

CABINET - 14TH MARCH 2019

Report of the Head of Planning & Regeneration Lead Member: Councillor Vardy

Part A

VIREMENT – PLANNING AND REGENERATION SERVICE

Purpose of Report

To seek approval for the virement of budget in cost centres in the Planning and Regeneration Service in order to meet expenditure on agency workers this financial year.

Recommendation

1. That a transfer of budget (virement) of £36,000 from Planning Growth Capacity Support Grant/ring fenced reserve (X157) be made to cover Planning agency costs (P330 A0153 Local Plans) up to 31st March 2019, leaving a balance of £79,000 in this reserve.
2. That a transfer of budget (virement) of £102,000 from Planning Delivery Grant Reserve/(not ring fenced) (X449) is made to (P499 A0153 Development control) to cover agency costs up to 31st March 2019, leaving a balance of £208,000 in this Reserve.
3. That a transfer of budget (virements) of £12,000 is made from P299 Conservation A0101 Salary underspend to P299 A0153 agency Costs to 31st March 2019.

Reason

- 1 - 3 To meet the current and forecast expenditure in cost centres P499 A0153, P299 A0153 and P330 A0153 to year end and to comply with the financial procedure rules 1.3, 1.7 and 1.8

Policy Justification and Previous Decisions

The provision of a fully staffed Planning Service is important if it is to maximise its contribution to the Corporate Plan aim 'to create a strong and lasting economy' and to ensure that growth in homes and infrastructure benefits residents through improved community facilities, affordable housing and superfast broadband.

The current structure of the Planning and Regeneration Service was approved by Cabinet in April 2018 (minute 93 17/18 refers) and the budget for establishment posts for 2017/18 was approved by Council in February 2018 (minute 80.1 17/18 refers).

The use of agency staff in the Planning and Regeneration Service has been the subject of scrutiny by the Performance Panel at its meetings on 15 December 2015 (minute 36.2 15/16 refers), 13 December 2016 (minute 38 16/17 refers) and 4 July 2017 (minute 6 17/18 refers).

Rules 1.3, 1.7 and 1.8 in Appendix 3 of the Council's Financial Procedure Rules set the rationale for virement and the limits on the delegation to officers in terms of the level of cumulative budget that can be vired by officers, between cost centres and between Service areas within the same Directorate. Under the Council's Financial Procedure Rules, S151 Officer and Cabinet approval is required for virements made in a single cost centre that are cumulatively above £100k in a given financial year and where these virements are between the controllable budgets of cost centres within the same directorate, but in different Head of Service areas.

Implementation Timetable including Future Decisions and Scrutiny

The report seeks approval for the virement of budget from cost centres within the Service to meet the expenditure on agency workers and their forecast costs to year end.

Report Implications

The following implications have been identified for this report.

Financial Implications

The virement requested is from the Planning Growth Capacity Support Grant reserve, the Planning Delivery Grant Reserve and a budget underspend in cost centre P299 to fund the projected overspend on agency costs, as detailed in Part B of this report. The virement will meet current and forecast expenditure on agency staff in cost centres to the end of the year. The financial implications are that reserves have been reduced by £138,000 to cover the overspend on agency staff for 2018/19.

Risk Management

No specific risks are identified with this decision

Key Decision:	No
Background Papers:	None
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Part B

Background

1. Agency workers are used in the Planning and Regeneration Service to cover long term vacant posts or long term staff absences and service pressures to ensure business continuity. Generally speaking, the need for agency workers cannot be planned for with any certainty and therefore any predictions as part of the budget process will always be subject to uncontrollable variables.
2. The Service Review approved by Cabinet in April 2018 provided transitional arrangements to implement the revised structure including virements within budget to fund agency workers in certain posts for up to six months during the recruitment phase. Those virements totalled £158,000 of salary budget from a number of vacant posts in cost centres across the service. The posts identified in the transition plan were:
 - M201 Group Leader Development Management (1 FTE)
 - P110 Team Leader Strategic Development (1 FTE)
 - P122 Principal Planning Officer (Development Management Team) (2 FTE)
 - P364 Senior Design Officer (1 FTE)
 - M365 Planning Enforcement Assistant (1 FTE)
3. A proactive recruitment process managed by external consultants in June 2018 was unable to appoint any satisfactory candidates for posts M201 and P110. Two recruitment processes for Post P122 in June 2018 and August 2018 were also unsuccessful. As a consequence agency workers in some of these posts have had to be retained longer than originally planned.
4. In addition to the transition plan, the Service has been subject to staffing pressures in other posts as part of normal staff turnover and management of long term absence, which have had to be supported by agency workers to ensure business continuity. These include:
 - P112 Senior Planning Officer (0.6 FTE)
 - M362 Planning Assistant (0.6 FTE)
 - P114 Planning Enforcement Officer (1 FTE)

Expenditure up to Period 9

5. Virements on agency workers to Period 9 2018/19 for cost centres P499, P330, P004, is £260k. This is £102k more than that approved by Cabinet in April 2018.

Forecast expenditure to year end

6. A forecast of expenditure on agency costs has been undertaken to find the estimated agency costs to maintain service continuity to year end. It shows a further requirement for virements of £149k.

Proposals

7. Agency workers are expected to provide a continuing resource in both the Local Plans Group and Development Management Group of the Service for the remainder of the current financial year. It is proposed to meet these costs by virement from planning reserves listed below and detailed in the appendix.

Virement	Cost centre	Description
£36k	X157	MHCLG Growth Fund Reserve
£102k	X449	Planning Delivery Grant Reserve

Total £138k

8. Accordingly, under the Financial Procedure Rules, there is a requirement to seek S151 Officer support and cabinet approval for these virements, as cumulatively they exceed the £100k threshold for delegated authority to officers set by the constitution. The S151 Officer has given his approval to the proposal.

Appendix

Virements/funding Agency Costs	Agency Virements	Funding X157	Funding X449	Total funding
Period 1-Period 9 virements to cover Agency Costs	259,927.45	P330 A0153	P499 A0153	
Period 1-Period 9 net salary/agency costs P330/P499/ funded by Reserves X157/X449	81,171.63	18,895.37	62,276.26	81,171.63
Period 10-Period 12 P299 A0153 Agency costs funded from P299 Salary underpsend	11,975.46	0.00	0.00	0.00
Period 10-Period 12 P330/P499 to cover estimated net salary/agency costs	57,000.00	18,000.00	39,000.00	78,000.00
Total Virements/Funding	410,074.54	36,895.37	101,276.26	138,171.63