Committee	Date	Classification	Report No.	Agenda Item No.
Extraordinary General Purposes Committee	**10th April 2013**	**Unrestricted**		

Report of:	Title:
Service Head – Democratic Services Acting Corporate Director (Resources)	**Review of Virement Rules- Follow-up Report**
Originating Officer(s): **John Williams** **Chris Holme**	Ward(s) affected: **All**

Reasons for Urgency

This report was not circulated with the Committee agenda nor available for inspection within the timescales set out in the Authority's constitution because of the short period available to compile the report following the meeting of the General Purposes Committee on 27th March 2013. The report is nevertheless recommended for consideration at this meeting in order to ensure that there is no delay to the review of Virement Rules agreed by Members in accordance with the decision of the Council.

1. SUMMARY

1.1 General Purposes Committee on 27th March considered a report on the review of virement rules relating to the Council's budgets. 'Virement' is the process of transferring resources from one budget to another where the object is to change the purpose for which the funding is applied.

1.2. The Committee agreed;

1.2.1. That the Committee is minded to recommend to full Council that it amend the Authority's Constitution to change the level at which virements need to be agreed by full Council from £1 million to £200,000;

1.2.2. That the Committee is minded to recommend that full Council delegates its power to approve virements to the Overview and Scrutiny Committee to discharge on full Council's behalf;

1.2.3. That any such constitutional change would include a point in the Terms of Reference for the Overview and Scrutiny Committee granting them the power to refer a decision of the approval of a virement to full Council should they deem it necessary;

1.2.4.. That officers be requested to identify and draft the necessary changes to the constitution in order to facilitate the above; that it be requested that a report detailing these changes, and officers assessment of the impact they would have, be brought to an extraordinary GP Committee to be convened on 10th April 2013 at 6.30pm. This would be to allow the full Council meeting on the 17th of April 2013 to consider the issue and make a decision that remains in place until the full Council meeting on 26th June 2013; and

1.2.5. That the Local Government Association and London Councils be asked to consider the issue of virement rules as part of their current governance review at Tower Hamlets.

1.3. Statutory guidance applies to the arrangements for agreeing the Council's budget framework and financial procedures and it is necessary to assess any proposed change in the context of that guidance and the advice of the statutory officers.

1.4. This report sets out the practical implications of introducing a delegated virement limit of £200,000 as proposed at the last meeting. The Constitutional changes to provide a decision making body, namely the General Purpose Committee, have been drafted and are attached at Appendix C.

1.5 Committee also agreed to ask the Chartered Institute of Public Finance and Accountancy (CIPFA) to help identify and appoint a suitable qualified and experienced practitioner to act as the independent advisor to the working group. This report sets out the proposed timetable and terms of reference for the review.

2. RECOMMENDATIONS

2.1 That the committee note the actions taken to establish a review of virement delegations.

2.2. That General Purposes Committee recommends to the Council that virement limits are temporarily changed until full Council on 26th June and that the Constitution is temporarily amended until full Council on 26th June 2013 as provided in Appendix C to reduce the virement limit to:-

Option 1 £200,000;
Option 2 a level between £250,000 and £1,000,000; or
Option 3 leave the limit at £1,000,000 pending the outcome of the review;

and in the case of Option 1 and 2 to make provision for dealing with emergencies as also set out in Appendix C.

3. BACKGROUND AND STATUTORY GUIDANCE

3.1 Virement rules are a key part of a Council's budget arrangements and are essential for the effective and efficient management of the authority. It is a matter for the Full Council to decide, on the advice of General Purposes Committee, how its Constitution should be framed in relation to the delegated powers relating to virement. In framing these rules, the General Purposes Committee and Full Council must take account of statutory guidance and other relevant considerations. Officers' objective in supporting the Full Council to make these decisions is to enable Members to take into account all relevant matters and to discard all irrelevant matters so as to arrive at a solution which is within the law and allows for the efficient and effective management of public resources.

3.2 Statutory Guidance issued by the Secretary of State in connection with the Local Government Act 2000 is set out at Appendix A.

3.3. The general tone of the guidance is enabling. It expresses the view that authorities should enable the executive (ie in Tower Hamlets, the Mayor) to take any decision which is contrary to or not wholly in accordance with the budget providing that any additional costs incurred can be offset by additional income, funds or savings. The rules should take account of the need for urgent action to be taken. Furthermore authorities should not set their budget plans or financial regulations so narrowly as to require too many Full Council meetings.

