

# Chichester District Council

**CABINET**

**12 April 2016**

## **Budget Carry Forward Requests**

### **1. Contacts**

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### **2. Recommendation**

**2.1. As recommended by the Corporate Governance and Audit Committee at its meeting on 22 March 2016, that the requests totalling £88,600 for budgets to be carried forward in 2016-17 be approved in principle, subject to the funds being available and unspent at the year end.**

### **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. Main Report**

4.1. The new financial system implemented in April 2014 provides the Council's 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-serve the system for themselves. As a result, budget managers are now better placed to be able to forecast their year-end budgetary position earlier than before.

4.2. Previously, carry forwards requests were considered after the year-end and submitted to the Corporate Governance and Audit Committee in June. It is now considered appropriate to bring forward their approval process.

- 4.3. Earlier approval will not only assist the Accountancy Service with the year-end closure process, but will also benefit budget managers as approved carry forwards will now be available in their budgets in April as opposed to having to wait until after the Cabinet meeting in July.
- 4.4. All carry forward requests agreed 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.
- 4.5. The carry forward requests in the Appendix have been received from budget managers. The Cabinet is asked to consider the reasons behind each carry forward requested to satisfy itself that the underspends have not arisen due to poor performance, and approve their carry forward into 2015-16. These requests are supported by the Corporate Governance and Audit Committee.

## **5. Background Papers**

- 5.1. None.

## **6. Appendix**

- 6.1. Schedule of Carry Forwards Requests from 2015-16 to 2016-17.