

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 6 MARCH 2012

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**Title:**

**AMENDMENTS TO FINANCIAL LIMITS AND THE CONSTITUTION**

**[Portfolio Holder: Cllrs Mike Band and Robert Knowles]**

**[Wards Affected: N/A]**

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**Summary and purpose:**

The purpose of this report is to consider a proposal to raise the financial limits that give the Executive the authority to approve supplementary estimates without reference to the Council.

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**How this report relates to the Council's Corporate Priorities:**

This proposal will help to ensure efficient and effective decision-making.

**Equality and Diversity Implications:**

There are no equality and diversity implications arising from this report.

**Environment and Climate Change Implications:**

There are no environmental or climate change implications.

**Resource/Value for Money Implications:**

There are no resource implications.

**Legal Implications:**

The Council can set reasonable limits under Executive arrangements below which the Executive can be given power to act.

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**Background**

1. This report revisits the issue of whether to raise the financial limits set out in the Council's constitution that give the Executive the authority to approve supplementary estimates without reference to the Council.
2. The current limits were set around six years ago, and as a result, a number of items have to wait for full Council approval. This can involve a five week delay in some meeting cycles. The key reason for proposing an increase to the supplementary estimate limit for the Executive is to prevent such delays.

Most supplementary estimate requests arise from events where the timing and/or amount is unclear until very near to the time when the expenditure is required e.g. planning appeal cases. Giving the Executive a higher limit within which it can approve additional funding should prevent the delay of waiting for the next full council meeting. The current limit of £20,000 has been in place for 9 years.

3. In total, over the last four years, there have been 15 separate requests for supplementary estimates in each year. The following shows the number and type requested:

<b>Purpose</b>	<b>Number under £20k</b>	<b>Number over £20k</b>
Planning enforcement		4 (2 >£50k)
Planning appeal		4 (2 >£50k)
Other	6	1

### **Proposal**

4. There are occasions within the financial year when, because of the need to react to new situations or unanticipated events, the Council needs to approve new expenditure and funding at short notice. This requires a supplementary estimate. Specifically, based on past experience, having additional flexibility and speed of decision making would be advantageous for approving unexpected planning appeals and planning enforcement costs. It is also recognised that in the event of a civil emergency, Waverley may have to incur costs at short notice so the ability to manoeuvre quickly would also be of benefit.
5. The proposed changes are as follows:-

***Supplementary estimates – increase limit from £20,000 to £50,000 only in relation to the estimated costs arising from the following instances:***

- ***Civil emergencies***
- ***Planning appeals***
- ***Planning enforcement***

### **Decision-Making Process**

6. If the Executive is minded to support the proposed changes, the matter will be recommended to Council because it is an amendment to the Constitution and Financial Regulations. An extract from the Constitution is attached at Annexe 1 showing the proposed changes.

### **Scheme of Delegation**

7. The existing Scheme of Delegation gives the Chief Executive “power to act in respect of those powers delegated to the Executive in cases where a decision is required before the Executive next meets”.

8. This power is exercised “on the advice of the relevant Head(s) of Service and after consultation in each case with the Leader and relevant Portfolio Holder”. This power has been exercised within the limits for supplementary estimates set out above.
9. Should the Council agree to increase the limits, the delegated power will increase correspondingly. It would clarify the authority if the new limits were included in this delegation. The relevant section of the Scheme of Delegation is attached as Annexe 2 showing the proposed changes.

### **Recommendation**

It is recommended to the Executive and Council that

1. the financial limits for the Executive to approve for supplementary estimates be increased from £20,000 to £50,000 subject to the qualifications set out in paragraph 5 above; and
2. the Constitution and Scheme of Delegation be amended accordingly.

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### **Background Papers**

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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