3.4. CIPFA's guidance "Financial Regulations – A Good Practice Guide for English Modern Authorities" (which does not, however, recommend particular financial limits) defines the scheme of virement as "intended to enable the executive, chief officers and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the full council, and therefore to optimise the use of resources".

3.5. The spirit of guidance is that the financial rules in relation to flexibility over the budget should be established for the purposes of efficient and effective management of the Council's resources. Nowhere does guidance indicate that the purpose of the rules should be to exercise political control over the Executive.

4. TOWER HAMLETS' EXISTING VIREMENT RULES

4.1 The Council's existing virement rules are set out in the Financial Procedure Rules at part 4.6 of the Constitution as follows:-

"3. VIREMENT RULES

3.1 These rules aim to allow the Executive to manage the budget once it has been approved by Council, whilst also providing for good governance of financial matters.

3.2 A virement is the transfer of resources from one budget head to another, during a financial year. It is thus the financial consequence of a change in priority of service delivery or in the means by which services are delivered. It can also be the use of resources provided within the budget framework but which are not allocated for any specific purpose e.g. unallocated contingency. A virement will naturally flow from, and be part of, a decision.

3.3 The Executive shall have the power to vire resources within each of the above components of the Budget Framework agreed by Council, subject to the following limitations:

3.3.1 All individual virement proposals that exceed £1 million require the approval of full Council.

3.3.2 Individual virements between £250,000 and £1 million must be reported to the Cabinet for decision.

3.3.3 Individual virements below £250,000 can be authorised by the relevant Corporate Director/Chief Officer provided that any virement so authorised which exceeds £100,000 must be subsequently reported to the Cabinet for noting.

3.3.4 No virement to or from the following budgets (irrespective of the amount proposed) shall be made without the specific agreement of the Corporate Director, Resources:

(i) Capital Financing (not normally available for virement)

(ii) Support service and other forms of internal charges (to avoid unintended impact upon other departments' budget).

(iii) Rates (to ensure compliance with rating legislation).

(iv) Insurance (to ensure compliance with insurance policies).

(v) Pensions (to ensure compliance with Pensions regulations).

3.4 Virements between Departments

The use of resources from one department to finance activities in another must be authorised by the Council or the Cabinet (depending on the level of resources involved) but the decision should only be made after advice from the relevant Corporate Directors and the Corporate Director Resources. However, where the responsibility for a service(s) is merely transferred from one department to another, the consequent transfer of budget resources is not deemed to be a virement for the purposes of these Rules.

3.5 Virements – Non-Financial Consequences

The virement Rules refer only to the financial consequences of proposals and decisions by the Executive. However, such proposals and decisions can also impact upon services and upon the community. This needs to be acknowledged when determining the procedural arrangements for those proposals and decisions, for example they may represent a "key decision"."

5. COMPARISON WITH OTHER SIMILAR AUTHORITIES

5.1. A brief exercise has been carried out to compare Tower Hamlets' current arrangements with those of the majority of other London Boroughs. This information is based on a desk-top exercise and further work would need to be done as part of the proposed review but comparison with London Boroughs is most appropriate because they are closest in their nature and complexity to this authority. Particular attention should perhaps be paid to the other three Inner London authorities that operate within a Mayoral model; Hackney, Lewisham and Newham.

5.2. The table at Appendix B sets out the rules that London Boroughs adopt in relation to virement decisions by Full Council. Three main points arise;

- There are essentially two approaches that Councils adopt. One is to set a financial limit above which virement decisions must be referred to Full Council. The other is to base these referrals on the Council's budget & policy framework as set out in its Constitution, without setting a specific limit. In these authorities, the decision is presumably taken on the basis of whether the decision materially departs from the budget & policy framework approved by the Council.

- Among those authorities which adopt a financial limit, £200,000 would be the lowest in London. Only two authorities, Hillingdon and Richmond, both Outer London Boroughs (with significantly smaller budgets than Tower Hamlets) currently have a limit of £250,000.

- Of the three other authorities with a Mayoral model, one does not use a financial virement limit and the other two have a limit of £500,000 above which the matter is reserved for Full Council.

5.3. Whichever method is adopted, the concern of Full Council should be to ensure that decisions taken by the Executive are in accordance with the Budget & Policy Framework, and the use of a financial limit is at least in part a proxy to identify those larger issues which are more likely to have a policy implication.

5.4 In making a decision on the appropriate limit factors which should be taken into account are the ratios of the virement limits to the overall budgets and the need for speedy authorisation of unplanned expenditure.

