


<b>Cabinet</b> 05 November 2014	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Corporate Director Resources	<b>Classification:</b> Unrestricted
Exercise of Corporate Directors' Discretions	

<b>Lead Member</b>	Councillor Alibor Choudhury, Cabinet Member Resources
<b>Wards affected</b>	All
<b>Community Plan Theme</b>	One Tower Hamlets
<b>Key Decision?</b>	No

### Executive Summary

This report sets out the exercise of Corporate Directors' discretions under Financial Regulation B8 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:

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 Council/Committee setting out financial decisions taken under Financial Regulation B8.
- 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 Council/Committee setting out financial decisions taken under Financial Regulation B8.
- 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 B8 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 B8, 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 2.2 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 B8.

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 Procedure is permissible and the guidelines reinforce that waiver should not be sought as a substitute for proper planning. All proposed actions where the value exceeds £100,000 are required to be agreed with the Mayor prior to sign off and approval by the corporate director.

5.3 Each director's action requires prior authorisation by the relevant service head, the head of procurement, the chief finance officer and the monitoring 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 the 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. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

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

## **8. RISK MANAGEMENT IMPLICATIONS**

8.1. 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 lead to the decision.

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

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

## **10. EFFICIENCY STATEMENT**

10.1 The works referred to in the report will be procured in line with established practices, taking account of best value.

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

#### **Linked Report**

- None

#### **Appendices**

- Appendix 1 – Exercise of Corporate Directors' Discretions under Financial Regulation B8

#### **Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000**

#### **List of "Background Papers" used in the preparation of this report**

- Record of Corporate Director's Actions

#### **Officer contact details for documents:**

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**Originating Officers and Contact Details**

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