

COUNCIL – 3 NOVEMBER 2015

2015/16 - REQUESTS FOR VIREMENTS

Report by the Chief Finance Officer

Virement Requests Requiring Council Approval

1. As set out in the Financial Monitoring and Business Strategy Delivery Report to Cabinet on 20 October 2015 there are two virements that under the virement rules need to be agreed by Council. Details are set out below and in Annex 1.

Independent Living Fund

2. Following the Independent Living Fund closure, a grant of £3.0m has been provided to the Council. As the grant is un-ringfenced and will be held corporately it is proposed that Council agree a virement to add expenditure budgets of £1.7m to the Learning Disabilities Pool and £0.6m to the Physical Disabilities Pool to meet the increased costs of the agreed personal budgets. It is also proposed that Council agree the use of the £0.6m balance of the grant to offset the overspend on the Learning Disabilities Pooled Budget in 2015/16 and the full year effect of the additional expenditure from the closure of the Independent Living Fund in 2016/17.

Public Health

3. Under the terms of the Public Health grant it is legitimate to use the funding on functions which have a significant effect on, or in connection with, the exercise of the public health functions specified in Section 73B(2) of the National Health Service Act 2006. It is proposed that Council agree to transfer £2.0m from the Public Health Reserve to the capital programme to fund the development of Children's Homes. This is in addition to the £2.0m Council agreed on 20 May 2014. The total £4.0m contribution will reduce the need for prudential borrowing to fund the scheme from £0.5m to £0.2m.

RECOMMENDATIONS

Council is RECOMMENDED to agree:

- (a) the virements in respect of the unringfenced grant received by the Council relating to the closure of the Independent Living Fund;**
- (b) the transfer £2.0m from Public Health reserves to the Capital Programme for the Children's Homes Project.**

LORNA BAXTER

Chief Finance Officer

Background papers: Financial Monitoring and Business Delivery Report August 2015.

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