6. PRACTICE IN TOWER HAMLETS

6.1. The authority does not currently maintain a central register of all virements, on the basis that detailed financial management decisions are clearly delegated to Corporate Directors. An exercise is currently being undertaken to identify the typical level of virements that take place at various monetary levels in the course of a year. Initial indications are that a delegated virement limit of £200,000 could result in Full Council being required to take several such decisions at each ordinary meeting of the Council unless the power is delegated in some way. This would add to the decision-making requirements on Full Council and compress further the already limited time available for policy debate and/or lead to a requirement for additional meetings of the full Council..

6.2. A number of other practical issues would arise from a virement limit set at £200,000,

6.2.1. The current upper limit for virement delegated to Corporate Directors is £250,000. Adopting a virement limit for Full Council of £200,000 therefore automatically reduces officers' delegation limit and removes the delegated authority given to the Mayor and Cabinet. In view of the statutory guidance that the financial rules should enable the Executive to take decisions, it would be inappropriate to let this happen. This therefore implies the need for a wider-ranging look at the virement rules which the planned review will cover.

6.2.2. The decision of the last General Purposes Committee indicated that Overview & Scrutiny Committee might be considered to have a role in the approval of virements. The role of O&S as set out in the Constitution is to:

(i) Review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions.
(ii) Advise the Mayor or Cabinet of key issues/questions arising in relation to reports due to be considered by the Mayor or Cabinet.
(iii) Make reports and/or recommendations to the full Council and/or the Mayor or Cabinet in connection with the discharge of any functions.
(iv) Consider any matter affecting the area or its inhabitants.
(iv) Exercise the right to call in for reconsideration decisions made but not yet implemented by the Executive.
(v) Refer any report it receives with implications for ethical standards to the Standards Committee for its consideration.

The Local Government Act 2000, section 21 (4) states that an Overview and Scrutiny Committee may not discharge any functions of the authority other than the overview and scrutiny functions listed in that section.

It would therefore be inappropriate for the Overview & Scrutiny Committee to be involved in taking Executive decisions other than in a scrutiny and advisory context as this would compromise the Committee's

independence in regard to scrutiny matters. For example, O&S would not be in a position to call a call in of its own decision in relation to a virement. Although it might be appropriate to identify another Committee with executive powers to play a role in the virement process, it is not considered that O&S would be the right forum. In the light of this, officers have drafted changes to the constitution to appoint General Purposes Committee to approve virements over the limit that is set.

6.2.3. The statutory guidance makes particular mention of emergency actions. The current Constitution does not contain specific reference to emergency powers for officers because it is considered that the financial rules provide sufficient flexibility for this to be an issue. If the virement limit for Council was reduced, however, it would be necessary for Full Council to consider whether the Constitution should provide for specific emergency powers for officers to act without calling a Full Council meeting and this would need to be part of the review. As part of the temporary arrangements the amendments to the constitution provide that this will be General Purposes Committee which can be called at short notice.

6.3. As set out in Section 5, a number of other London Boroughs do not set explicit financial limits for virement but base their delegations solely on considerations around the Budget & Policy Framework. The significance of this is that Full Council should be more concerned about virements that involve significant changes in policy priority than those that are simply concerned with rebalancing budgets during the financial year. The London Borough of Harrow recognises this by setting different rules for virements which are permanent – ie more likely to reflect a policy change - from those which are temporary. There are, in practice, many different ways of managing virements which need to be considered as part of the review.

7. REVISED CONSTITUTIONAL ARRANGEMENTS

7.1. The last General Purposes Committee asked officers to prepare draft changes to the Constitution to be implemented at the next Full Council meeting. As there has only been a short time available an initial draft of the Constitutional Amendments has been prepared. It should be noted that these amendments to the constitution have not gone through the normal consultation process.

7.2. The report gives Members three options to set a temporary virement limit until consideration of the review at Council on 26th June 2013. The practical difficulties of reducing the limit to £200,000 (Option 1) are set out in the report as it would be the lowest limit of all the London Boroughs and is unlikely to satisfy the requirements of the statutory guidance in allowing urgent actions to be taken. In officers' view an urgency procedure would be required if this option was taken in order to ensure that the Council could act expeditiously in the event of emergency.

Option 2 would reduce the current delegated limit to a level between £250,000 and £1,000,000, a level more commensurate with the current virement arrangements than Option 1 and more consistent with that of other London Authorities. A level set above £250,000 would allow for the executive to have a higher level than officer authorisation. In recommending a level, should it choose to do so, the Committee should have due regard to the guidance and consider the need for an urgency procedure.

