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**FINAL REVENUE VIREMENTS AND EARMARKED BALANCES  
2014/15**

**Report by CHIEF FINANCIAL OFFICER**

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**EXECUTIVE**

**10 MARCH 2015**

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**1 PURPOSE AND SUMMARY**

**1.1 To seek approval for Revenue Budget Virements.**

1.2 The monitoring of the General Fund Revenue Budget at the end of January has identified the final virements and earmarked balances for 2014/15. These include routine virements and balances for schemes and initiative which will be delayed until 2015/16.

**2 RECOMMENDATIONS**

**2.1 It is recommend that the Executive:-**

**(a) approves the virements in Appendix 1**

**(b) approves the earmarked balances in Appendix 2**

### **3 BACKGROUND**

- 3.1 At the meeting held on 24 February 2015, the Executive approved a range of Revenue Budget virements. The original projections on which these virements were based were made in late January 2014, based on actual spend to the 31<sup>st</sup> December 2014. Since then, a number of events have occurred which require further virements.

### **4 VIREMENTS REQUIRED**

- 4.1 These fall into two categories as follows:-

(a) **2014/15 – routine virements**

These supplement the virements approved by Executive during the financial year, including 24 February 2015 and are detailed in Appendix 1 and comprise virements to reflect:

- a range of projected over/under spends
- additional income received
- the need to defer grant income in order to match the income with the timing of the expenditure being incurred, and
- technical accounting adjustments.

(b) **Earmarked balances**

These supplement the earmarked balances approved by Executive on 24 February 2015. A number of further schemes/initiatives have been delayed resulting in a requirement to carry-forward current year budget for use in 2015/16 and beyond detailed in appendix 2. No previously agreed earmarked balances are projected to require reversing, either in full or part, at this point in the financial year.

### **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 major risk is that management action does not deliver the necessary measures to balance the budget and further pressures arise within Social Work. This risk is being managed through:-

- (a) monthly reports of actual expenditure and income against approved budgets being made available to budget managers from the Council's financial information system.
- (b) review of budget variances and monitoring of management actions to control expenditure by Finance, Service staff and Directors.
- (c) engagement with Departments and review of monthly management accounts by departmental management teams.

5.3 **Equalities**

- (a) 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**

(a) There are no economic, social or environmental effects.

5.5 **Carbon Management**

(a) There are no effects on carbon emissions.

**6 CONSULTATION**

6.1 Directors and their relevant staff have been involved in and agreed the compilation of the final virements. The Corporate Management Team has agreed the proposals for addressing the projected pressures.

6.2 The Head of Corporate Governance, the Head of Audit and Risk, the HR Manager, the Clerk to the Council, the Head of Strategic Policy are being consulted and any comments will be reported to the meeting.

**Approved by David Robertson**

**Chief Financial Officer**

**Signature .....**

**Author(s)**

| Name           | Designation and Contact Number |
|----------------|--------------------------------|
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**Background Papers:** - Executive 24 February 2015

**Previous Minute Reference:** N/A

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