



# London Borough of Hammersmith & Fulham

CABINET

14 OCTOBER 2013

## REVENUE BUDGET 2013/14 : MONTH 4 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

**Report Author:** Gary Ironmonger, Finance Manager (Revenue Monitoring)

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### 1. EXECUTIVE SUMMARY

- 1.1. This report sets out proposed amendments to the Revenue Budget as at Month 4.
- 1.2. Virement requests of £3.375m for General Fund and £17.782m for the HRA are recommended for approval.
- 1.3. It is proposed to write off bad debts of £0.018m relating to Works in Default within Housing & Regeneration and £0.134m relating to Children's Services.

## **2. RECOMMENDATIONS**

- 2.1. That the budget virements of £3.375m General Fund and £17.782m HRA as outlined in Appendix 1 be agreed.
- 2.2. That bad debts of £0.152m be written off.

## **3. REASONS FOR DECISION**

- 3.1. To comply with Financial Regulations.

## **4. 2012/13 REVENUE BUDGET AMENDMENTS MONTH 4**

- 4.1. Cabinet is required to approve all budget virements that exceed £0.1m. Virements totalling £3.375m to the General Fund budgets and £17.782m to the HRA are requested (details in Appendix 1)
- 4.2. It is proposed that bad debts of £0.152m are written off. The Housing and Regeneration Department write off is for £0.018m unpaid Works in Default invoices raised before 2008. The remaining £0.134m is for outstanding debts owed by the Thema Golding Centre which was a facility run by the now defunct Ealing, Hammersmith and Hounslow Primary Care Trust. The debts are no longer collectable and there is no impact on revenue budgets as full bad debt provision has been made for these debts.

## **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. Virements totalling £21.157m are requested.

8.2. It is proposed that uncollectable debts of £0.152m are written off. The debts are no longer collectable and there is no impact on revenue budgets as full bad debt provision has been made for these debts .

8.3. Implications verified/completed by: Gary Ironmonger.

## **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**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	CRM4	Gary Ironmonger	FCS

## **LIST OF APPENDICES**

Appendix 1	Virement Request Form
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**APPENDIX 1 - VIREMENT REQUEST FORM**

**BUDGET REVENUE MONITORING REPORT – PERIOD 4**

<b>Details of Virement</b>	<b>Amount (£000)</b>	<b>Department</b>
<b>GENERAL FUND:</b>		
Move Director for Customer and Business Development salary budget to new ELRS cost centre	128 (128)	ELRS ELRS
Correct MTFS efficiency load for 24/7 policing (change nominals)	280 (280)	ELRS ELRS
Create income and expenditure budgets for Westfield policing	214 (214)	ELRS ELRS
Create income and expenditure budget for BID contribution to policing	100 (100)	ELRS ELRS
Transfer of Nubian and Shanti Third Sector Voluntary Day Service budgets from Corporate Business Support to Adult Social Care (ASC)	208 (208)	FCS ASC
Realignment of Departmental budgets to reflect clawback of budgets due to negotiated contract price reductions for destops, mobiles and storage	669 (119) (206) (74) (198) (42) (30)	CMB FCS CHS ASC TTS ELRS HRD
Transfer of budget from reserves to cover future dilapidations payments.	750 (750)	TTS CMB
Realign waste contract payments to appropriate nominals	31 (31)	ELRS ELRS
Transfer budget for clinical laundry service to Adult Social Care	34 (34)	ELRS ASC
Emergency services budget realignment to write out old vacant post	25 (25)	ELRS ELRS
Drawdown from reserve to offset Boat Race income target as there is no Boat Race in 2013/14	20 (20)	FCS ELRS
Transfer of the Clinical Laundry Service Budget from ELRS to Adult Social Care (ASC)	34 (34)	ELRS ASC
Drawdown from reserves to fund the White City Neighbourhood Community Budget Pilot in 2013/14. Funding for this project was approved by Cabinet in March 2012.	355 (355)	HRD CMB

<b>Details of Virement</b>	<b>Amount (£000)</b>	<b>Department</b>
Increase income budgets at Linford Christie Stadium in order to reduce budgeted drawdown from Wormwood Scrubs Reserve by £32k	32 (32)	ELRS ELRS
Distribution of Pay Award Contingency to Employees Budgets	855 (855)	All Departments CMB
<b>GENERAL FUND: Total of Requested Virements (Debits)</b>	<b>3,735</b>	
<b>HOUSING REVENUE ACCOUNT (HRA)</b>		
Appropriation from HRA past service pension cost earmarked reserve to fund increase in contribution from HRA as confirmed by the Council's actuaries	209 (209)	HRA HRA
Movement of Interest and Depreciation budgets to facilitate reporting in the Chart of Accounts	£12,333 (£12,333)	HRA HRA
Realignment of Repairs budgets across subjective codes	£4,066 (£4,066)	HRA HRA
Realignment of efficiency savings budgets	£1,174 (£1,174)	HRA HRA
<b>HRA: Total of Requested Virements (Debits)</b>	<b>17,782</b>	

<b>Departmental Name Abbreviations</b>	
ASC	Adult Social Care
CHS	Childrens' Services Department
CMB	Centrally Managed Budgets
ELRS	Environment, Leisure & Residents' Services
FCS	Finance & Corporate Services
HRD	Housing & Regeneration Department
TTS	Transport & Technical Services