

**PROPOSED CHANGE – GENERAL RULES**

**PART 3 – RESPONSIBILITY FOR FUNCTIONS**

**3.3 POWERS OF MEMBERS OF THE CORPORATE MANAGEMENT TEAM**

**Financial Responsibilities**

- (a) To incur expenditure within the revenue and capital budgets for their allocated portfolio as approved by the Council, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.
- (b) To oversee the delivery of programmes agreed by Council and Cabinet.
- (c) In consultation with the relevant Cabinet Member to apply for, accept and manage external funding up to a limit of £500,000 per grant in support of any function within their Directorate provided that any financial contributions by the Council are made from within existing budgets.
- (d) To authorise the making of ex gratia payments up to the limit specified from time to time by the Head of Finance & Procurement to individuals where the Local Government Ombudsman has recommended that such payment be made in local settlement of a complaint.

**3.4 POWERS OF ASSISTANT DIRECTOR AND HEADS OF SERVICE**

**General Powers**

- (c) To manage buildings and facilities under their control including letting, hiring or otherwise permitting the use of such premises and property for occasional purposes, and to dispose of obsolete, worn out and surplus stores, plant, equipment and vehicles, ensuring that value for money is obtained on all asset disposals.

**Financial Responsibilities**

- (a) To incur expenditure within the revenue and capital budgets for the relevant service as approved by the Council, subject to any variation permitted by the Council's contract and financial procedure rules.
- (b) To implement any approved financial programme, including the authorisation of expenditure and procurement of goods and services.
- (c) To implement approved fees, charges, rents etc and to ensure that proper arrangements exist for their collection.
- (d) In consultation with the relevant Cabinet Member, to apply for, accept and manage external funding up to a limit of £250,000 per grant in support of any function within their service provided that any financial contributions by the Council are made from within existing budgets.

### **3.7 FUNCTIONS RELATING TO THE FINANCE & COMMERCE GROUP OF SERVICES**

#### **3.7.1 Group Director Finance & Commerce**

(d) To manage the Council's loan debt, investments, and temporary investments, pension scheme and pension fund, insurance fund, act as registrar of loan instruments, manage all banking arrangements including numbers and types of accounts and arrange insurance of property and the selecting and accepting of tenders for insurance cover and related services which are considered to offer best value for the Council promoting good risk management practices at all times.

#### **3.7.3 Head of Finance & Procurement**

(a) To instruct the Council's insurers and, upon their advice, to negotiate and settle insurance claims up to maximum of £145,000 for motor insurance, £147,750 for liability insurance, and £50,000 for property insurance.

(b) To review and, if necessary, amend the limits in (a) above on an annual basis, following discussion with the Council's insurers.

## **PART 4 – RULES OF PROCEDURE**

### **FINANCIAL PROCEDURE RULES**

#### **Financial Systems & Procedures**

##### **15 Banking arrangements and cheques**

The Group Director Finance & Commerce must be notified of all bank accounts operated by any of the Council's employees in connection with the business of the Council or funds held by the Council on behalf of others. All bank accounts must comply with the Council's investment principles set out in the Treasury Management Strategy approved by Council.

## VIREMENTS AND KEY DECISIONS

### PART 3: RESPONSIBILITY FOR FUNCTIONS

#### 2.2 CORPORATE FUNCTIONS

##### Finance

(a) To take decisions on all matters relating to the Council's finances including but not exclusively:

(vii) virements £1 million or more

(viii) virements between services over £250,000 and up to and including £999,999

#### 2.5 The following Functions may be delegated to individual Cabinet members by the Leader.

(m) To consider reports on the exercise of virement, within the Budget Framework Procedure Rules and/or Financial Procedure Rules set out in Part 4 of this constitution.

(u) To approve individual virements within a service above £250,000 up to and including £999,999.

### PART 4 : RULES OF PROCEDURE

#### EXECUTIVE PROCEDURE RULES

##### Key decisions

(a) A key decision is an Executive decision which is likely

(i) to result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates. For this purpose "significant" is defined as:

(a) in excess of £500,000 or

(b) in excess of 10% of the gross controllable budget at Head of Service/Assistant Chief Executive level (subject to a minimum value of £250,000)

whether relating to revenue expenditure/savings or capital expenditure.

