

Division(s): N/A

COUNCIL – 14 JULY 2015

2014/15 - REQUESTS FOR VIREMENTS & SUPPLEMENTARY ESTIMATES

Report by the Chief Finance Officer

Virement Requests Requiring Council Approval

1. As set out in the Provisional Revenue and Capital Outturn Report to Cabinet on 23 June 2015 given the pressures in both Children's' and Adult Social Care, it is proposed that the underspends in Environment & Economy and Chief Executive's Office will be used to offset the overspends in Children, Education & Families and Social & Community Services. The balance of -£0.196m is proposed to be transferred to the Budget Reserve and be used to support the Medium Term Financial Plan. Details are set out in Annex 1.

2. Some of the virements required to offset over and underspends within and between directorates are larger than £1.0m and require approval by Council under the council's Financial Procedure Rules. A summary of the virements proposed is shown in the table below.

Service Area (2)	Directorate Variation underspend - overspend + £000 (3)	Different Budget underspend - overspend + £000 (5)	Virement of Carry Forward Other Directorate £000 (7)	Virement of Carry Forward Corporate Reserves £000 (8)
Children, Education & Families	1,550	1,550	-1,550	
Social & Community Services	171	171	-171	
Environment & Economy	-1,245	-1,245	1,049	196
Chief Executive's Office	-672	-672	672	0
Strategic Measures - Corporate Reserves				-196
Directorate Total	-196	-196	0	0

3. The report on the 'Section 75 Agreement with Oxfordshire Clinical Commissioning Group for 2015-16' to Cabinet on 26 May 2015 set out changes to the legal agreement that governs the joint working arrangements and pooled budget arrangements between Oxfordshire Clinical Commissioning Group and Oxfordshire County Council from April 2015 onwards. As part of these changes Cabinet agreed to recommend that Council approve the permanent virement of the Learning Disability Client Contribution budget for of £5.481m into the Learning Disability Pool. This will mirror the arrangements for the Older People, Mental Health and Physical Disability Pools. There is no additional risk to the County Council from this proposal.

Supplementary Estimate Requests Requiring Council Approval

4. General balances were £22.247m as at 31 March 2015. This compares to anticipated balances at the end of the financial year of £17.517m as set out in the Medium Term Financial Plan (MTFP) approved by Council in February 2015. Anticipated balances were based on the forecast outturn at end December 2014 as reported to Cabinet in February 2015. As balances are £4.7m higher than anticipated it is proposed to make contributions of £2.0m to the Efficiency Reserve and £2.7m to the Budget Reserve in 2015/16 to support the Council's MTFP.

RECOMMENDATIONS

Council is RECOMMENDED to:

- (a) **approve the virements greater than £1.0m for Children, Education & Families, Social & Community Services, Chief Executive's Office, and Environment & Economy Directorates as set out in Annex 1;**
- (b) **approve supplementary estimates of £2.0m to the Efficiency Reserve and £2.7m to the Budget Reserve as set out in paragraph 3;**
- (c) **approve the permanent virement of £5.481m income into the Learning Disability Pool in respect of Learning Disability client contribution budgets.**

LORNA BAXTER
Chief Finance Officer

Background papers: 2014/15 Provisional Outturn Report to Cabinet on
23 June 2015.

Contact Officers: Kathy Wilcox, Chief Accountant
01865 323981

June 2015