



Leicester
City Council

ALL WARDS

CABINET

July 11th, 2005

VIREMENT RULES – DELEGATION ARRANGEMENTS

REPORT OF THE CHIEF FINANCE OFFICER

1. INTRODUCTION

- 1.1 At its meeting on June 30th, Council will be recommended to revoke the changes to the virement rules that were agreed at Council on February 23rd, 2005. If Council agrees to the recommendation, there remain some matters to be resolved with regard to the delegation from Cabinet to Officers. The purpose of this report is to set out the current position and to invite Members to make any changes they consider appropriate in the light of the decision taken by Council.

2. REPORT

- 2.1 The following resolutions will remain extant, even if Council at its meeting on June 30th, agrees to the Cabinet recommendations. The minute references are to the meeting of the Cabinet on April 4th, 2005:

Minute 220 (2) No virement shall be undertaken by Corporate Directors without first consulting the relevant Cabinet Member and obtaining the approval of the Chief Finance Officer

Minute 220 (3) Prior to granting approval the Chief Finance Officer shall consult the Leader and the Cabinet Member for Finance, and shall keep a written record of all approvals given, together with the comments of the Leader and Cabinet Member for Finance.

3. RECOMMENDATIONS TO CABINET

- 3.1 Cabinet is asked to consider whether it wishes to revoke the extant resolutions, as set out in para 2.1 above.

4. FINANCIAL IMPLICATIONS

4.1 The virement framework forms a part of Finance Procedure Rules. These may only be amended by Council, but the detailed operation of that framework is set out in the “determinations” to the Finance Procedure Rules, which may be amended by Cabinet. The subject of this report relates to the “determinations”, and hence is a matter for Cabinet to resolve.

5. LEGAL IMPLICATIONS (Peter Nicholls)

5.1 These are covered in the report

6. OTHER IMPLICATIONS

| Other implications | Yes/No | Paragraph referred |
|------------------------------|---------------|---|
| Equal Opportunities | No | - |
| Policy | Yes | The report concerns the operation of the Council's constitution |
| Sustainable & Environmental | No | - |
| Crime & Disorder | No | - |
| Human Rights Act | No | - |
| Elderly/people on low income | No | - |

7. Report author:
Andy Morley – Ext 7404
Chief Accountant

DECISION STATUS

| | |
|--------------------------------------|---------------------|
| Key Decision | No |
| Reason | |
| Appeared in Forward Plan | No |
| Executive or Council Decision | Executive (Cabinet) |