



London Borough of Hammersmith & Fulham

CABINET

8 APRIL 2013

REVENUE BUDGET 2012/13 - MONTH 10 AMENDMENTS

Report of the Leader of the Council – Councillor Nicholas Botterill

Open Report.

Classification - For Decision
Key Decision: Yes

Wards Affected: All

Accountable Executive Director: Jane West – Executive Director of Finance and Corporate Governance

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1. EXECUTIVE SUMMARY

- 1.1. There are no virement requests this month.
- 1.2. The general fund is reporting a favourable variance of £4.9m. It is proposed that £3.7m of these 2012/13 departmental underspends are carried forward to 2013/14 budgets.
- 1.3. An uncollectable bad debt of £0.118m in Adult Social Care should be written off. This debt is fully provided for and there will be no adverse affect on the General Fund Revenue Budget.
- 1.4. It is proposed that £0.458m is transferred from HRA balances into a HRA earmarked reserve for redundancy.

2. RECOMMENDATIONS

- 2.1. That approval be given to the General Fund carry forward of £3.7m of 2012/13 underspends into 2013/14 budgets as outlined in Appendix 1.
- 2.2. That approval be given to write off an Adult Social Care debtor of £0.118m.
- 2.3. That £0.458m of the HRA budget be transferred to an earmarked reserve to cover future HRA redundancy costs.

3. REASONS FOR DECISION

- 3.1. The decision is required to comply with the financial regulations.

4. 2012/13 REVENUE BUDGET AMENDMENTS MONTH 10

- 4.1. The General Fund is forecast to underspend by £4.9m in 2012/13. Departments have presented justifications to carry forward £3.7m of underspend budgets into 2013/14. The proposed carry forward by department is listed in Appendix 1. Consideration and approval of the carry forward proposals is sought in this report. If the year end outturn is lower than the current forecasts, these carry forward proposals will be scaled down.
- 4.2. It is proposed that an Adult Social Care bad debt of £0.118m is written off. The invoice was to Ealing, Hounslow and Hammersmith Health Authority in 2002 before it was reorganised into Primary Care Trusts. This debt is no longer collectable and a provision has already been set aside to cover this.
- 4.3. It is proposed that £0.458m is transferred into a HRA earmarked reserve to cover future redundancy costs.

5. CONSULTATION

- 5.1. Not applicable.

6. EQUALITY IMPLICATIONS

- 6.1. It is not considered that the adjustments to budgets will have an impact on one or more protected group so an EIA is not required.

7. LEGAL IMPLICATIONS

- 7.1. Not applicable.

8. FINANCIAL AND RESOURCES IMPLICATIONS

- 8.1. The General Fund budget carry forward proposals are subject to departments achieving underspends in 2012/13. If these are not achieved the carry forward proposals will be scaled down.
- 8.2. The proposed debt write off of £118k has been fully provided for so there is no impact on General Fund revenue budgets.
- 8.3. Implications verified/completed by: Gary Ironmonger. Principal Revenue Accountant, ext.2109.

9. RISK MANAGEMENT

- 9.1. Budget Risk will be managed and reported via Corporate Revenue Monitoring.

10. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 10.1. Not applicable.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	CRM10 Monitoring Papers	Gary Ironmonger	FCS

APPENDIX 1: CARRY FORWARD PROPOSALS 2012/13

	Underspend	Proposed Carry Forward
Department	£000s	£000s
Adult Social Care	(1,916)	1,500
Children's Services	(956)	890
Unaccompanied Asylum Seeking Children	0	0
Environment, Leisure & Residents Services	(250)	250
Finance and Corporate Services	(210)	85
Housing & Regeneration	(545)	465
Transport & Technical Services	40	0
Controlled Parking Account	502	0
Centrally Managed Budgets	(1,648)	500
Net Operating Expenditure	(4,933)	3,690