

**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**COUNCIL – TUESDAY, 16 SEPTEMBER 2025**



<b>Title of Report</b>	<b>SUPPLEMENTARY ESTIMATES, VIREMENTS AND CAPITAL APPROVALS</b>	
<b>Presented by</b>	Councillor Keith Merrie Finance and Corporate Portfolio Holder	
<b>Background Papers</b>	<p><b>Council: 20 February 2025</b>  <a href="#">General Fund and Council Tax – 2025/26</a></p> <p><a href="#">Housing Revenue Account (HRA) Budget and Rent Setting- 2025/26</a></p> <p><b>Council: 13 May 2025</b>  <a href="#">Capital Update</a></p> <p><b>Council: 17 June 2025</b>  <a href="#">Supplementary Estimates, Virements and Capital Approvals</a></p> <p><b>Cabinet: 24 June 2025</b>  <a href="#">Supplementary Estimates, Virements and Capital Approvals</a></p> <p><b>Cabinet: 29 July 2025</b>  <a href="#">Supplementary Estimates, Virements and Capital Approvals</a></p> <p><b>Cabinet: 26 August 2025</b>  <a href="#">HRA New Stock Development</a></p> <p><a href="#">Supplementary Estimates, Virements and Capital Approvals</a></p> <p><a href="#">Acquisitional and Disposals – S106 Acquisition</a></p> <p><b>Cabinet: 28 January 2026</b>  <a href="#">Acquisitions and Disposals</a></p>	<b>Public Report: Yes</b>
<b>Financial Implications</b>	<p>The report is to ensure the Council is following good financial governance in line with its Financial Procedure Rules and capital governance arrangements. The financial implications are set out in the report.</p> <p><b>Signed off by the Section 151 Officer: Yes</b></p>	
<b>Legal Implications</b>	S151 of The Local Government Act (1972) states that every Local Authority shall make arrangements for the proper administration of the financial affairs.	

	<p>The Local Government Act (2000) requires Full Council to approve the Council's budget and NW Leicestershire District Council did so in February 2025.</p> <p>S151 of the Local Government Act (1972) makes clear that the Council is responsible for the overall financial administration of the Council and the S151 Officer is responsible for the administration of those affairs.</p> <p>Councils are required to ensure that there is clear separation between capital and revenue budgets.</p> <p><b>Signed off by the Monitoring Officer:</b> Yes</p>
<b>Staffing and Corporate Implications</b>	<p>The Council is managing its capital budgets in a co-ordinated and effective way since the Capital Strategy Group was introduced and changes were made to introduce the development pool and programme of active projects.</p> <p><b>Signed off by the Head of Paid Service:</b> Yes</p>
<b>Purpose of Report</b>	<p>The Financial Procedure Rules in the Constitution describes the procedure in respect of supplementary estimates as set out in Financial Regulation A: Financial Management, paragraphs A26 to A28.</p>
<b>Recommendations</b>	<p><b>THAT COUNCIL APPROVES:</b></p> <ol style="list-style-type: none"> <li><b>1. THE SUPPLEMENTARY ESTIMATES DETAILED IN PARAGRAPH 2.2 WHICH ARE ABOVE £250K AND ARE EXTERNALLY FUNDED; AND</b></li> <li><b>2. THE REVISED CAPITAL PROGRAMMES AS DETAILED IN APPENDICES A AND B, SUBJECT TO CABINET APPROVAL OF THE CAPITAL SUPPLEMENTARY ESTIMATES ON THE 23 SEPTEMBER 2025.</b></li> </ol>

## 1.0 BACKGROUND

- 1.1 Annually, the Council approves its Budget and Capital Programmes in February ahead of the subsequent financial year. The Budget is based on the best available intelligence at that point in time.
- 1.2 However, the external environment within which the Council operates is constantly evolving and during the financial year there can be changes in funding, for example the Council being successful in a grant bid for additional funding or by securing extra resources through partnership working.
- 1.3 These changes in funding, and therefore spending, are required to be managed in line with the Council's Financial Procedure Rules which form part of the Constitution. The delegation levels provide clarity regarding the inclusion of additional resources secured during the financial year that were not included when the Council sets its annual Budget in February.
- 1.4 This report provides an update on additional funds secured during the financial year since the budget was set and requests specific approval of new funds secured of £250,000 or more and new schemes for inclusion into the Capital Programme as set out in 3.0 below. This is in line with the requirements set out in the Financial Procedure Rules.

