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## **FINAL REVENUE VIREMENTS AND EARMARKED BALANCES 2021/22**

**Report by Director, Finance & Corporate Governance**

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### **EXECUTIVE COMMITTEE**

**22 MARCH 2022**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 This report seeks approval for the final 2021/22 budget virements and approval to carry forward identified earmarked budgets to 2022/23.**
- 1.2 The monitoring of the General Fund Revenue Budget at the end of January has identified the final virements and earmarked balances for 2021/22. 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 2022/23.

#### **2 RECOMMENDATIONS**

- 2.1 It is recommended that the Executive Committee:**
  - (a) approves the virements in Appendix 1;**
  - (b) approves the earmarked balances in Appendix 2; and**
  - (c) delegates authority for the remainder of the financial year to allow the Director, Finance & Corporate Governance to approve any year-end budget adjustments required between now and the financial year end in consultation with the Executive Member for Finance.**

### **3 BACKGROUND**

- 3.1 During 2021/22, and most recently at the meeting held on 8 February 2022, 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 2021. Since then, notification of further Scottish Government grant funding and work on projected expenditure and income has identified the requirement to seek approval for final budgetary adjustments.
- 3.2 Approval is also being sought for delegated authority for the remainder of the financial year to allow the Director, Finance & Corporate Governance to approve any year end budget adjustments required between now and the end of the financial year in consultation with the Executive Member for Finance. Any adjustments actioned through this delegated authority will be reported to the Executive Committee as part of the 2021/22 outturn report in June 2022.

### **4 VIREMENTS REQUIRED**

- 4.1 The virements required fall into two categories as follows:

(a) **2021/22 – Routine Virements (Appendix 1)**

This adjustment supplements the virements approved by the Executive Committee during 2021/22 to date and are detailed in Appendix 1. Final approvals are now sought to reflect:

- i. Allocation of budgets to services to fund agreed 2021/22 pay award for SJC and Chief Officer staffing groups paid to staff in January 2022;
- ii. A reallocation of budgets between services to reflect latest spending plans;
- iii. Adjustments to Revenue Support Grant for 2021/22 following final confirmation from Scottish Government. This requires the income and expenditure budgets to be created.

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

These also supplement the earmarked balances approved by the Executive Committee during 2021/22 to date. These virements are detailed in Appendix 2 and earmarking is required:

- i. where projects or initiatives will now be completed in 2022/23 including where Scottish Government funding received late in the financial year will fund activity in 2022/23. For example the Economic Recovery Fund where the Council is receiving a share of £80m late in 2021/22 to fund activity up to 31<sup>st</sup> March 2023; and
- ii. to reflect 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 2022/23, the Services overspend their remaining budget at year-end, this is mitigated by year-end adjustments which will reduce earmarked balances in relevant services if required.

## 5.3 Integrated Impact Assessment

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 Sustainable Development Goals

There are no significant effects on the economy, community or environment.

## 5.5 Climate Change

No effect on carbon emissions are anticipated from the recommendation of this report.

## 5.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

## 5.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

## 5.8 Changes to Scheme of Administration or Scheme of Delegation

No changes to either the Scheme of Administration or the Scheme of Delegation is required as a result of this report.

## 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 Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into this final report.

### Approved by

**David Robertson**

**Director, Finance & Corporate Governance**

**Signature .....**

### Author(s)

Name	Designation and Contact Number
Suzy Douglas	Financial Services Manager

### Background Papers:

**Previous Minute Reference:** - Executive Committee, 8th February 2022

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