Option 3 is the 'do nothing' option and requires no changes to be made to the Constitution pending consideration of the review.

7.3 In all three options, any virement over the limit chosen would be referred to General Purposes Committee for a decision. This is likely to require additional meetings but the frequency and practicality of this can be reassessed and considered as part of the review.

8. THE PROPOSED REVIEW

8.1 Any change to the virement rules represents an amendment to the Council's Constitution. Article 15.02 of the Constitution states that "Changes to the Constitution will only be approved by the full Council after consideration of the proposal by the Monitoring Officer." In addition the Chief Finance Officer has a statutory role to advise the Council on financial management matters.

8.2 The Council has previously decided that a working group shall be established comprising a representative of the Executive, the majority and the other political groupings, senior officers and an independent adviser to undertake a review of the Council's budget making and virement arrangements and make recommendations.

8.3 The Acting Corporate Director, Resources has taken steps to initiate this review. CIPFA have been asked to suggest suitable practitioners, with experience at the highest executive level of running a large public organisation, to act as the independent adviser. Nominations are sought from the Mayor and Political Groups of Councillors to join the working group along with the statutory officers to undertake the review.

8.4 As agreed by the Council, the terms of reference for the review will be to consider the budget making and virement arrangements of the Council and make recommendations to the Council through the appropriate channel.

8.5 The proposed timescale and process for the review would be as follows:-

- 27 March 2013: Officer report to General Purposes Committee
- 10 April/17 April 2013: Extraordinary GP Committee/Council meeting
- April 2013: Officers to consult with independent adviser to scope the review, research best practice, benchmarking, legal advice etc.

- April/May – Working Group to formulate recommendations

- Final proposals to General Purposes Committee 16th June and Council 26th June 2013.

9. OFFICER COMMENTS FROM COUNCIL REPORT OF 25TH JANUARY 2012

9.1 As set out above, The Council has previously decided that a working group would be established comprising a representative of the Executive, the majority and the other political groups, senior officers and an independent adviser to undertake a review of the Council's budget making and virement arrangements and make recommendations.

10. COMMENTS OF THE CHIEF FINANCIAL OFFICER

10.1. The report sets out options for the financial delegation limit set by Full Council. The main practical issues arising are set out in the report, as are the factors that the Committee should take into account in coming to a decision.

10.2. The process of transferring resources from one purpose to another ('virement') is a process normally concerned with the effective management of the Council's resources over the course of a year and is consequently normally an executive decision. Budget transfers which may have a significant policy implication are identified in Tower Hamlets' Constitution by setting a financial limit above which decisions are not delegated. Under all of the options set out in the report this would remain for Full Council at £1m.

10.3. Options 1 and 2 would delegate virements below the current threshold of £1m which are currently undertaken by the Mayor to a Committee of the Council, proposed to be General Purposes Committee. Under Option 2, the option to retain some delegation to the Mayor is available and this would be consistent with current practice and with statutory guidance.

10.4. Where a lower delegated limit is adopted, it is important that emergencies are properly catered for so that constitutional decisions can be taken without reference to Committee. In the absence of such provisions, and assuming that it is simply not possible in some instances not to respond to emergencies. Officers may find themselves in the position of having to take an unconstitutional decision in order to incur expenditure and this would be an unfair position in which to place officers.

10.5. The report contains comparative information on the practice of other London authorities and indicates that there are a variety of options for dealing with policy changes within the budget which it has not been possible to explore fully in the time available. The review that the Committee has commissioned should take account of these options and consequently the changes that the Committee

agrees to recommend to Council this evening should only be considered as temporary pending the wider ranging review.

11. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

11.1 In considering a review of the virement limits, there are a number of legal issues members need to consider.

11.2 The Council is under a statutory duty under section 151 of the Local Government Act 1972 to make arrangements for the proper administration of financial affairs

11.3 In all its decision making the Council must act reasonably (usually called the Wednesbury reasonableness test arising from a 1947 case which remains good law). That test is

- in making that decision, has the decision making body taken into account factors that ought not to have been taken into account, or
- did it fail to take into account factors that ought to have been taken into account, or
- the decision was so unreasonable that no reasonable authority would ever consider imposing it.

Failure to act reasonably can result in a judicial review action being brought against the authority.

11.4. The Guidance referred to in paragraph 3.2 requires the Council to make reasonable provision to allow the executive to reallocate moneys within the budget or to allow the executive to make necessary urgent decisions without reference to full Council. This is guidance and does not have the force of law but the Council is obliged to have due regard to it and to comply with it unless there is good reason (which must be stated) for any significant departure from it.

