

CABINET - 14TH NOVEMBER 2019

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

Part A

ITEM 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 forecast expenditure on agency workers this financial year.

Recommendation

That a transfer of budget (virement) of up to £147,400 from cost centre P499 and P330 A0101 Salaries is made to P499 A0153 Agency to 31 March 2020.

Reason

To meet the current and forecast expenditure in cost centres P499 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.

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 able to be met from a forecast budget underspend in salaries from cost centre P499 and P330. The virement will therefore meet current and forecast expenditure on agency staff in cost centres to the end of the year.

	Actual spend to September 2019	Estimated spend - October 2019 to March 2020	Estimated Outturn 2019/20	Current Budget 2019/20	Projected under/(-) overspend
	£	£	£	£	£
P499 - Development Management					
Salaries	390,665	430,400	821,065	951,600	-130,535
Agency Costs	125,383	115,600	240,983	93,600	147,383
P330 - Local Plans					
Salaries	155,560	153,600	309,160	359,000	-49,840
Projected overspends to be met by budget virements	671,608	699,600	1,371,208	1,404,200	-32,992

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 and service pressures and ensure business continuity can be maintained. Generally speaking, the need for agency workers cannot be planned for at the start of a financial year with any certainty and therefore any predictions as part of the budget process will always be subject to uncontrollable variables.
2. Two posts in the Development Management Group have been staffed using agency workers this financial year and funded by virement from salary budget underspends in year. Those virements have now reached a cumulative level which requires the approval of the S151 Officer and a Cabinet decision to enable the virement to be made.
3. The following posts in the Development Management Group are affected (cost centre P499):
 - P110 Team Leader Strategic Development; and
 - P111 Principal Planning Officer (Strategic Development)
 - P122 Principal Planning Officer

Expenditure up to Period 5

4. Virements already approved on agency workers in cost centre P499 to Period 5 2019/20 is £94k. This was £6k below the threshold of £100k set by the financial procedure rules.

Forecast expenditure to year end

5. A forecast of agency cost expenditure has been undertaken to find the estimated agency costs to maintain service continuity to year end. It shows a further requirement for virements of £116k in cost centre P499. Authority is sought from Cabinet to make the virement up to this limit through the remainder of the year.

Proposals

6. It is proposed to meet the forecast expenditure by virement from salary underspend in the cost centres P499 and P330 A0101 to P499 A0153 and as detailed in Part A of the report.
7. 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.