

Committee: Overview and Scrutiny Committee	Date: 04 June 2013	Classification: Unrestricted	Report No:	Agenda Item:
Report of: The Mayor and Executive Originating officer(s) Matthew Mannion, Committee Services Manager		Title: Executive Response to questions relating to budget virement decisions Wards Affected: All Wards		

1. **SUMMARY**

- 1.1 On 25 March the Executive Mayor published decisions to vire funds to maintain publication of East End Life until a review had been completed and to maintain funding for the Mayor's Office whilst considering his options for that service. These decisions were called in and reviewed at the Overview and Scrutiny Committee meeting held on 9 April.
- 1.2 Whilst reviewing the decisions, the Overview and Scrutiny Committee requested a report back to them on whether the decisions were in contravention of the authority's Budget and Policy Framework and on the validity of the Mayor's determination that the decisions were Key Decisions.
- 1.3 Reports on those issues were prepared by the Monitoring Officer and the Section 151 Officer and considered by Cabinet on 8 May 2013. Following Executive consideration those reports are now submitted to the Overview and Scrutiny Committee for its consideration

2. RECOMMENDATIONS

The Overview and Scrutiny Committee is recommended to:-

- 2.1 To note the Executive response to reports attached at Appendices 1 and 2.

3. **BACKGROUND**

- 3.1 The original Executive Mayoral Decisions to vire funding to East End Life and the Mayor's Office to allow for review periods were published on 26 March 2013. Both decisions were subsequently called-in.
- 3.2 The Overview and Scrutiny Committee considered the call-ins at its meeting on 9 April 2013 and, supporting the call-ins, referred both decisions back to the

Mayor for further consideration. The Mayor confirmed his original decisions on 17 April 2013.

4. BODY OF REPORT

4.1 During discussion of the call-ins on 9 April, the Overview and Scrutiny Committee Members requested a report from officers as to whether the decisions were contrary to the Council's Budget and Policy Framework and for consideration as to the validity of the decision by the Mayor that both decisions were Non-Key Decisions.

4.2 This request was made under the Budget and Policy Framework Procedure rules paragraph 7.2 which follows the statutory regulations as set out in the attached reports.

4.3 The reports in response to the request were, as required under the procedure in the constitution, presented to the Mayor and Cabinet on 8 May 2013 to consider and to allow a report back to Overview and Scrutiny to be prepared.

4.4 The Decision Sheet of the meeting of Cabinet on 8 May 2013 records that:

The Mayor considered two tabled reports by the Monitoring Officer and Section 151 Officer in relation to Individual Mayoral decisions taken to vire money to provide funding to (a) East End Life and (b) the Mayor's Office.

AGREED

1. The two reports confirm that the Mayoral decisions were not in breach of the Budget and that I had taken the appropriate considerations into account in respect of my decision that they were not 'key decisions'. The Executive accepts the reports and has nothing further to add. I ask that the officers prepare a report for submission to the next Overview and Scrutiny Committee meeting confirming this response.

4.5 This covering report has therefore been prepared to allow the response of the Executive to the reports of the Monitoring Officer and Section 151 Officer to be presented to the Overview and Scrutiny Committee. The reports are attached at Appendices 1 and 2.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

5.1 The attached reports were prepared by the Section 151 Officer in conjunction with the Monitoring Officer and contain his full comments.

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

6.1 The attached reports were prepared by the Monitoring Officer in conjunction with the Section 151 Officer and contain her full comments.

6.2 There is no further process under the constitution in respect of the reports as the reports have concluded these were in accordance with the financial rules of the constitution and therefore authorised by the Executive Mayor

7. ONE TOWER HAMLETS CONSIDERATIONS

7.1 None directly related to this report.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 Not applicable to this report.

9. RISK MANAGEMENT IMPLICATIONS

9.1 Any risk management issues in relation to the decisions are dealt with in the attached appendices.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 Not applicable to this report.

11. EFFICIENCY STATEMENT

11.1 Not applicable to this report.

**Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report**

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
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None	N/A
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12. APPENDICES

Appendix 1 – Virement report – East End Life
Appendix 2 – Virement report – Mayor’s Office
