


<p><b>Cabinet</b></p> <p>8<sup>th</sup> September 2015</p>	
<p><b>Report of:</b> Zena Cooke, Corporate Director of Resources</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Exercise of Corporate Directors' Discretions</b></p>	

<b>Lead Member</b>	<b>Councillor David Edgar, Cabinet Member for Resources</b>
<b>Originating Officer(s)</b>	Alimul Kadir, Accountant - Financial Planning
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	<b>One Tower Hamlets</b>

### **Executive Summary**

This report sets out the exercise of Corporate Directors' discretions under Financial Regulation B10 which stipulates that such actions be the subject of a noting report to Cabinet if they involve expenditure between £100,000 and £250,000.

### **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Note the exercise of Corporate Directors' discretions as set out in Appendix 1.

### **1. REASONS FOR THE DECISIONS**

- 1.1 Financial Regulations require that regular reports be submitted to Cabinet setting out financial decisions taken under Financial Regulation B10.
- 1.2 The regular reporting of Corporate Director's Discretions should assist in ensuring that Members are able to scrutinise officer decisions.

### **2. ALTERNATIVE OPTIONS**

- 2.1 The Council is bound by its Financial Regulations (which have been approved by Council) to report to Cabinet setting out financial decisions taken under Financial Regulation B10.
- 2.2 If the Council were to deviate from those requirements, there would need to

be a good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that Members are kept informed about decisions made under the delegated authority threshold and to ensure that these activities are in accordance with Financial Regulations.

### **3. DETAILS OF REPORT**

3.1 Financial Regulation B10 sets out the Cabinet Reporting Thresholds for the following financial transactions:

- Virements
- Capital Estimates
- Waiving Competition Requirements for Contracts and Orders (Subject to EU threshold)
- Capital Overspends
- Settlement Of Uninsured Claims

3.2 Under Financial Regulation B10, if the transaction involves a sum between £100,000 and £250,000 it can be authorised by the Corporate Director under the scheme of delegation but must also be the subject of a noting report to the next available Cabinet.

3.3 Appendix 1 sets out the exercises of Corporate Directors' discretions, under the stipulations in 3.2 above, that have taken place since the previous Cabinet.

### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

4.1 The comments of the Chief Financial Officer have been incorporated into the report and Appendix.

### **5. LEGAL COMMENTS**

5.1 The report sets out the individual exercises of Corporate Directors' Actions for noting by Cabinet, as required by Financial Regulation B10.

5.2 Internal guidelines have been published setting out the process by which Records of Corporate Directors' Actions are completed. These specify that the proposed action must be in accordance with the Council's Financial Regulations and its Procurement Procedures. There are limited circumstances in which waiver of the Procurement Procedures is permissible and the guidelines reinforce that waiver should not be sought as a substitute for proper planning.

5.3 Each director's action requires prior authorisation by the relevant service head, the responsible procurement officer, the directorate finance manager, and the chief legal officer before agreement by the corporate director. A template form is completed to record each director's action and these Records of Corporate Directors' Actions (RCDAs) must be maintained by each directorate. The legal implications of each of the individual decisions are

provided as part of the decision making process and are recorded on the relevant RCDA.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

6.1 This report is concerned with the notification of officers' discretions under Standing Orders and has no direct One Tower Hamlets implications. To the extent that there are One Tower Hamlets Considerations arising from the individual actions, these would have been addressed in the records of each action.

## **7. BEST VALUE (BV) IMPLICATIONS**

7.1 Best Value implications associated with each of the Corporate Directors' discretions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process which led to the decision.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

8.1 There are no Sustainable Action for A Greener Environment implications arising from this report.

## **9. RISK MANAGEMENT IMPLICATIONS**

9.1 The risks associated with each of the Corporate Directors' discretions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process which led to the decision.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

10.1 There are no Crime and Disorder Reduction Implications arising from this report.

## **11. SAFEGUARDING IMPLICATIONS**

11.1 Safeguarding risks or benefits associated with each of the Corporate Directors' discretions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process which led to the decision.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- None

### **Appendices**

- Appendix 1 – Exercise of Corporate Directors' Discretions under Financial Regulation B10

**Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- None

**Officer contact details for documents:**

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