11.5 The Council previously decided to set up a working group to review the limits and this would provide an opportunity to

- compare the limits with other boroughs who have a similar sized budget and
- consider the guidance in paragraph 3.2
- take into account best practice in setting virement limits.

This would enable the working group to devise reasoned proposals for consideration by full Council. It would also ensure that all necessary factors are taken into account so the Wednesbury reasonableness test can be satisfied

12. IMPLICATIONS FOR ONE TOWER HAMLETS

12.1 There are no direct One Tower Hamlets implications arising from the matters covered in this report.

13. RISK MANAGEMENT IMPLICATIONS

13.1 Appropriate virement arrangements and financial procedures play a key part in the avoidance of risk by enabling flexibility for the council to respond quickly to service and other needs.

14. STRATEGIC ACTION FOR A GREENER ENVIRONMENT (SAGE)

14.1 There are no direct SAGE implications arising from the matters covered in this report.

15. IMPLICATIONS FOR THE REDUCTION OF CRIME AND DISORDER

15.1 There are no direct implications for the reduction of crime and disorder arising from the matters covered in this report.

LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT

Brief description of "background paper"	**Name and telephone number of holder and address where open to inspection**

No unpublished background papers have been relied upon to a material extent in the preparation of this report.

Appendix A

NEW COUNCIL CONSTITUTIONS: GUIDANCE TO ENGLISH AUTHORITIES (EXTRACT)

"MOVING MONIES BETWEEN BUDGETARY ALLOCATIONS

2.40 Once the budget has been adopted by the full council, the executive will need to be able to respond quickly to changing circumstances which might require reallocation of funds from one service to another. A local authority's standing orders or financial rules/regulations will need, therefore, to include reasonable provision to allow the executive to reallocate monies within the budget. These provisions will also need to allow for situations where the executive needs to make an urgent decision which would otherwise be contrary to the budget without reference to the full council (see below).

2.41 The Secretary of State recommends that provisions in a local authority's standing orders or financial rules/regulations should enable the executive to take any decision which is contrary to or not wholly in accordance with the budget or the capital plan providing that any additional costs incurred can be offset by additional (unforeseen) income, contingency funds ('reserves' and 'balances') or savings from elsewhere within the budgetary allocations to functions which are the responsibility of the executive. The Secretary of State advises that provisions in a local authority's standing orders or financial rules/regulations should not enable the executive to incur additional expenditure which cannot be offset in these ways without reference to the full council.

2.42 Local authorities will need to consider whether an upper limit to such virement should be set (either as an absolute amount or as a percentage of the budgetary allocations involved). Local authorities may also wish to consider different upper limits for different service allocations particularly where funds are ring-fenced, e.g. by central Government. The upper limit(s) for urgent decisions will usually need to be set higher than for non-urgent decisions.

2.43 In setting such limits local authorities should take account of the provisions in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 which require that if the executive is minded to determine a matter contrary to or not wholly in accordance with the budget/capital plan and any provisions made in standing orders or financial rules/regulations that decision must be taken by the full council. Therefore, if in its standing orders or financial rules/regulations the local authority sets the executive's freedoms too narrowly this will require very many full council meetings.

2.44 In addition, a local authority's standing orders or financial rules/regulations should include mechanisms for moving monies

between budgetary allocations for functions which are the responsibility of the executive and budgetary allocations for functions which are not the responsibility of the executive."

Appendix B

London Boroughs – Virement rules relating to Full Council

Key

BPF = Budget & Policy Framework

Authority	Full Council Limit	Up to this level	
Barking & Dagenham	None - BPF only	Cabinet	
Barnet	Lower of 10% of Directorate budget or £2.5m		
Bexley	£1,000,000		
Brent	None - BPF only	Officers	
Bromley	N/K		
Camden	N/K		
Croydon	None - BPF only		
Ealing	N/K		
Enfield	N/K		
Greenwich	N/K		
Hackney	None - BPF only	Cabinet	*
Hammersmith & Fulham	None - BPF only	Cabinet	
Haringey	None - BPF only	Cabinet	
Harrow	Any permanent virement which creates an ongoing financial commitment over and above the approved budget. Any temporary virement over £500,000	Cabinet	
Havering	None - BPF only	Cabinet	
Hillingdon	£250,000		
Hounslow	None - BPF only	Officers/ Cabinet Member	
Islington	None - BPF only	Executive	
Kensington & Chelsea	None - BPF only	Cabinet	
Kingston	None - BPF only	Policy & Resources Cttee (£100k)	
Lambeth	£500,000	Cabinet/ Committee/ Officers	
Lewisham	£500,000	Executive Directors	*
Merton	None - BPF only		
Newham	£500,000	Executive	*
Redbridge	None - BPF only	Cabinet	
Richmond	250,000	Cabinet	

