

# Public Document Pack

## JOHN WARD

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A meeting of the **Cabinet** will be held in Old Court Room The Council House (Chichester City Council) North Street Chichester on **Tuesday 9 May 2017 at 09:30**

MEMBERS: Mr A Dignum (Chairman), Mrs E Lintill (Vice-Chairman), Mr R Barrow, Mrs P Hardwick, Mrs G Keegan, Mrs P Plant, Mrs C Purnell and Mrs S Taylor

## SECOND AGENDA SUPPLEMENT

The second agenda supplement contains a late item report about carry forward requests

### 13 **Late Item - Carry Forward Requests** (pages 1 to 4)

The Cabinet is requested to consider (as agenda item 13) the attached agenda report and its appendix as a late matter within agenda item 9 a) (Late Items) and to make the following resolution:

That as recommended by the Corporate Governance and Audit Committee at its meeting on 30 March 2017 the requests totalling £120,800 for budgets to be carried forward in 2017-2018 be approved.

**Chichester District Council**

**THE CABINET**

**9 May 2017**

**Carry Forward Requests**

**1. Contacts**

**Report Author:**

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**Cabinet Member:**

Philippa Hardwick - Cabinet Member for Finance and Governance Services

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**2. Recommendation**

**2.1. As recommended by the Corporate Governance and Audit Committee at its meeting on 30 March 2017, the requests totalling £120,800 for budgets to be carried forward in 2017-2018 be approved.**

**3. Background**

3.1. In accordance with financial regulations, at the end of each financial year the Cabinet may determine that unspent balances of a specific nature may be carried forward into the following financial year.

3.2. Unspent balances at the year-end normally revert to general balances and are taken into account when considering the budget strategy for future years. Exceptionally, however, the Cabinet may take the view that an underspend arises from circumstances outside the control of the budget manager and that it is in the Council's best interests to carry forward a budget.

**4. Annual Statement of Accounts, Budgets and Carry Forward Requests**

4.1. The *Accounts and Audit Regulation 2015* came into force on 1 April 2015. These new regulations retain the present deadlines for the issue and publications of the Council's Statement of Accounts (30 June and 30 September respectively) for 2016-2017, but shorten this timetable from 2017-2018 onwards. From 2017-2018 the Council will be required to issue its Statement of Accounts by 31 May, and approve and publish its audited accounts by 31 July.

4.2. In preparation for this earlier deadline the Accountancy Service has implemented a number of initiatives to accelerate the closedown process. This includes:

- the de-cluttering of the accounts with the removal of disclosures that are not considered material to the reader of the financial statements;

- a review of materiality and wider use of estimates;
  - the introduction of a mini closedown at the end of quarter three (December) for the capital accounts; and,
  - the bringing forward of approvals for carry forward requests.
- 4.3. The closedown of accounts for financial year 2016-2017 therefore provides the opportunity for a further dry run to assess the changes implemented to ensure that the statutory deadlines for 2017-18 are achieved.
- 4.4. The Council's financial system provides budget managers with easy access to the financial data relating to their approved budgets. As a result these managers no longer need to rely on the Accountancy Service to provide them with up to date financial information as they are able to self-service the system for themselves. Therefore budget managers are now better placed to be able to forecast their year-end budgetary position earlier than before.
- 4.5. All carry forward requests considered by the Corporate Governance and Audit Committee and approved by the Cabinet are agreed in principle, subject to the funds being available and unspent at the year end. It may be necessary to claw-back the approval if it is found that the budget requested to be carried forward has been spent or the income not received when the Council's outturn position is established.
- 4.6. The earlier approval by the Cabinet of carry forward requests benefits the Accountancy Service with the year-end closure process and also budget managers because approved carry forwards will be available in their budgets from the start of the new financial year.
- 4.7. The carry forward requests in the appendix have been received from budget managers. The Corporate Governance and Audit Committee has considered the reasons behind each carry forward requested to satisfy itself that the underspends have not arisen due to poor performance and has requested the Cabinet to approve these carry forwards into 2017-2018. The request is supported by the Chief Executive and the Head of Finance and Governance Services.

## **5. Background Papers**

- 5.1. None.

## **6. Appendix**

- 6.1. Schedule of Carry Forwards Requests from 2016-2017 to 2017-2018.

## Carry Forward Requests from 2016-17 To 2017-18

Appendix 1

### Housing and Environment

The Manhood Peninsula Project (MPP) Officer post has been extended by 6 months to 30 Sept 2017. There is no funding remaining for this commitment in the project budget . There is an underspend in the 2016/17 salary budget in Environment Protection due to maternity leaves & staff vacancies which has been identified as budget that could be carried forward to fund the commitment to MPP Project Officer Post.

Transfer from Homlessness and Advice salary underspends to fill a post in the Environmental Protection Team that has been seconded to the Corporate Policy Team to support the Pay Review project.

### Accountancy

Underspend against the approved establishment as 1.5 FTE Assistant Accountant posts were vacant during the year. 1 FTE was recruited to in late August, but the remaining 0.50 FTE is still vacant. The total underspend has also arisen due to changes in an individual's contracted hours from full time to part time working. These vacant roles will be recruited to in the coming months. Total underspend of £34,000 is requested to be carried forward to fund temporary staff in Accountancy Services to aid the production of the Council's final accounts and completion of the final stages of the implementation of the Civica System Asset Register Module.

### Chichester Contract Services

Request to carry forward remaining budget from S1801 into 2017/18.

In April 2016 Cabinet endorsed the Recycling Action Plan based on the Council's commitment to achieving a 50% recycling rate by 2020 and to reducing the amount of waste going to landfill. £50,000 was approved for communication initiatives and recycling guidance. £18,000 has been spent to date (January 2017). The remaining budget is required for 2017/18 to support the continued delivery of the Recycling Action Plan and will be allocated to:

- Garden Recycling Service promotion.
- Production of bin stickers for all residents if trial project successful.
- Contribution to purchasing further recycling bags if trial project successful.
- Undertaking samples of recycling loads to assess quality and levels of contamination.
- Communication material to support the Communications Strategy.

The 2017/18 Recycling Action Plan has been agreed by the Waste and Recycling Panel and will be reported to the Overview and Scrutiny Committee in March 2017 and Cabinet in April 2017.

Budget Manager	Amount
	£
Alison Stevens	8,800
Rob Dunmall	30,000
Helen Belenger	34,000
Amie Huggett	31,000

## Carry Forward Requests from 2016-17 To 2017-18

Appendix 1

### Business Improvement

This money is to fund out Public Relations Intern until the end of August 2017. We have had to identify alternative funding sources to fund this post and have carried out work for West Sussex Telecare, which has brought in £11,000. This money is being used to fund the Intern's post and we would like to carry forward £7,000 of this to continue paying for the post until the end of August.

This money is to fund our part-time temporary advertising and sponsorship officer. This is income that we have generated this year which will cover the post for another year, while we arrange for this money to sit in the base budget. The remaining £2,400 required to fund the post will come from income that we are due to receive in April.

### **Total Carry Forwards**

Budget Manager	Amount
	£
Sarah Parker	7,000
Sarah Parker	10,000
	<b>120,800</b>