

	London Borough of Hammersmith & Fulham CABINET 2 SEPTEMBER 2013
REVENUE BUDGET 2013/14 : MONTH 2 AMENDMENTS	
Report of the Leader : 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. This report sets out proposed amendments to the Revenue Budget as at Month 2.
- 1.2. General Fund virements of £4.3m are proposed:
 - £2.529m regarding additional grant received.
 - A realignment of £1.475m within Environment, Leisure and Residents Services (ELRS) to enhance reporting and forecasting.
 - £0.144m regarding increased lease costs at 145 King Street.
- 1.3. Uncollectable bad debts of £0.627m are put forward for write-off. These debts are fully provided for and there will be no adverse effect on the General Fund Revenue Budget. In addition retrospective approval is requested for the write off of £0.100m in relation to a Park Royal invoice.
- 1.4. There are no virement requests for the HRA in Month 2.

2. RECOMMENDATIONS

- 2.1. That approval be given to the budget virements of £4.3m as outlined in Appendix 1 of the report.
- 2.2. That bad debts of £0.627 be written off and that retrospective approval be given to writing off the £0.100m Park Royal debt already written off in 2012-3.

3. REASONS FOR DECISION

- 3.1. To comply with Financial Regulations.

4. 2012/13 REVENUE BUDGET AMENDMENTS MONTH 11

- 4.1. Budget virements of £4.3m are proposed. (details in Appendix 1).
- 4.2. It is proposed to write off bad debts of £0.542m within Transport and Technical Services (TTS), £0.085m in Housing Services (HRD) . These debts are in relation to Land Charges (TTS) and Works in Default (HRD) raised on the financial system that preceded Cedar (the current system). Agilisys have analysed these debts as part of the Enhanced Revenue Collection project and advised that they are uncollectable. In addition TTS, has already written off £0.100m in 2012/13 in relation to a Park Royal invoice. The Park Royal organisation has gone into administration and TTS is now seeking retrospective approval for the write off.

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. Of the total virement of £4.3m proposed, a total of £2.529m relate to additional resources for the 2013/14 financial year.
- 8.2. The proposed debt write off of £0.627m and the £0.100m Park Royal debt already written off in 2012/13 have been fully provided for so there is no impact on the General Fund revenue budgets.
- 8.3. Implications verified/completed by: Gary Ironmonger/James Arthur.

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.	CRM2	Gary Ironmonger	FCS

LIST OF APPENDICES

Appendix 1 Virement Request Form

APPENDIX 1 - VIREMENT REQUEST FORM

BUDGET REVENUE MONITORING REPORT – PERIOD 2

Details of Virement	Amount (£000)	Department
<i>For Cabinet Approval</i>		
Move waste disposal levy to new cost centre as advised by corporate finance (intra department)	(1,315) 1,315	ELRS ELRS
Realign budget to set waste disposal Levy in line with WRWA forecast	160 (160)	ELRS ELRS
<i>For Lead Cabinet Member Approval</i>		
2012/13 Tri-Borough Library overspend funded by ELRS. Temporary virement in 2013/14 to ELRS.	(85) 85	LIB ELRS
Realign domestic and trade waste disposal budget in line with WRWA forecast	(35) 35	ELRS ELRS
Tied accommodation compensation funded by FCS	25 (25)	ELRS FCS
Allocate ELRS share of corporate intern efficiency target	32 (32)	ELRS ELRS
Rent Review for the Council's lease on 145 King Street - A one off virement of £68,000 from inflation reserve to cover the backdated element of the increase to May 2012. (ref: Annexe A CRM 2)	68 (68)	CMB/TTS
Increase in Council's lease on 145 King Street for 2013/14	76 (76)	CMB/TTS
Increased funding from Local Government Settlement comprising an extra £0.485m that the government held back to fund the New Homes Bonus scheme and Central Education Services Grant of £1.85m. To be held in the unallocated contingency.	2,335 (2,335)	CMB CMB
Additional grant funding to meet costs of implementing welfare reform changes in 2013/14	97 97 (194)	HRD FCS CMB
Total of Requested Virements (Debits)	4,325	

Departmental Name Abbreviations	
CMB	Centrally Managed Budgets
ELRS	Environment, Leisure & Residents' Services
FCS	Finance & Corporate Services
HRD	Housing & Regeneration Department
LIB	Libraries (Tri Borough Service)
TTS	Transport & Technical Services