

**Decision Maker:** RESOURCES PORTFOLIO HOLDER

**FOR PRE-DECISION SCRUTINY BY EXECUTIVE AND  
RESOURCES PDS ON**

**Date:** 10 October 2013

**Decision Type:** Non-Urgent                      Non-Executive                      Non-Key

**Title:** CHIEF EXECUTIVES DEPARTMENT CARRY FORWARD  
REQUESTS

**Contact Officer:** Lesley. Moore, Deputy Director of Finance,  
Tel: 020 8313 4633 E-mail: lesley.moore@bromley.gov.uk

**Chief Officer:** Chief Executive

**Ward:** (All Wards);

---

1. Reason for report

- 1.1 This report provides the reasons for the carry forwards from 2012/13 to 2013/14 and seeks approval to draw these down..

---

2. RECOMMENDATION(S)

2.1 The Portfolio Holder:

- (i) Approves the draw down of carry forward funds of £107,800 as set out in the report.

### Corporate Policy

1. Policy Status: Not Applicable
  2. BBB Priority: Resources Directorate
- 

### Financial

1. Cost of proposal: Not Applicable:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Resources Portfolio
  4. Total current budget for this head: £37.3m
  5. Source of funding: Resources Approved Budget
- 

### Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
- 

### Legal

1. Legal Requirement: Statutory Requirement
  2. Call-in: Applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2013/14 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

### 3. COMMENTARY

- 3.1 On 22 June 2011, the Executive approved the establishment of an earmarked reserve to deal with the technical accounting changes relating to non-ring fenced government grants under International Financial Reporting Standards (IFRS) which were fully implemented for Local Authority Accounts from 2010/11.
- 3.2 This accounting change meant that grants with no explicit right of repayment contained within the grants conditions could no longer be carried forward as a "receipt in advance" but must be allocated to an earmarked reserve should a carry forward be agreed.
- 3.3 There is effectively no difference whether the money is set aside as a receipt in advance or an earmarked reserve and this is purely to deal with technical accounting requirements. By agreeing the carry forwards, authority to spend will be delegated to meet the grant related expenditure in the following year. In previous years, such grant funding would have been treated as a receipt in advance with no requirement to create an earmarked reserve.
- 3.4 The carry forward requests detailed above are identified as either:
- (i) **grants that contain an explicit right of repayment**  
If the carry forward is not approved, the grant would have to be repaid and planned initiatives to carry out the work/changes expected from the grants would have to be reviewed and in some cases not be implemented.
  - (ii) **grants without an explicit right of repayment**  
Although the grants would not have to be returned unused to their respective government agencies if carry forwards were not approved, in at least some cases, and perhaps in all of them, this would cost the Council money, since the project funded by the grant is ongoing and expenditure may have already been incurred since 1st April. Even where expenditure has not been incurred yet, there may also be 'contractual obligations to proceed with the work.
  - (iii) **non grant related expenditure**  
These relate to underspends in 2012/13 that are not funded by government grant mainly arising from the slippage of planned expenditure.

#### **4. CARRY FORWARD DRAWDOWN**

- 4.1 As agreed at the Executive on the 12<sup>th</sup> June 2013, all carry forward requests must be approved by the Portfolio Holder/PDS prior to expenditure taking place. The carry forward requests for the Chief Executives department are listed below.

##### **Chief Executive**

- 4.2 CCG Funding to Comms Team re: Integrated Services for the Elderly (ProMISE) - £47,000

A sum of £58k was transferred from the Clinical Commissioning Group under a Section 256 Agreement in 2012/13 for the delivery of a communication strategy to support Health's Proactive Management of Integrated Services for the Elderly (ProMISE). To date a sum of £11k has been spent on a stakeholder analysis and further preparatory communication work, with the bulk of this money being set aside whilst Health colleagues gained full authorisation to become the Clinical Commissioning Group (CCG) which formally took place on the 1<sup>st</sup> April 2013.

If this money is not spent the £47k would have to be repaid to the CCG.

- 4.3 Health and Wellbeing Board Funding - £15k

A sum of £15k was received by Bromley Health & Wellbeing Board in March 2012 to invest in developing one of our Health & Wellbeing priorities. It was agreed to develop a healthy lifestyles project at the Duke Community Centre, refurbishing the kitchen and on-site café to support local residents to learn to cook healthy food which would then be sold locally, using produce where possible from the Poverest allotments. A request to carry forward the £15k into 2013/14 is necessary due to the time needed for project planning and delivery, which involves a number of partners. The business case has been agreed and contractors for the kitchen refurbishment have produced plans, however unforeseen electrical issues have delayed the start date on site.

This funding is currently held in reserve as there is no explicit requirement to repay this money if it is not spent.

##### **Director of Corporate Services**

- 4.4 Electoral Services - £23,000

The Electoral Services budget underspent in 2012/13 by £23,000 and a carry forward request is being sought to support Individual Electoral Registration (IER), which is to be introduced by 2015. The process of creating resources and an infrastructure to support this is already underway, to ensure that we meet the strict timescales set in legislation. Some degree of government funding will be available to support IER but this funding may not necessarily cover all our costs. Staff with specific IT skills will be needed to assist with this implementation as well as other forms of support. Therefore to alleviate this specific element of expenditure from putting pressures on current electoral budgets a carry forward is being requested.

#### 4.5 Connecting Communities - £22,800

A grant of £88,000 was received in 2011/12 from Communities and Local Government (CLG) to support various community initiatives, of which £28k was left unspent and carried into 2012/13. The customer focus group agreed that this would be used for Responsive Web Design development work. Unfortunately our contractor was unable to identify resources to complete this work during 2012/13 and so a carry forward request is being sought of £22,800 to allow this work to be completed in this financial year.

This funding is currently held in reserve as there is no explicit requirement to repay this money if it is not spent.

4.6 It is requested that the Portfolio Holder approve the draw down of this funding that is currently held in contingency.

.

<b>Non-Applicable Sections:</b>	Legal Implications Personnel Implications Customer Implications
Background Documents: (Access via Contact Officer)	2012/13 Budget files in Corporate finance