
FINAL REVENUE VIREMENTS AND EARMARKED BALANCES 2020/21

**Report by Executive Director, Finance & Regulatory
EXECUTIVE COMMITTEE**

16 MARCH 2021

1 PURPOSE AND SUMMARY

- 1.1 **This report seeks approval for the final 2020/21 budget virements and approval to carry forward identified earmarked budgets to 2021/22.**
- 1.2 The monitoring of the General Fund Revenue Budget at the end of January has identified the final virements and earmarked balances for 2020/21. These include routine virements in Appendix 1 and earmarked balances in Appendix 2, where it has been identified that budget is required to be carried forward to support expenditure in 2021/22.

2 RECOMMENDATIONS

- 2.1 **It is recommended that the Executive Committee:**
 - (a) **approves the virements in Appendix 1, and**
 - (b) **approves the earmarked balances in Appendix 2.**

3 BACKGROUND

- 3.1 During 2020/21, and most recently at the meeting held on 9 February 2021, the Executive Committee approved a number of revenue budget virements. The original projections on which the February virements were based related to actual spend to 31 December 2020. Since then, further work on projected expenditure and income has identified the requirement to seek approval for final budgetary adjustments.
- 3.2 Approval was given, at the Executive Committee on the 9th February 2021, for delegated authority for the remainder of the financial year to allow the Executive Director, Finance & Regulatory to approve any year end adjustments required for COVID-19 related funding expected late in the financial year. National funding announcements have been made for which the Council is awaiting confirmed allocations for 2020/21. This delegated authority will be used to account for these funding streams at year end and will be reported to the Executive Committee as part of the 2020/21 outturn report in June 2021.

4 VIREMENTS REQUIRED

4.1 These fall into two categories as follows:

(a) **2020/21 – Routine Virements (Appendix 1)**

This adjustment supplements the virements approved by the Executive Committee during the financial year, including those approved on 9 February 2021, and are detailed in Appendix 1. Final approvals are now sought to reflect:

- i. A reallocation of budgets between services to reflect latest spending plans;
- ii. Adjustments to Revenue Support Grant for 2020/21 following final confirmation from Scottish Government. This requires the income budgets to be “grossed up” to fund expenditure.

(b) **Earmarked Balances (Appendix 2)**

These also supplement the earmarked balances approved by the Executive Committee during 2020/21 to date. These virements are detailed in Appendix 2 and earmarking is required:

- i. where projects or initiatives will now be completed in 2021/22;
- ii. for specific COVID-19 funding to support anticipated pressures in 2021/22;
- iii. DSM carry forward projections including Pupil Equity Fund (PEF) funding.

5 IMPLICATIONS

5.1 **Financial**

There are no additional costs attached to any of the recommendations contained in this report.

5.2 Risk and Mitigations

The main risk is that after the earmarked balances are carried forward into 2021/22, the Services do not come within budget at year-end, this is mitigated by year-end adjustments which will reduce earmarked balances in relevant services if required.

5.3 Equalities

It is anticipated there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

5.4 Acting Sustainably

There are no economic, social or environmental effects.

5.5 Carbon Management

There are no effects on carbon emissions.

6 CONSULTATION

- 6.1 Directors and their staff where appropriate have been involved in and agreed the compilation of the final virements.
- 6.2 The Chief Legal Officer (Monitoring Officer), the Chief Officer Audit & Risk, the Service Director HR & Communications and the Clerk to the Council have been consulted and any comments have been reflected in this final report.

Approved by

David Robertson

Executive Director, Finance & Regulatory

Signature

Author(s)

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Background Papers:

Previous Minute Reference: - Executive Committee, 9th February 2021

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