## 2.0 SUPPLEMENTARY ESTIMATES

- 2.1 A Supplementary Estimate is an addition to the Council's approved budget. In line with the Council's Financial Procedure Rules, a supplementary estimate over £250,000 or more requires Council approval to include it in its Budget.
- 2.2 The following Supplementary Estimates of £250,000 or more have been received and requires Council approval to include in the Council's budget:

Supplementary Estimates	Fund	£	Funded By
Disabled Facilities Grant	General	943,749	Grant
Extended Producer Responsibility Payment	General	432,096	Grant
St John's Ambulance Building (info in paragraph 3.2)	General	270,000	Business Rates Reserve

## 3.0 CAPITAL

- 3.1 As part of the annual Budget in February 2025, the Council agreed its Capital Programme. The budget report set out capital project governance by managing schemes through their project life cycle. In line with the Council's Financial Procedure Rules, which forms part of the Constitution, any new schemes entering the Capital Programme requires Council approval.

### New Schemes (For Approval)

- 3.2 There are two new General Fund schemes that require approval to be added onto the capital programme:

- **Replacement Audit Visual Equipment (Council Chamber) - £27,554**

The Chamber's current audio-visual equipment is reaching the end of its operational life. Over the past several months, there have been repeated instances where the cameras have failed to perform reliably, resulting in disruptions to the quality and continuity of meetings. These technical issues compromise the Council's ability to facilitate clear communication and proper participation, particularly during virtual sessions.

It is essential for the Council to have equipment that ensures both the chamber and individual speakers are consistently visible and audible to all participants, whether present in person or joining remotely. The effectiveness of Council meetings relies upon technology that supports transparency, accessibility, and engagement.

Cabinet will be asked to approve a supplementary estimate to fund the scheme from the Business Rates Reserve on the 23 September 2025.

- **Customer Contact Centre Refurbishment - £17,450**

The Customer Service Centre has highlighted that, in light of recent incidents at the centre, it is imperative that the meeting rooms setup adequately reflects the security needs of customer service officers. The proposed refurbishment includes additional security measures, designed to safeguard staff while incurring minimal cost to the Council. This approach prioritises the well-being of Council officers. Cabinet will be asked to approve a supplementary estimate to fund the scheme from the Business Rates Reserve on the 23 September 2025.

- **St John Ambulance - £270,000**

On 28 January 2025, Cabinet agreed to the purchase of St Johns Ambulance Centre for £270,000, delegating authority to the Strategic Director of Place, in consultation with the Portfolio Holder for Housing Property and Customer Services, to enter into all necessary agreements to complete the transaction. The purchase was finalised on 8 August 2025. As a result, approvals are now required to ensure that the asset is properly accounted for within the Council's capital programme, and to agree a supplementary estimate for the purchase of the property, with funding to be provided from the Council's Business Rates Reserve, as set out in the Cabinet Report of 28 January 2025.

Supplementary Estimates for Existing Schemes (For information only)

- 3.2 Two existing schemes have been updated to reflect supplementary estimates. On 29 July, Cabinet approved an additional £50,000 for the Zero Carbon project and this report is seeking approval for a supplementary estimate to add an additional £943,749 to the existing Disabled Facilities Grant scheme (paragraph 2.2).

Movements from Development Pool to Active Programme (for Information only)

- 3.3 On 20 February, as part of the approval of the Capital Strategy 2025-26, the Council delegated authority to move a capital scheme from the development pool to the active programme as long as the scheme is within the approved budget. Under these powers, Cabinet has approved the following movements:

Fund	Project	Amount	Cabinet Meeting Date
General Fund	Service Road Resurfacing	500,000	24/06/2025
General Fund	Laptop Replacement	92,000	29/07/2025
General Fund	Replacement Windows Server	50,000	29/07/2025
HRA	New Supply	1,963.000	26/08/2025

Policies and other considerations, as appropriate	
Council Priorities:	<ul style="list-style-type: none"> <li>- Planning and regeneration</li> <li>- Communities and housing</li> <li>- Clean, green and Zero Carbon</li> <li>- A well-run council</li> </ul>
Policy Considerations:	The Council's Financial Procedure Rules, sections A24 – A28, set out the details of the virement and supplementary estimates.
Safeguarding:	N/A
Equalities/Diversity:	N/A
Customer Impact:	N/A
Economic and Social Impact:	N/A
Environment, Climate Change and zero carbon:	N/A
Consultation/Community Engagement:	None

Risks:	Non-compliance with any grant conditions. A full assessment is in place as part of the grant process.
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