Southwark	£10,000,000	Cabinet	
Sutton	None - BPF only	Strategy & Resources Cttee (£500k)	
Tower Hamlets	£1,000,000	Mayor	*
Waltham Forest	N/K		
Wandsworth	Over 50% of forecast reserves	Executive	
Westminster	None - BPF only	Leader or Cabinet	

* Authorities operating a Mayoral model of government

Summary table

No limit – BPF rules apply	15
£10m	1
£2.5m	1
£1m	2
£500k	3
£250k	2
£0k	1
Other	1
	26

APPENDIX C

Proposed temporary amendments to the Council's Constitution to facilitate revised Virement arrangements
(Revised wording in italics)

Section of Constitution	**Proposed amendments to apply until 26th June 2013**		
	Option 1 (Virement limit of £200k)	**Option 2** (Virement limit of between £250k-£1m)	**Option 3** (Virement limit of £1m)
Part 3.3.6 – General Purposes Committee	Insert new function (vi):- "*On behalf of the Council to approve any proposal made by the Executive or a Chief Officer in accordance with the Financial Procedure Rules for a virement of money in excess of £200k. The Committee may at its discretion refer any such virement to the full Council for decision*." Renumber remaining paragraphs as (vii) and (viii).	Insert new function (vi):- "*On behalf of the Council to approve any proposal made by the Executive or a Chief Officer in accordance with the Financial Procedure Rules for a virement of money in excess of [insert sum proposed between £250k and £1m]. The Committee may at its discretion refer any such virement to the full Council for decision*." Renumber remaining paragraphs as (vii) and (viii).	No change required
Part 3.9.1 – Scheme of Management: Part A - Corporate Delegations Other matters Part 7 'Managing Budgets':	Part 7 'Managing Budgets'. Amend the notes to item 7.3 'Authorising virements between approved service budgets' to read: "Up to *£200k* under delegated authority."	No change required	No change required
Part 4.6 – Financial Procedure Rules. Section 3 'Virement Rules'	3.3.1: Amend to read:- "All individual virement proposals that exceed *£200k* require the approval of the Council *or a committee to which the Council may from time to time delegate this*	3.3.1: Amend to read:- "All individual virement proposals that exceed *[insert sum proposed between £250k and £1m]* require the approval of the Council *or a committee to which the Council*	No change required (unless the committee wishes to include the proposed new emergency power at 3.6 for this option)

	function." 3.3.2 Delete this paragraph [which currently provides that 'Individual virements between £250k and £1m must be reported to the Cabinet for decision.'] 3.3.3: Amend to read:- "Individual virements below *£200k* can be authorised by the *Mayor or* relevant Chief Officer provided that any virement so authorised *by a Chief Officer* which exceeds £100k must be subsequently reported to the Cabinet for noting." Insert new para 3.6:- "Emergency powers of the Head of Paid Service: - The Head of Paid Service may authorise a virement of any amount where it appears to him that this is necessary to ensure public safety or to protect the interest of the Council or the borough. Any virement agreed by the Head of Paid Service in accordance with this provision shall be reported for information to the next Ordinary Council Meeting including the amount of the virement, the budget heads affected and the reason(s) for urgency.	*may from time to time delegate this function.*" 3.3.2 If the sum proposed is in excess of £250k, amend to read:- "Individual virements between £250k and *[insert sum proposed]* must be reported to the Cabinet for decision.' Otherwise, delete the paragraph. 3.3.3: Amend to read:- "Individual virements below £250k can be authorised by the *Mayor or* relevant Chief Officer provided that any virement so authorised *by a Chief Officer* which exceeds £100k must be subsequently reported to the Cabinet for noting." Insert new para 3.6:- "Emergency powers of the Head of Paid Service: - The Head of Paid Service may authorise a virement of any amount where it appears to him that this is necessary to ensure public safety or to protect the interest of the Council or the borough. Any virement agreed by the Head of Paid Service in accordance with this provision shall be reported for information to the next Ordinary Council Meeting including the amount of the virement, the budget heads affected and the reason(s) for urgency.	