROCUREMENT EXEMPTIONS AND
USE OF RESERVES: 2024 / 25 QUARTER 1 (1 APRIL - 30 JUNE 2024)**

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 agreed under delegated powers.

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;
- (iii) That the reserve drawdowns as detailed in paragraph 3.6.1 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 Chief Financial and Section 151 (S151) Officer

Virements between different directorates:

- Up to £20,000 – Director and Chief Finance and S151 Officer and reported on a quarterly basis,
- Over £20,000 up to £50,000 - Director, Chief Finance and S151 Officer 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 Chief Finance and S151 Officer 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 Chief Finance and S151 Officer and where appropriate the Chairperson of the Strategy and Resources Committee.

3.2.3 Delegation around the use of the reserves is prescribed within the Council's financial regulations: F1.3 The use of reserves is to be approved through the same authorisation process as virements where not approved as part of the annual budget or accounts processes or have specific delegation.

3.3 Virements

3.3.1 The following virements were agreed during this period.

Cost Centre To	Directorate / Service	Cost Centre From	Directorate/ Service	Budget Amount	Description
171/0010	Resources Salaries	167/0010	Development Management Salaries	£15,000	Transfer of salary budget to reflect Street Naming and Numbering service being transferred from Service Delivery to Resources
171/9054	Resources Street Name and Numbering Income	302/9054	Development Management Street Name and Numbering Income	(£19,500)	Transfer of income budget to reflect Street Naming and Numbering service being transferred from Service Delivery to Resources

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.

Item	Amount	Description	Reason	Lead Officer
1	£9,756	Simpleview – Visit Maldon District Website	Simpleview is the existing contractor who also provide the Visit Essex website. The contract has been extended as it would cause significant disruption if it were not. If the contract was not extended by 30 April, after this date tourist information would have been “switched off” from the website.	Lead Specialist Prosperity
2	£74,754	Multiple Play Sites – renewal of safety surfacing	This will enable the Matta surface tile to be replaced like for like at four sites across Maldon. These are specialist and exclusive matting products which have been installed in other play site locations within Maldon and they are of very good quality, low maintenance with a good safety record.	Asset and Maintenance Team Leader
3	£91,462	To reinstall pontoon and refurbish access bridge for Burnham upon Crouch	The original pontoon was provided by Walcon in 2006 but was near the end of its life at the point when it was washed away due to storm conditions in 2022. The piles and fixings remain in position – including the original access bridge which will be refurbished and refitted - and therefore only a replacement pontoon is required. To ensure that fixings specific to Walcon can be reused, MDC have gone to the original manufacturer. This will avoid additional cost.	Head of Assets Coast and Countryside

3.6 Use of Reserves

3.6.1 The following drawdowns from reserves were agreed during this period.

Reserve	Drawdown amount	Reason for Drawdown
Transformation Reserve	£26,000	To support the Chief Executive recruitment
Transformation Reserve	£46,300	To fund 1 year Fixed Term Contract for Finance Specialist Level 1 role
Transformation Reserve	£45,000	To fund 6 months Fixed Term Contract for Senior Project Manager role

4. CONCLUSION

4.1 The Committee is asked to:

- note the virements in paragraph 3.3.1
- note the procurement exemptions in paragraph 3.5.1
- note the drawdowns from reserves in paragraph 3.6.1

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

5.1 Smarter finances

5.1.1 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.

5.2 Provide good quality services.

5.2.1 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 (including Fraud implications)** – 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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