

Report to Council, 27 November 2012

Item

Report of Chief finance officer

Subject Amendments to Policy Framework and Budget 2012/13

7

Purpose

To seek approval to amendments to the Non-Housing Capital Plan 2012/13-2016/17, the Non-Housing Capital Programme 2012/13, and the General Fund prudent level of reserves 2012/13.

Recommendations

1. To increase the Non-Housing Capital Plan 2012/13-2016/17 and Non-Housing Capital Programme 2012/13 by £0.8m for IT investment.
2. To reduce the General Fund prudent level of reserves 2012/13 by £1.0m.

Corporate and service priorities

The report helps to meet the corporate priority value for money services.

Financial implications

The financial implications of this report are set out in the text.

Ward/s: All wards

Cabinet member: Councillor Waters – Deputy leader and resources

Contact officers

Mark Smith, Finance control manager

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Background documents

None

1. Introduction

- 1.1 The constitution reserves to the council the responsibility for approving the policy framework and budget. Accordingly, the council approved the non-housing capital plan and programme and the general fund prudent level of reserves at its meeting of 21 February 2012.
- 1.2 The Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework.
- 1.3 Section 25 of the Local Government Act 2003 requires that the Chief finance officer of the council reports to members on the robustness of the budget estimates and the adequacy of council's reserves. The second recommendation from cabinet incorporates the Chief finance officer's advice on reserves.
- 1.4 This report identifies and recommends amendments to these approvals.

2. Non-Housing Capital Plan & Programme

- 2.1 Cabinet considered the Capital Budget Monitoring Report at its meeting of 14 November 2012, which included a recommendation:

"To recommend to Council the addition of £0.8m IT infrastructure investment within the non-housing capital plan and programme"

- 2.2 The body of the report included supporting text as follows:

"Following the termination of the previous IT service contract, the acquisition and upgrade of IT hardware becomes the council's own capital expenditure, rather than being incurred through an IT service charge. A review has identified investment requirements of £0.8m in the current financial year to support the councils lean blueprint and to refresh IT servers (to provide added performance and resilience and to reduce power consumption and carbon footprint) and to refresh desktop systems (to improve performance). The costs will be met from a combination of SALIX and eco-investment funds (resourcing the improved environmental impacts), a settlement sum received from the former contractor, and revenue provision identified in the Shared Service business case. If agreed by Council to be included in the capital plan and programme, detailed proposals will be brought back to cabinet for approval."

3. General Fund prudent level of reserves

- 3.1 Cabinet considered the Revenue Budget Monitoring Report at its meeting of 14 November 2012, which included a recommendation:

"To recommend to Council that the general fund prudent level of reserves is reduced from £5.517m to £4.517m"

- 3.2 The body of the report included supporting text as follows:

"The prudent minimum balance for 2012/13 included a sum of £1m for the NDC, which is now finalised. The prudent level of reserves could therefore be reduced from £5.517m to £4.517m, and Cabinet is asked to recommend this to Council."

4. Summary

4.1 Cabinet recommended that :-

- 1) the Non-Housing Capital Plan 2012/13-2016/17 and Non-Housing Capital Programme 2012/13 be amended by the inclusion of £0.8m for IT investment.
- 2) the General Fund prudent level of reserves 2012/13 be reduced by £1.0m

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Council
Committee date:	27 November 2012
Head of service:	Chief Finance Officer
Report subject:	Capital Budget Monitoring 2012/13
Date assessed:	1 November 2012
Description:	This is the integrated impact assessment for the Amendments to Policy Framework and Budget 2012/13 report to Council

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act</u> 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact			
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment

Positive

None

Negative

None

Neutral

None

Issues

The recommendations of this report are procedural and have no direct consequences. Indirect consequences will be highlighted in subsequent reports to cabinet and the supporting integrated impact assessments