##### Financial Procedure Rules

#### 6 Budget Virements

Budget virements are required when a change to Council policy and/or service delivery requires resources to be reallocated, or when additional resources are received, or to meet any anticipated budgetary shortfalls.

All virements, whether revenue or capital, are subject to the following authorisation process:

(a) Virements of £1 million or more will require Cabinet approval.

(b) Virements between £250,000 and up to £999,999 will require approval by the relevant Cabinet Members.

**Council, 13 June 2012**

(c) All other virements will need to comply with procedures specified by the Group Director Finance & Commerce.

The cumulative value of virements for the year should be considered when deciding whether the various thresholds have been reached. The Group Director Finance & Commerce will take the final decision as to whether a number of smaller virements need to be grouped together for threshold calculation purposes.

## POWERS OF THE HEAD OF DEVELOPMENT & BUILDING CONTROL

### 1. **Proposed change to text of delegated powers 3.7.6 (vi)**

Planning applications for up to two residential units can currently be approved by Head of Development and Building Control under delegated powers. The Council has, however, introduced a requirement for all developers creating one or more net residential units to pay a tariff to contribute to the costs of community infrastructure.

To bind the applicant to paying the tariff requires prior completion of a Unilateral Undertaking which is a form of planning obligation. Currently any planning application involving a planning obligation of that nature is referred to the Regulatory Services Committee for determination.

Delegation of power to enable Head of Development and Building Control to accept the Unilateral Undertaking and to approve such applications would better streamline the process, for the Council and the applicant. It would also avoid applications unnecessarily filling up the Committee agenda.

Accordingly, it is proposed to amend paragraph **3.7.6(vi)** to read:

**“Erect residential development where the number of dwellings does not exceed two, including proposals which require prior completion of a Unilateral Undertaking committing the applicant to paying the Council’s Infrastructure Tariffs, the latter involving liaison during the process between Head of Development and Building Control and Head of Legal Services”.**

### 2. **Proposed New Delegated Power: 3.7.6 (cc)**

The Crossrail Act 2008 (the Act) has conferred the right to construct and maintain Crossrail and in effect is similar to a grant of Outline Planning Permission. Schedule 7 of the Act sets out items that require further detailed approval for both permanent works and construction arrangements, if a local authority chooses to become a “qualifying authority”. Havering is a qualifying authority.

In order therefore to ensure that applications are dealt with within 8 weeks, it would be appropriate for Schedule 7 Applications to be determined at delegated level, unless it is considered that the proposal raises significant issues (for instance, a large number of objections or significant judgement issues over impact).

Accordingly, it is proposed to add a new paragraph **3.7.6 (cc)**:

**“To determine applications under Schedule 7 of the Crossrail Act 2008”.**

### 3. **Proposed additional text in 3.7.6 (xiii)**

Proposals for school outbuildings and awnings are usually found acceptable and generally attract little public interest. Currently, however, they sit outside the scope of delegated powers so need to come to Committee unnecessarily. Incorporation into this delegated power will streamline the planning process for schools and the Council and reduce the number of applications requiring Committee determination.

Accordingly, it is proposed to add a new paragraph **3.7.6 (xiii)**:

**“Extensions less than 1,000sqm, outbuildings, and freestanding shelters and awnings and boundary treatment including walls and fencing proposals in respect of school related applications unless objections have been received or the school is in the Green Belt.”**

#### **4. Proposed additional text in 3.7.6 (xiv)**

The following proposal addresses a small type of development which is usually approved and generates little public interest. Incorporating this in the existing delegated power will streamline the process for the Council and the applicant and will prevent applications unnecessarily lengthening the Committee agenda.

Accordingly, it is proposed to add a new paragraph **3.7.6 (cc)**:

**“To decide all proposals under the advertisement regulations and applications for external building alterations including shop-fronts and canopies in respect of LBH applications which, were they not Havering properties, would be determined under staff delegation powers.”**